

JUSTICE 1 COMMITTEE AND JUSTICE 2 COMMITTEE (JOINT MEETING)

Wednesday 28 April 2004
(*Morning*)

Session 2

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CONTENTS

Wednesday 28 April 2004

Col.

| | |
|-------------------------------------|-----|
| BUDGET PROCESS 2005-06 | 171 |
|-------------------------------------|-----|

JUSTICE 1 COMMITTEE **16th Meeting 2004, Session 2**

CONVENER

*Pauline McNeill (Glasgow Kelvin) (Lab)

DEPUTY CONVENER

Mr Stewart Maxwell (West of Scotland) (SNP)

COMMITTEE MEMBERS

*Bill Butler (Glasgow Anniesland) (Lab)
*Marlyn Glen (North East Scotland) (Lab)
Michael Matheson (Central Scotland) (SNP)
*Margaret Mitchell (Central Scotland) (Con)
*Margaret Smith (Edinburgh West) (LD)

COMMITTEE SUBSTITUTES

Roseanna Cunningham (Perth) (SNP)
Helen Eadie (Dunfermline East) (Lab)
Miss Annabel Goldie (West of Scotland) (Con)
Mike Pringle (Edinburgh South) (LD)

*attended

JUSTICE 2 COMMITTEE **16th Meeting 2004, Session 2**

CONVENER

*Miss Annabel Goldie (West of Scotland) (Con)

DEPUTY CONVENER

*Karen Whitefield (Airdrie and Shotts) (Lab)

COMMITTEE MEMBERS

Jackie Baillie (Dumbarton) (Lab)
Colin Fox (Lothians) (SSP)
*Maureen Macmillan (Highlands and Islands) (Lab)
*Mike Pringle (Edinburgh South) (LD)
*Nicola Sturgeon (Glasgow) (SNP)

COMMITTEE SUBSTITUTES

Ms Rosemary Byrne (South of Scotland) (SSP)
Cathie Craigie (Cumbernauld and Kilsyth) (Lab)
Michael Matheson (Central Scotland) (SNP)
Margaret Mitchell (Central Scotland) (Con)
Margaret Smith (Edinburgh West) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Chief Superintendent Tom Buchan (Association of Scottish Police Superintendents)
Douglas Cross (Association of Chief Police Officers in Scotland)
Jim Gallagher (Scottish Executive Justice Department)
David Henderson (Scottish Executive Justice Department)
Chief Constable William Rae (Association of Chief Police Officers in Scotland)
Ruth Ritchie (Scottish Executive Finance and Central Services Department)

CLERK TO THE COMMITTEE

Alison Walker

SENIOR ASSISTANT CLERK

Douglas Wands

ASSISTANT CLERK

Douglas Thornton

LOCATION

Committee Room 2

CLERK TO THE COMMITTEE

Gillian Baxendine

Lynn Tullis

SENIOR ASSISTANT CLERK

Anne Peat

ASSISTANT CLERK

Richard Hough

Scottish Parliament

Justice 1 Committee and Justice 2 Committee (Joint Meeting)

Wednesday 28 April 2004

(Morning)

[THE CONVENER *opened the meeting at 10:10*]

Budget Process 2005-06

The Convener (Pauline McNeill): Good morning and welcome to this joint meeting of the Justice 1 Committee and Justice 2 Committee. As usual, I ask members to check whether they have turned off their mobile phones, because they interfere with the sound system. We have received apologies from Michael Matheson, Mike Pringle, Jackie Baillie, Stewart Maxwell and Colin Fox.

This morning, we will take evidence for our consideration of the budget process. Members should ensure that they have with them a copy of the annual evaluation report, which was circulated at the meeting on 21 April. Members' papers should also include an advisory note from the Scottish Executive, which points out that some changes have been made to the 2004-05 budget; a breakdown of the justice budget; and a Scottish Executive position paper. A late joint submission from the Association of Chief Police Officers in Scotland and the Association of Scottish Police Superintendents has also been circulated.

I welcome to the meeting our panel of witnesses from ACPOS and the ASPs. ACPOS is represented by Willie Rae, who is the chief constable of Strathclyde police and chairman of the association's finance standing committee; and Douglas Cross, who is Tayside police's director of corporate services and secretary of the finance standing committee. Tom Buchan is a chief superintendent with Strathclyde police and an executive committee member of the ASPs.

As we have about an hour and a quarter for questions, we should be able to get through them all.

Margaret Mitchell (Central Scotland) (Con): How does the Scottish Executive consult the police service on resource allocation and target setting? Is that consultation adequate?

Chief Constable William Rae (Association of Chief Police Officers in Scotland): A pattern has been set for the way in which our needs are reviewed in the spending review. For example, ACPOS and Scottish Executive officials now have

a very close dialogue about the movements that might occur from year to year. Moreover, the eight Scottish police forces have a structure that allows them to come to the Executive with one voice. It is not too difficult to do that, because the pressures that are felt in one force are generally felt throughout Scotland.

We are comfortable with the current open consultation process, which is working well. We feel that our concerns are listened to and reflected in the Executive's responses. As a result, I do not think that that will necessarily be a major issue for the future. Our job is to ensure that there are no surprises and we do our best to identify to officials anything that might be coming on to the horizon. The officials then pass on that information to ministers.

When we began to tie targets into spending review arrangements, we found it difficult to settle on targets that were entirely appropriate. Three specific targets were attached to the previous spending review exercise. One of those targets related to serious violent crime; the second related to the fear of crime, for which an indicator was developed; and the third related to drug seizures. In the intervening period, we have been involved with the Executive and other partner organisations in reviewing many of the targets. Recently, we have set new targets for future years.

10:15

In the targets for the 2002 exercise, we exceeded the drug seizures target, which was to increase seizures by 25 per cent, by around 85 per cent. With hindsight, I would say that the target was not very good.

On the second target, we felt that tackling the fear of crime was not an issue for the police alone. We wanted to use a community planning framework and to bring in other organisations and players. As a result of work that was done with the Executive and that wider group of people, we have a number of questions that will now go into the 2004 Scottish crime survey, which will be conducted under the auspices of the Executive. Our target involved developing some means of measuring the fear of crime, which is difficult to do.

Our target for violent crime was to reduce it by 5 per cent. We have not achieved that target; we have reduced violent crime by about 2.5 per cent. In future targets, further reductions remain a high priority.

We have been involved with the Scottish Drug Enforcement Agency, and other organisations that have interests in drug issues, to get away from a simple head count and move towards using a system of indicators that takes the weight of drugs into account. We feel that we need a better

measure of the quantities of drugs that are being taken off the streets, rather than just the number of people who are being arrested. The process is developing and, as we learn from information on earlier performance, we are trying to make it more sophisticated. Where we are now will not be where we are in five years' time.

Margaret Mitchell: Have you questioned the 25 per cent target? If so, have you met with a sympathetic ear?

Chief Constable Rae: Setting targets is hugely difficult. When we were considering targets in 2002, we were looking back at what had happened before and trying to anticipate what might happen in the future. A very interesting area for us is the seizure of assets from criminals. We are considering how best to develop targets for that. That issue is of great interest to many communities because we can disrupt criminal enterprises by seizing assets. We have targets but, because we are dealing with a fairly new piece of legislation, we are learning the best ways of working with it.

Margaret Mitchell: If you have had reservations about targets, and you have brought up those reservations in dialogue, have you been listened to? Are you satisfied with the processes?

Chief Constable Rae: We have had very open dialogue with the Executive on targets. Largely, the issues are police led. The Executive may well invite us to consider a particular area but most of the areas are pretty obvious. As you will well appreciate, we engage in a lot of dialogue at local level to identify the public's priorities. As part of the normal business plans for the force, we try to identify local targets. Violent crime will always be there; drugs, sadly, will be there for a long time; and we spend a lot of time ensuring that we follow national priorities on improving the statistics for road accidents.

The approach has become much more sophisticated over the piece. We have found the Executive to be receptive to suggestions about what might be fruitful areas. We recognise that there must be targets as part of performance management, and we want to ensure that the targets are not daft and that they mean something. When we have said that there will be an increase of 25 per cent in the number of people who are arrested and the eventual figure is 85 per cent, we must question whether the target was right in the first place. When the target is exceeded by that amount, we have clearly missed the boat.

Miss Annabel Goldie (West of Scotland) (Con): I remember getting a chill feel in my bones when you appeared before the committee last October and drew to our attention the peaks that are likely to occur in terms of pensions costs for

the budget. I recollect that you identified two peaks, one of which is in 2005-06; the other, which is big, is in 2009-10. I think that you were satisfied that provision had been made in the expenditure plans for the first peak. Are you still satisfied about that?

Chief Constable Rae: Very much so. We do not want there to be any surprises on the issue, so we have flagged it up. We identified the issue in the spending review and pensions have been provided for over the first peak.

I am grateful to the committee for helping to put the issue on the map. As a consequence of the evidence that was given to the committee, we are looking beyond the first peak and considering the next peak. We are trying to develop a strategy to contend with the significant exodus of experienced officers in 2009-10. You may recall that, at the first peak, just over 500 officers reach retirement age whereas at the second peak more than 800 officers do so.

Miss Goldie: Before I ask about the manning issues, can you clarify the financial position in relation to the second peak? Although there is some quantification of the first peak, we do not know the quantification of the second one, which seems to represent a challenging pressure on the budget. Can the sum for the pension obligation for 2009-10 be quantified? Are you satisfied that that money will be found from the budget or will there be a cut in the funding of operational capacity?

Chief Constable Rae: Since we last met, discussion has taken place on changing the arrangements by which police pensions are provided; that follows what is happening south of the border. The intention in England and Wales is to remove the burden from police budgets and hold the pension centrally—that would take the matter off the chief constable's plate. Although that change would not remove the problem, the concept is that managing the fund centrally may well be easier than having to divide up the cake into—in Scotland's case—eight separate forces. That concept has been discussed in Scotland and I suspect that we may follow that approach.

I have had no indication that there is any intention to reduce the operational side of policing to accommodate the peak. The pensions issue is a financial matter, but the big loss to us is the experience of the officers.

Miss Goldie: I will come to that in a moment. I am anxious that the committee should be clear about the financial implications.

What you are telling us is extremely helpful, because if your understanding is correct and the pattern that seems to be established down south is adopted in Scotland, the operational budget for our police forces in Scotland would not be

affected—the charge would be against central Government funding. Is that correct?

Chief Constable Rae: That is my understanding of what is happening in England and Wales, and we have been involved in discussions in that regard. I believe that there is a desire to replicate the pattern in Scotland, but a decision has not yet been made. Doug Cross might be able to give a precise figure for the pension liability.

Douglas Cross (Association of Chief Police Officers in Scotland): The figures for 2009-10—the second peak in retirement—fall outside the spending review in which we are engaged, as you are aware. We have been providing figures for the period 2005-06 to 2007-08 so that we can prepare for the second peak. We have worked out figures for pension provision costs for the peak that will come in 2009-10; on-going pension costs will be influenced by the level of pay awards and so on that accrue from that period. The figures are being built up and will be made available to the Scottish Executive, but they do not form part of the next spending review calculations at this time. Rather, we have been working with the ACPOS personnel and training committee to determine a strategy to deal with the loss of experience, which was the other part of Annabel Goldie's question.

Miss Goldie: Do you feel able to share with the committee your estimated quantification of the liability?

Douglas Cross: We can provide that figure, but we do not have it today.

Miss Goldie: Could it be produced?

Douglas Cross: Yes, it can be produced and passed on to you.

Miss Goldie: That would be helpful.

I turn to the manning implications of the pension arrangements. In the joint submission from ACPOS and the ASPs, I notice that in 2004-05 and 2005-06 there is an estimated loss of 940 men—370 plus 570—and in 2009-10 there is an estimated loss of 800 men, which gives a total of 1,740 individuals. We all have a natural apprehension about losing that number of serving police officers and removing that tranche of experience from the force, to which you have just alluded. My concern is that the projected recruitment seems to amount to 300 individuals over the forthcoming six years or so. I do not claim to be a numerist of the highest order, but even to me there seems to be a big gap there. What do you think will be the implications for the police forces of Scotland and for your ability to meet the targets, on which Margaret Mitchell questioned you, of a net loss of personnel of somewhere in the region of 1,440 men and women?

Chief Constable Rae: We are involved in close dialogue with the Executive on that turnover. As part of our bid for the next spending review, we have submitted proposals to bring on the recruitment of officers. You will acknowledge that there would be practical issues for us if we tried to recruit high numbers of officers in a single year, because there is a limit to our capacity to train new officers.

This is a matter for politicians to determine in relation to the budgets, but we hope that we will be able over the next three years to start bringing in early additional recruits to prepare us for the exit of personnel. Individual forces are considering how to deal with the retirement peak in 2005-06. In Strathclyde police, which is my force, we will have a higher than normal turnover in 2005-06. With the approval of our police authority, we are trying to increase our recruitment in the short term so that we have recruits in a little bit early, which will allow the numbers to drop again when the exodus takes place. I believe that all police forces will be using their resources locally to prioritise that.

10:30

From my dialogue with the Executive, I know that the issue is acknowledged. We have had discussions about how we might address the shortfall tactically. The issue does not just affect chief constables' budgets; it affects common police services, including training. I hope that we can find a sensible way forward to minimise any disruption. I do not sense that there will be any drop in the head count. Judging from the work that is going on, I think that we will have around the same number of officers. My big concern, and that of every chief constable, is the loss of experience that cannot readily be replaced. With an exodus of experienced people throughout Scotland, there is a risk of an impact on performance and we want to plan and prepare for that.

Apart from people retiring from the service, there is a general turnover of staff. Although the attrition rate, as we would call it, is relatively modest, it is an issue. We must ensure that we retain the current number of officers. Many big employers face a similar challenge. If we consider the demographics for the next few years, it will be a matter of holding on to current staff.

When the chief constables met yesterday, one of the issues on our agenda was what more we can do to ensure that our women officers stay in the job. We very much want to be a modern employer, and we have capacity for options such as part-time working, job sharing, career breaks and the like. As an employer, we need to look at what is happening in the wider community so as to ensure that we retain our current staff, particularly women officers.

Miss Goldie: Despite the apparent shortfall of around 1,440 people, you said, if I understood you correctly, that you sensed that there would not be a drop in the number of operating officers. If we are to make sense of the budget process, we need to understand how, if you do not anticipate a drop in the number of operating officers, the money will be found to pay for avoiding the shortfall.

Chief Constable Rae: The committee should appreciate that our normal recruitment pattern will continue. We are seeing an increase of 300 over the normal departure level. Our normal intake for the whole of Scotland, taking into account the number of people who are retiring, would probably be about 350 to 400 a year. The tap is always flowing with new recruits coming into the organisation, and while the gap that we are focusing on will be wider than the normal gap, we would always have a gap, which we have to fill every year.

Miss Goldie: Will there be any financial incentives to encourage officers to remain, rather than retiring in 2009-10?

Chief Constable Rae: There is a financial incentive, which aims to encourage officers with more than 30 years' service to stay on. It was developed through the Police Negotiating Board for the United Kingdom, which deals with police pay and conditions. In the early days of that incentive's operation, a number of pilot schemes were run south of the border, but the uptake was very low. I believe that the matter is being revisited and that other options in the way of pay and conditions are being considered. The issue affects policing in the whole of the UK. Discussions are at a fairly early stage, however, and there is no plan to change the arrangements at the moment.

The Convener: Could you provide the committee with statistics on the fall in officer numbers at the two forthcoming peaks in pension costs? That would enable us to understand how the various figures fit together.

Chief Constable Rae: Certainly.

The Convener: We need a more accurate picture of the figures, so that the committees can decide whether they share the sense, which you spoke of, of there being no drop in the head count. Would that be possible?

Chief Constable Rae: We can certainly provide that.

The Convener: You highlighted the loss of experience in the police service, which is a worry for us all. Have you thought about any schemes for passing on the experience of our officers to the new recruits? Most of us would agree that Scotland is good at policing and ensuring public order. In comparison with England, we do better

and that is pretty much down to the experience that has been gained here. I am worried that we will lose that experience.

Chief Constable Rae: Thank you. I agree with you about those areas of business. We are constantly reviewing our training, and our probational training arrangements for new recruits were restructured recently. We are interested in finding ways of compressing that learning into as short a period as possible, but there are always pressures in terms of the abstraction of officers.

Every force spends a great deal of time on ensuring that practices and processes are captured so that we have a stream of people coming through who can take command of big issues. In my area, where large football matches take place, there is often someone shadowing the commander in our control rooms to ensure that that experience is passed on. That happens throughout Scotland. We take the point that we have a responsibility to ensure that the next generation has the capacity to take on the new challenges.

Karen Whitefield (Airdrie and Shotts) (Lab): Thank you for your written submission to the committee, in which you highlight your concern that, in next year's budget, you will have a shortfall of approximately £2.3 million. You also highlight the fact that, with the potential for new legislation, there might be a further shortfall of £3 million, taking the shortfall in next year's budget to £5.3 million even if you were to stand still and provide the level of service that you are currently providing.

I am interested to know what discussions you are having with the Scottish Executive to ensure that the financial consequences of any new legislation are properly addressed. Normally, when we consider legislation, there is a financial memorandum to accompany the bill. What discussions are taking place to ensure that any new legislation will be properly costed and that you will be given sufficient money to allow you to implement it? Also, what are your objectives for the overall spending review? What do you want to get out of the spending review to ensure that you have sufficient money to run the police service in Scotland?

Chief Constable Rae: The first part of the budget shortfall that is identified in our submission—the £2 million or so—relates to the new radiocommunications system that is being introduced throughout the UK. The system will start to impact on Scotland in this financial year and will continue to do so over the next two financial years. In preparing for the introduction of that technology, we worked closely with the Scottish Executive. When we set out our spending plans, we had to make broad estimates about the

costs, but as we get closer to the day when the technology will be implemented in our forces, we can firm up some of the costs. It must be acknowledged that the Executive has been very supportive in recognising that new burden and has made efforts to try to shuffle around funding to meet the peaks as they have come along. I am certain that that discussion will continue over the course of this year to overcome any difficulties.

We are well consulted about Scottish Parliament legislation, but assessing its likely impact can be a challenge. One great benefit of having the Scottish Parliament is the opportunity for close consultation with stakeholders such as chief constables, for which we are grateful. However, Westminster legislation still has an impact on us. When legislation on asset confiscation came into force, the Executive made additional funding available to allow all forces in Scotland to employ financial analysts and additional people to support that legislation. I cannot criticise the Executive's responses to the pressures that fall on forces. I hope that we can proceed in the next financial year without too many difficulties.

Chief constables are mindful of national security at the moment; it is a big priority for them. There is no reason why the committee should already be aware of this, but we receive Executive funding from outwith grant-aided expenditure for national security. Some rationalisation has taken place of how our port policing is funded and how we deal with new threats out there. Not all the pressures are dealt with in GAE—some funding is outwith that.

As for hopes for the future, no matter what the press says about police numbers, the number of police officers is as high as it has ever been. Every chief constable wants more officers, but we recognise the big picture. Our submission to the spending review was based on maintaining the number of officers and financing additional spending for specific pressures that are coming our way. However, I must say frankly that that does not reflect the growing public expectation of us and all public services. The public are right to expect us to improve year on year. To improve and be more efficient, we constantly churn our existing resources to make best use of funding.

A controversial issue of late has related to how the police service can be benefited, without being given money, by the contracting-out of prisoner escort services. The introduction of that service has been troublesome and the first phase is taking place in my force's area. However, the benefit for me as a chief constable is that I will have 130 officers to deploy in operational roles around Strathclyde. It was inevitable that the arrangement would have a bedding-in period and it is unfortunate that that has not been as easy as one

would have wished it to be. Nonetheless, that is a good example of freeing officers from duties that do not require police powers, to allow the community to benefit.

We always seek to make gains in that way. When I last gave evidence in the Parliament, I was asked what other such opportunities existed. We constantly seek those other opportunities, to make better use of existing resources.

Karen Whitefield: Do you hope that the deal that you reach with the Executive at the end of the spending review will allow you to continue to invest in the police service rather than just to hold a standstill budget and provide the current level of service?

10:45

Chief Constable Rae: Perhaps I might bring in Mr Cross at this point, as he was technically responsible for pulling the submissions together. There are rules about how one submits bids under the spending review. We were well warned that we should not come forward with any ambitious plans; we were told that there is no money in the purse. Our bids have been tempered by some of the messages that have come from the Executive. Although we are not submitting bids for growth in activity, we hope that our specific demands can be met.

Douglas Cross: We constructed the figures for the spending review not to make a bid for growth; our bid is based on current levels of service and current staffing levels. As Mr Rae said, that is partly because that is what we were encouraged to do. The figures also provide a degree of transparency for the whole process and identify the cost of continuing with that level of service. As Mr Rae also said, we have to identify any significant pressures—we have talked about pensions, which are a key pressure for us.

The bid is provided on the basis of continuing with the same level of service. However, as the spending review period progresses—Mr Rae has mentioned this—opportunities can occur as a result of new pressures that arise and there is a chance to have a dialogue with the Executive about how those demands will be funded. That recipe has worked fairly well in the past.

As I said, we did not construct the bid in an attempt to provide for lots of growth, which we believe would cloud the issue of the cost of maintaining the service as it stands.

Karen Whitefield: Mr Rae mentioned public expectations. Tom Buchan, who is the divisional commander for my constituency, knows that I raise regularly with him the issue of the public perception of policing. It strikes me that there is a

tension between the public's understandable desire to have high-visibility policing and the need for that to be matched against police targets, which are targets that you set for yourselves. On the need for high-visibility policing and the reassurance that that gives communities, do you have the right targets and are your budgets organised internally in such a way as to allow you to deliver the public's expectations on the policing of the communities in which they live?

Chief Constable Rae: I do not know whether there is necessarily a right target. We call them "targets", but perhaps that is a misnomer; they are indicators that allow us to determine whether our performance is improving.

As for public expectations, one thing that the chief constables have been saying of late is that, whereas 10 years ago the big issues for us were housebreaking and car crime, which was a big issue in the public arena, and our letters of complaint related very much to concerns about acquisitional crime, public concern now relates to antisocial behaviour and the behaviour of young people—people seldom raise the issue of housebreaking or car crime with us now. I do not mean to say that such crime does not still exist, but it does not seem to be the priority in the public eye that it once was.

One stark message to all chief constables in relation to demand has flowed as a consequence of the new technology that is being introduced through the airwave system—I do not know whether any members have been involved in the project. Chief constables now find themselves in the call centre-type business. All of us are updating our telephony systems, which is a long-overdue improvement. We always recognised that a percentage of the people who tried to get in touch with the police could not get through because an insufficient number of lines were available, particularly at peak times. Where the new technology has been introduced, it has allowed us to ensure that all calls are now being answered within a short space of time.

One of the areas in which demand has increased substantially is Tom Buchan's area of North Lanarkshire, which has been a bit of a guinea pig for the testing of the Strathclyde model. The situation has proved quite difficult for him to deal with, because of the number of calls that are coming in. Strathclyde had been planning on receiving 8.5 million calls a year—I am talking about ordinary telephone calls, not 999 calls. We have had to upgrade that estimate to 10 million calls a year, because of the experience in North Lanarkshire. That has implications for the number of staff that we have and how we respond to that level of demand. I should give some examples.

Karen Whitefield: The issue is not just about the answering of the call. As Tom Buchan and I have discussed at length, there is no problem with the call centre in North Lanarkshire; the calls get answered very quickly. The issue is about what happens to the call afterwards and how it is addressed. There is still a need for police input, because sometimes only officers can deal with the situation.

Chief Constable Rae: I should make it clear that, because of the inefficiency of our telephony, we were artificially suppressing the demand. Now that we are sorting out that bit of the process, we have found that demand is much higher than we had anticipated. That raises the question of what to do with that higher demand down stream.

Chief Superintendent Tom Buchan (Association of Scottish Police Superintendents): I do not know where to start. "Guinea pig" is probably an appropriate term to use, given that what we are trying to do in my division, which has a population of about a third of a million people, is at the leading edge of what is required to take the service forward with airwave.

It has been suggested that there is a tension between targets. In that regard, I would say that we have some difficulty—if not quite a dilemma. As Mr Rae rightly says, the Government imposes national targets on us after consultation. As we have heard this morning, some of those targets relate to class A drugs, fear of crime and violent crime.

In North Lanarkshire, we have just completed our survey and the public's top three concerns are vandalism, youths causing annoyance and drinking in the street. Housebreaking is fourth on that list, crimes of violence are fifth and drugs are eighth. A supplementary question was about what else the public would like us to do to improve services. Members will not be surprised to learn that a majority of the public would like there to be more police officers on the street, which I find slightly reassuring.

On telephony, I know that, historically, at peak times perhaps only 83 per cent of people were getting through to the police. Mr Rae referred to the artificial ceiling that we had. We are now very much living in the real world and can obtain from the databases accurate pictures of public demand. In my division, we experienced an increase of 2,500 incidents in the first three months of the year. That does not amount simply to 2,500 telephone calls; it amounts to 2,500 people who want to see us and who expect some form of police response. That is an extra 800 incidents a month, which is a significant increase. The vast majority of those relate to vandalism and youths causing annoyance and, to a lesser extent, to

drinking in the street, which is a cultural issue in North Lanarkshire.

I have experienced a tremendous increase in the demand for business, even though I have the same resources as I had this time last year. We are engaged in dialogue about how we can better manage our resources. There are issues for the police, which include being smarter about the use of resources. We are considering shift systems and how we can put more police on the street, where people want to see them, but the fact is that a significant demand is being put on us. It is no secret that, about a month ago, at 9 o'clock on a Saturday night, I had 117 outstanding calls and no resources to send; everyone was busy. Therefore, there are issues, but we have better evidence now for planning and taking forward resource management than we have ever had, because previously that evidence had always been artificial.

I have apologised for the pillar-to-post experiences that people have had because of our telephony. We are installing new technology in July and August, which I hope will mean that there will be a one-stop shop so that, when someone phones, the person who takes the call will take all the details and will deal with the matter. However, until then, we will continue to experience difficulties. Times are challenging.

Chief Constable Rae: We have spoken about Strathclyde, but Lothian and Borders police have just opened a new control centre and there has been a significant increase in demand. Dumfries and Galloway police are about to open a control centre and I am sure that they will have a similar experience. I have been told by people in the business what to expect, particularly at peak times. If demand can be levelled off over the period, that is fine, but we end up with a pattern of activity that starts at about 4 o'clock in the afternoon and reaches a peak at about 6 o'clock, when people come home at night. We then fight to try to catch up with that peak for the rest of the evening, which is a challenge. As Tom Buchan said, there are issues for us in matching resources to that demand. All chief constables have wrestled with that challenge.

The Convener: I should point out that we are more than halfway through the time that we have, but not halfway through our questions. If we could have slightly shorter answers, that would ensure that all members could ask their questions.

Nicola Sturgeon (Glasgow) (SNP): I will briefly follow up on the last point that was made before I ask another question. It strikes me that we are talking about what could be a serious issue. One of the most common complaints from the minority of people who complain about the police is that, when someone phones the police and makes a report, nothing happens. If that view is held under

a system in which demand has been suppressed and only 83 per cent of calls get through, that will—

Chief Superintendent Buchan: That was previously. We are now hitting 97.9 per cent—

Nicola Sturgeon: I know, but I am talking about complaints over the past few years. If that was the most common complaint under the old system, I presume that, when demand is no longer being suppressed, such a feeling will increase unless something concrete is done to tackle the problem. I wonder about the extent to which you think you can meet the increased demand within existing resources simply by changing shift patterns or shifting resources around the system. Can such an increase in demand be met within existing police resources? It strikes me that, if the demand is not met satisfactorily, there is a danger that the traditional confidence in the police will be gradually undermined and eroded. You have raised a significant issue.

Chief Constable Rae: I reassure members that there is a call prioritisation arrangement. If something requires an urgent and instant response, forces will park other incidents.

It would be wrong to think that we are not considering ways in which we can filter some of those calls to prevent them from going to the front line. Many calls that we receive are not on policing issues. Can we work more closely with local authorities and the health service to manage that demand? Another aspect of the plans that are being rolled out is to establish a system of interpreting the information that we receive telephonically and determining whether a call can be handled in slow time or whether it requires an urgent response. There is a mechanism that all forces are applying. We still have much to do in articulating to the public what they can reasonably expect of the police. If, as Tom Buchan described, we have high numbers of calls at peak times and are unable to make an instant response, we want to ensure that people understand that, when they call, they will not necessarily have a police officer there within five or 10 minutes. We find the public to be understanding. They do not want the police to say, "We'll be there," and then hear nothing from us or see nothing of us.

A fair amount of work has been done on that issue. As with all public services that cannot regulate the peaks in demand, dealing with that will always be a challenge for us. We work proactively to try to reduce demand—by tackling repeat victimisation, for example. We have spoken about the issue previously and I am mindful of the warning from the convener, so I had better be brief. The situation is not a stark one in which there has been a huge increase in demand that we have tried to tackle by firing out people into the

front line. We are trying to ensure that we optimise the options that are available to respond to the public need.

11:00

Nicola Sturgeon: I am sure that we will return to the issue as the situation develops.

You have pre-empted my next question. The police do not work in a vacuum. When we took evidence on the previous budget, you talked about the importance of partnership working and gave as an example the fact that increased funding for the Crown Office has improved the police's day-to-day performance. What other agencies do the police work with closely and depend on for their performance? Do any of those agencies have problems with underfunding or poor performance that impinge on your ability to improve services?

Chief Constable Rae: I mentioned the Crown Office and Procurator Fiscal Service during the previous budget process. Chief constables applaud what has happened in the service, which shows that it is possible to fix what seem to be intractable problems. Tom Buchan has a good relationship with the area fiscal in Hamilton.

I do not believe that any agency is more active than the police service is—if we can call the police service an agency—in community planning. We try to stimulate the development of relationships and underpin the work of local authorities. We ensure that we take a joined-up approach. Pressures undoubtedly exist—for reporters to children's panels, for example, although that issue is under review. Much of our work is done with smaller local authority services and the fire service. All those services are under pressure and we will always want more to be done. However, in the past few years, the mindset of the people who lead such organisations has changed: they have recognised that partnership working is the only way forward.

The Scottish Parliament has done a lot to help to bring about that mindset. If I had been away from Scotland and had come back today, I would say that the biggest change is that people are now less precious about their patch; they try to find common issues and big priorities for communities and are more prepared to work together to try to achieve those common aims. The situation is not yet perfect, but many advances have been made. Tom Buchan may have a comment about the Crown Office.

Chief Superintendent Buchan: I am fortunate to have good relationships with other agencies. Members may be aware that the two police divisions in North and South Lanarkshire submit more cases to the procurator fiscal than Lothian and Borders police submit. Those divisions are

very busy, which means that relationships must be good. However, we need to extend partnership working. I get sick and tired of saying at public meetings that, on their own, legislation and the police have never sorted any social evil or ill. To do so, we need good partnership working.

We work regularly with North Lanarkshire Council. I chair the community safety partnership. We set targets on licensing, regulation and a raft of issues that affect policing and quality of life. We also work with the antisocial task force in the area. As Mr Rae says, partnership working is not an option, it is a must. I am welcome at the table when we talk about the issues. To a significant extent, the preciousness that people had, especially when it came to spending their money, has disappeared. We are involved in a number of issues that can be addressed effectively and in the long term only through true partnership.

Chief Constable Rae: I beg the convener's indulgence. Naturally, Tom Buchan and I focused on Strathclyde, but I recently spoke to Sandy Watson, the chief executive of Angus Council, whose area I have visited a few times. There are some outstanding examples of partnership working throughout Scotland. It is not localised. There will be areas where partnership working is not as strong, but there are many areas where relationships are extremely strong.

Nicola Sturgeon: I put that down to Angus's very good council.

Chief Constable Rae: I did not mean that in particular. Sandy Watson was kind enough to let me see his plans. I was impressed by what the council is doing through partnership working to get down to the neighbourhood level.

Bill Butler (Glasgow Anniesland) (Lab): In your response to Nicola Sturgeon, you said that the Crown Office and Procurator Fiscal Service should be universally applauded. Is it still worth that universal acclaim? What is your current assessment of the service? For example, is there any evidence that cases are being marked "no proceedings" purely because of resource constraints on PF offices?

Chief Constable Rae: I do not have any up-to-date information on that, but I know that in Strathclyde we are getting a lot of support from area procurators fiscal on fast tracking and reducing the bureaucracy that is often associated with police reports. In Kilmarnock, the area procurator fiscal sends her staff into the police office. They go through our crime reports before the officer has to put pen to paper and give advice on how the case might best be dealt with. Such things did not happen before. There are practical examples of good working. I met the Lord Advocate the other night in Edinburgh and he said

to me, "Can we do anything else to make life easier for you?" That sort of thing was not said before. There is a willingness to make an effort to address some of the pressures.

Bill Butler: What did you say in response to the Lord Advocate's question?

Chief Constable Rae: I am going to meet him. There is the possibility of joint working to address the local issue of violence around the city of Glasgow. The Lord Advocate offered to come along and discuss that to see whether he could bring anything to bear that would be helpful. I cite that as an example, but dialogue with area fiscals is taking place at a local level throughout Scotland.

Bill Butler: So your current assessment of the Crown Office and Procurator Fiscal Service is favourable.

Chief Constable Rae: My assessment is exceptionally positive and has never been better.

Bill Butler: So there is no evidence of cases being marked "no proceedings" purely because of resource constraints.

Chief Constable Rae: I cannot speak for the rest of Scotland, because I do not have the picture across the board. Undoubtedly there are pressures, particularly in the busy courts. The additional resources that have been provided for the Procurator Fiscal Service have been extremely helpful in addressing the demand, but I cannot give you a categoric assurance that cases are not being marked "no pro" because of pressures, as I am not privy to that information. However, my people are not coming to me and saying, "Why are we reporting this, because it is just going to get a pen through it?" That might not have been the case three years or so ago.

Bill Butler: Mr Buchan, do you have anything to add?

Chief Superintendent Buchan: It has always been the case that, in a local arrangement, there are occasions when, due to the volume of work, some cases might not go to trial.

During last year's blitz in North Lanarkshire on drinking in the street, we submitted reports for 5,500 people. That is not something that the court system can deal with easily, so an agreement was reached that the situation would be dealt with by fixed-penalty tickets. The same year, we had a blitz on drugs possession, which, unfortunately, is a wee bit like shooting fish in a barrel. We reported more people for possession of drugs—predominantly cannabis—than any other division in the force. A number of those cases did not go to trial—they were put aside or shredded—but we have consultations and meet with procurators fiscal. I have meetings with Jim Brisbane, my regional procurator fiscal. We have spoken

already about how busy he is and I have no criticism whatsoever of him.

Bill Butler: So you are satisfied.

Chief Superintendent Buchan: There are difficulties. However, the decisions that need to be taken cannot be taken by the Procurator Fiscal Service; probably, members of Parliament would have to take them. Do we continue to charge people and do all the associated paperwork for the possession of a small amount of cannabis? Often, at the charge bar, we find that they are in possession of something that is a quarter of the size of a filter tip. I cannot give you figures, but I would expect that such a case would not be continued. However, I cannot take the decision not to report a case. It is simply demanded of me that, the moment I take that small piece of cannabis from someone, a report has to be submitted. A huge element of time is involved.

While we are on the issue of time, I should point out that something like 47 per cent of my budget is spent on court overtime. We know that only one in 10 attendances at court results in a court appearance. That was the case when I joined in 1976 and it is with some regret that I note that, in 2006 or thereabouts, when I will be one of the people to retire, that will still be an issue. We are talking about yellow jackets that could be on the street.

The Convener: Mr Butler asked whether you were concerned that cases were being marked "no proceedings" because of resources. You have said that, because of resource issues, the procurator fiscal has binned some of the cases that have been brought before him as a result of the initiatives that you mentioned. Is that not of concern to you? I have noticed that, in my constituency, sometimes the police have undertaken such an initiative only to find that there appears to have been a breakdown of communication between them and the Crown Office. Surely that is a problem.

Chief Superintendent Buchan: The initiatives that I spoke about resulted in the fixed-penalty tickets. We had no idea just how successful we would be when we blitzed the drugs.

The Convener: What is the point of having a successful initiative if there is no trial?

Chief Superintendent Buchan: In relation to the alcohol blitz, the key to the issue is to take the drink off the offenders. The intervention at that stage is important and such cases were dealt with by fixed-penalty tickets. In relation to the drug possession blitz, we have, at the very least, taken the drugs away from the offenders, the matter is reported and the information is placed in the system.

Living in the real world, we have to accept that, when the procurator fiscal is swamped, he must consider all his priorities. Obviously, we would have to talk to the Procurator Fiscal Service about numbers. In an ideal world, if the law is to be enforced to the full, one would expect such cases to run the whole legal course.

Chief Constable Rae: It is important to stress that there was a period in which many initiatives were run without proper consultation with the procurator fiscal. We are always mindful that our activities create pressures on other bodies. A degree of reasonableness is required in our approach. I would not want to give anything other than a positive impression of the way in which the Procurator Fiscal Service has responded to the demands.

The Convener: We are clear about that and no committee member would dispute it. However, we have been exploring the weaknesses in the system.

Chief Constable Rae: I will make a point that is relevant to what Mr Butler is saying. The police service hopes that the Scottish Parliament will consider the recommendations in Sheriff Principal John McInnes's report on the review of summary justice, which has the potential to address some of the issues that Tom Buchan identified—our expectation is that it will assist with the volume of cases that come before procurators fiscal.

11:15

Marlyn Glen (North East Scotland) (Lab): The annual evaluation report states that the Executive has

“prioritised the need to tackle persistent offending”.

What are that priority's implications for the police service? Has the service agreed any specific targets with the Executive for dealing with persistent offenders?

Chief Constable Rae: We have been involved in discussions with the Minister for Justice on the problem that Scotland has with persistent offenders. Our dialogue with the Executive has largely not been about setting targets, but we have been heavily involved in discussions with procurators fiscal on putting in place arrangements to identify those who are causing the greatest disruption to our communities, and on ensuring that, when those people are arrested for offences, the arrests are given some priority in fiscals' work load.

We are therefore engaged in the process in a practical way. We are also, as I am sure you know, involved in the drugs courts scheme and are keen to be involved in dealing with domestic violence. On our preventive stance, we are waiting

for a new experiment to start that will deal with juvenile issues in relation to crime. We realise that Scotland must do something about the pattern in which offenders are not rehabilitated by the system but continue to disrupt many lives and communities throughout Scotland.

Marlyn Glen: Although it is difficult to set realistic targets, there must be some way of monitoring how that is going.

Chief Constable Rae: We are dealing with personalities. If a member of the public comes to us and says “Can't you do something with that little toerag?”—if it is politically correct to say that—and we know that that individual is causing more bother than 10 others in the community, we have to be smart enough to pick that up and to ensure that, in dialogue with our partners, we target that sort of behaviour. You may have heard reports about the top-10 list of offenders that the fiscal service operates now. I do not know whether that is true, but we are involved in a lot of discussion with the fiscals to identify the key players whose offending we need to address quickly.

Marlyn Glen: The third Justice Department target in the AER relates to the fear of crime and refers to the ACPOS-led working group that has been considering more relevant measures on the topic. I note that the working group was expected to report in spring 2004. You have already said something about it, but can you update the committee in more detail on the group's conclusions and say what any target relating to the fear of crime will look like in the future?

Chief Constable Rae: The working group is reaching the end of its deliberations, after which it will have to produce its proposals. It has not quite got to that point yet, but it has secured space on the Scottish crime survey to pose certain questions. The indication that I have is that asking a straightforward question such as, “Are you frightened of crime?” is not all that helpful. The group is trying to create situational questions so that it can ask, for example, whether people would be worried about going out after dark in a certain area. The group wants to ensure that the questions are not too broad, but I do not have the questions to hand. I know that the Executive has also been involved in that—it might have more information. Be assured that we can pass that information on as soon as it becomes available.

Marlyn Glen: Thanks. That would be helpful.

Bill Butler: You said in your evidence to the committees in October that it was hoped that the new grant-aided expenditure distribution formula would be finalised by March. Has agreement been reached on the new formula and on the arrangements for phasing it in? Paragraph 4.1 of

your joint submission states that any new formula is likely to produce “winners” and “losers”. Which forces are the winners and which are the losers? Paragraph 4.2 of your submission states that effort is being made to try to smooth that out and that

“There is a precedent for resolving this issue by providing additional funding.”

How much additional funding would resolve the issue?

Chief Constable Rae: I will have to be careful, because no final point has been reached. Over the past few months, work has been carried out jointly with ACPOS on an activity analysis to identify parts of the formula that need to be strengthened. That work has been completed and a draft report is being pulled together in the Executive. However, a key piece of information is still required. Members will perhaps be more familiar than I am with the fact that an adjustment to the population statistics will take place in June, which will provide additional information. That has caused a slight delay, as has obtaining some of the deprivation indices, which are part of the formula.

There is a plan to bring together, within the next few weeks, a national working group that involves the Convention of Scottish Local Authorities, local government departments, the Executive’s police division and ourselves. In my capacity as chairman of the ACPOS finance committee, I am anxious to find a pragmatic way forward. We do not want a bun fight over the share-out of resources. A lot of work has been put into identifying a way in which to distribute the resources equitably and—as the report indicates—it is inevitable that percentages of the total cake will change as a consequence of that.

Bill Butler: Would such a solution be phased in on a self-financed basis, as is usual?

Chief Constable Rae: The difficulty with phasing it in in that way would be that we would end up penalising one area—

Bill Butler: So, you are basically asking for additional resources.

Chief Constable Rae: Yes. We have started the process. Last year, this year and next year, three forces are receiving slightly more additional funding: Fife constabulary, Central Scotland police and Grampian police. Those forces were identified as being adrift from the norm. We started that with the funding within the GAE, and that was agreed at the start of the process.

There is still a gap to close, which I believe is in the order of £15 million. That represents just over 0.1 per cent of the total police GAE—we are talking right at the margins of the budget. The Executive has made it clear that the Arbutnott approach will be taken in that forces that are

deemed to be losers—if I can put them in that category—will simply stand still while additional resources are found to create a level playing field.

That is the principle on which we have operated. We have flagged up the need to close the gap in the next spending review, as have our colleagues in the Justice Department. How far we progress will depend very much on the spending review, but it is inevitable that a degree of phasing will be involved. The sum of money that will be involved will determine how many years phasing in takes.

Bill Butler: Would you prefer to phase the solution in on a non-self-financing basis—in other words, with extra moneys?

Chief Constable Rae: It is difficult to do such things on a self-financing basis, because doing so means taking money away from some areas and giving it to others, which is not likely to encourage signing off of the formula that exists.

Bill Butler: I know that it is not yet complete, but do you have a view on when we are likely to finalise the new formula? It will be sometime after June, I guess. Do you have a view about which forces are likely initially to be the major gainers? Will Strathclyde perhaps be one of them, given the pressures and problems that Strathclyde police has to deal with because of the population of its force area?

Chief Constable Rae: It would be wrong for me to make any disclosure on that at this stage. That would just set people off on a trail of—

Bill Butler: I am just asking for a personal view.

Chief Constable Rae: My personal view is that what emerges will be fair and equitable for all forces and will take into account the pressures that exist not only in Strathclyde but in Lothian and Borders, in Grampian and in Dumfries and Galloway.

Bill Butler: That is a fairly inclusive personal view. I have no further questions, because I do not think that I am going to get any more answers.

The Convener: The training school for chief constables has obviously taught you diplomacy, Mr Rae.

Bill Butler: I have just one point to pursue. Could you give a personal view on when the formula is likely to be finalised?

Chief Constable Rae: We have a paper now and we await information on population.

Bill Butler: Do you think it will be in the autumn?

Chief Constable Rae: It has to be ready for the autumn because of the spending review programme. We want to ensure that we are in a

position to inform that process about how the aim might best be achieved.

Bill Butler: Thank you.

Maureen Macmillan (Highlands and Islands)

(Lab): You did not mention Northern constabulary, but you mentioned the Arbutnott formula, which gives some weight to rurality. I hope that some weight will be given to the difficulties of policing in remote rural areas. Northern constabulary has a good reputation and a low crime rate, but that is because of the resources that the force has at present, and I would certainly not like to see those resources diminished. I do not require you to give an answer to that point—I just wanted to put in my bit, as Bill Butler did.

The Convener: I think that he cannot help but answer.

Chief Constable Rae: We recognise that Northern constabulary covers a vast area, including islands, and that it has some special needs. There are special needs elsewhere, but rurality has been recognised in the approach that has been adopted.

Maureen Macmillan: I am glad to hear that.

I want to talk about some evidence that you gave last October, when you referred to the chief constables' desire to increase by 500 the number of special constables, and you raised the issue of what form of payment would be appropriate for special constables. What progress has been made on that? Will additional funding be provided as part of this year's spending review to enable more special constables to be recruited?

Chief Constable Rae: That pilot has just started. Doug Cross's force is one of those in which it is being run, so I invite Doug to respond to that question.

Douglas Cross: There is a pilot going on in Tayside and Grampian. In that pilot, payments to special constables are being funded by additional moneys from the Scottish Executive.

Maureen Macmillan: So that is under way.

Another piece of evidence that you gave was about common police services. You referred to economies of scale that might be achieved by bringing more services to the centre rather than having them carried out separately by the eight forces, and you gave the example of forensic laboratories, which are currently under force management. Has any progress been made on bringing those services under one roof? Do you have any other schemes and ideas for doing something similar with other provisions?

11:30

Chief Constable Rae: On forensic science, a great deal of work has been carried out to try to unify practices and processes and to identify the most effective and efficient way in which to deal with the customer base throughout Scotland. That work has been going on in the background in preparation for the creation of a national forensic science facility and is fairly well advanced. More work has been started to consider fleet management throughout Scotland to try to ensure that best practice is achieved in the procurement, maintenance and equipping of vehicles. We hope that we will achieve substantial savings as a consequence of that exercise.

We are also considering some back-office services in relation to procurement and payroll, which continue to be issues. We are considering establishing, with the Executive, a business benefits unit in order to try to find opportunities to do things more cost-effectively. A change has started in the oversight of common police services, and there will be significant adjustments in that area of our work during the next few years. Those adjustments will improve not only value for money but the efficiency of the services.

Maureen Macmillan: You talked about substantial savings, but how substantial will they be?

Chief Constable Rae: The chap who is doing the best-value review of the vehicle fleet believes that the potential in vehicle procurement is significant. He has given us a commitment that in his first sweep he will identify £150,000 of savings this year; that is before he starts to drill down into other areas. I hope that the committee recognises that that money will be channelled back into front-line services—that is our expectation. This is not a cost-cutting measure; it is about trying to get better value so that we can focus our resources on the front line.

Maureen Macmillan: What will be the formula for distributing the savings? Will it be the formula that you talked about, having worked out the grant-aided expenditure, or—

Chief Constable Rae: The budgets for vehicle fleets rests with chief constables, so individual forces will get the greatest benefit from any savings they make. However, chief constables agreed collectively that we should put that work in train. As you can imagine, if we can get eight chief constables to do the same things and to use the same approach to procurement, the benefits will be significant.

Maureen Macmillan: Things are cheaper by the dozen.

The Convener: When will the committees get some details on precisely what savings you expect to make in the common services areas that you identified?

Chief Constable Rae: In the vehicle fleet review, there is—

The Convener: Or any other heading that comes under common services.

Douglas Cross: The fleet management review has just kicked off and the discussions that I had this week indicate that the project plan will take us to the end of the calendar year. It will be the back end of the year before we identify the savings that have been made. The work that is continuing in procurement and payroll is also trying to provide savings during the current financial year for use in the next financial year. When the savings are identified, we could bring that information back to the committee.

The Convener: That would be helpful to the committee, albeit that the work will still be in process, so that we can see the benefit of your work and how the savings are redirected into front-line services.

Chief Constable Rae: On the forensic science laboratory, I should emphasise that there has been a huge growth in the demands on forensic science, which will undoubtedly continue through increasing success with DNA testing and the like. There will be more efficient use of our resources for that. I do not think that there will be any savings in relation to forensic science, but we will be able to take on additional demands without necessarily having to increase the budget too much.

The Convener: We have saved the best question until last.

Margaret Mitchell: Finally, gentlemen, if I were to inform you that it was your proverbial lucky day, and that the police service was to be awarded an additional £25 million for the next financial year, how would members of ACPOS and the ASPS spend it?

Chief Constable Rae: Funnily enough, we use that question for budding chief constables when they appear before a selection board. Perhaps you have been there at one time.

Margaret Mitchell: Sadly not.

Chief Constable Rae: My stock answer to that would be to ask first how I could grow that £25 million to make it £50 million. How can I engage with partners to address budgets more effectively? Is that money best spent on policing or on some other area that will impact on policing indirectly? We would want to consult our partners on those questions. That was a politically correct answer,

but I hold those views genuinely. If additional resources are made available, you should place a duty on me to ensure that I have consulted fully the partners with whom I work to identify priorities.

Some members will know that I have a role in community planning. Some funding streams have to be rationalised as far as the Executive is concerned, but I hope that there will be opportunities to use the community planning line, which would encourage better decisions about how the money is spent.

Margaret Mitchell: I want to develop that before asking the same question of Mr Buchan. If I were to say that the money was conditional on your identifying one area that you thought would benefit from the £25 million, what would you say? You do not get the money unless you identify an area.

Chief Constable Rae: In policing terms, one of the big deficiencies that we have suffered from over the last wee while has been through pressure to put any additional moneys into the front line. As a consequence, the infrastructure has not benefited from the level of investment that is required. If it operates efficiently, that infrastructure can make officers more productive. That relates to technology—you have already heard us speak about our telephony, which has not been updated since before mobile phones come into being. That is a reflection of the level of investment that has been available to the service.

If I asked members what they wanted, they would say that they want more bobbies on the beat, which is the stock answer that we get. We understand the clamour for that, but I would want to use the money to ensure that my officers worked in a smarter, more effective way in addressing the demands that they face. That would represent a better return to the community. I suspect that my colleague, Mr Buchan, might have a different perspective on that.

Chief Superintendent Buchan: Never having attended an interview for the post of assistant chief constable or the like, I have never heard the question before. I would probably not tell the partners and I would spend it on resources and more resources—some of them for Airdrie. *[Laughter.]*

Karen Whitefield: You get the job, Tom.

Chief Superintendent Buchan: My aim would be to have more officers on the street, and I know that it is what the public want. It is not that I do not take seriously what Mr Rae said about other issues—I support it—but my gut reaction would be to put more officers on the street. The public want them there. If that helps, and if there is a better way of spending money to ensure that more officers can be deployed in that way, then I would go for that option.

The Convener: I am sure that you and Karen Whitefield will have more dialogue about that. We have managed to reach the end of our questions. I thank you for your submission and its quality. You have given us lots of information, which we will certainly use in drawing up our report on the budget process.

I emphasise that our focus is on the arithmetic. We are trying to make a judgment as to whether, in our opinion, you have the right resources to do your job. Any additional financial information that you could give us would be very welcome, particularly in relation to Maureen Macmillan's question about what could be achieved through common services, and in relation to pensions and numbers of police officers.

Chief Constable Rae: I hope that the consequences of our appearance here will be as positive as those of our previous appearance, which put forthcoming recruitment issues on the map—it was extremely helpful. I am grateful to the committees for providing us with this opportunity to address you. Thank you.

11:41

Meeting suspended.

11:47

On resuming—

The Convener: I welcome our second set of witnesses. We have with us from the Scottish Executive Justice Department Jim Gallagher, head of the Justice Department, Ruth Ritchie, team leader of the finance and justice team and David Henderson, head of the police division. I apologise for keeping you waiting.

Margaret Smith (Edinburgh West) (LD): I suggest that one of your priorities might be to increase the grant-aided expenditure that is allocated to Lothian and Borders police. That does not require an answer, but I thought that I would get it on the record.

What will the Executive's priorities be for the Scottish police service in 2005-06? Are you satisfied that the present expenditure plans for that year will be adequate to ensure that all the priorities will be met?

Jim Gallagher (Scottish Executive Justice Department): I will start and then I will invite David Henderson to respond because he is responsible for the police division.

To put the question into context, the budget for 2005-06 is the third year of the three-year spending review—the set of budgets that we set in the spending review 2002. We thought then, as we still think, that the expenditure plans are sufficient

to meet the priorities and targets that were set out for the whole justice portfolio in the publications at the time—the budget documentation and the ministerial partnership agreement, where the list of justice and other priorities were set.

In relation to the police, there is a range of priorities. I am glad that Margaret Smith used the word priorities because, although we describe in the annual evaluation report the numbers that we use to measure targets, they are an expression of the joint priorities that we and the chief constables have. Those at the top level are described in the budget documentation in the “Building a Better Scotland” document on which we report progress in the AER. In relation to the police service in particular they include, as you have just heard from the chief constable, serious violent crime, the fear of crime and a series of other issues that did not get into the AER reportage, which includes things such as house breaking and car crime.

David Henderson (Scottish Executive Justice Department): The targets that have been set by ministers are for Scotland as a whole—they are not force by force and they are for the period 2005-06, which is the end of the current spending review period. It is up to forces to determine their priorities to meet the targets over the piece. If house breaking is important in one force area, but serious violent crime is more important in another, as long as the target is met across the piece, it is met—the targets are national rather than local.

In addition, forces have their own targets that determine how they respond locally. I pick up the point that Chief Constable Rae and others made, that the new telephony or service centres that are coming on-stream are helping forces to prioritise day by day the areas that they need to focus on with problem-solving policing or other systems. They can monitor day by day where the calls are coming in from and where they need to react. As well as the overarching global targets that ministers set for the force, there is a lot going on at local level.

Margaret Smith: How much does the department watch the trends and developments that are taking place? One can look at increased use of information technology and telephony—such as the call centre, which is up and running in Lothian and Borders police and affects my constituents—and one can say on balance that that is a good thing. However, it has consequences for the police on the ground in that they find that they have a greater demand than they had anticipated. What scope is there for those forces to come back to the Executive and say that its encouragement that they increase their use of new technology has identified a 15 per cent demand gap that they did not realise existed?

What could you do, in that case, to give them the resources that they need to plug that gap?

David Henderson: I will give a recent example. Following the establishment of a service centre, Grampian police have experienced the same kind of increase in demand that was mentioned for Strathclyde and other parts of Scotland. We gave them money to involve experts from outside to come in and work with them to analyse that demand. They have found that quite a lot of the demand is what they call failure demand. That means that someone will phone in, make a report and then phone back two hours later to say that an officer has not turned up. There is a failure in the system. A number of the calls are repeat calls about the same matter. Business is generated that is not new business.

Grampian police are looking again at their systems and processes to try to work that out so that they can tackle the problem first time around so that the person does not have to phone back again. It is true that there is extra demand, but they are also trying to reduce that demand by cutting out the failures. At the same time, they are making their processes more effective by looking at where the volume of demand is coming in and then doing something about the underlying processes to make them more efficient. They are already identifying inefficiencies and duplication in an attempt to streamline the system and get officers back out on the street. That is an example of a situation in which, as a result of what has happened, we have responded and the force is doing something better. Other forces are doing similar things—you have heard about Strathclyde.

Nicola Sturgeon: One of your priorities is to increase the overall number of police officers. How much money is allocated to achieving that? How many additional police officers do you expect will be recruited? I am talking about additional officers, rather than about the freeing up of existing officers for the front line.

Jim Gallagher: David Henderson might have the numbers to hand. If so, I invite him to record them for you. We are happy to submit them to committee for the record if that would be helpful.

We do not set aside a particular budget for police officers. Officer costs are met through the police GAE which, as the budget figures show, has risen substantially over the past three years. Indeed, in the year that the committee is considering, the figure for the whole of Scotland has exceeded £1 billion for the first time. As Mr Rae pointed out earlier, that has enabled the police service to recruit more officers than ever. David Henderson has the figures in front of him; it might be helpful if he records them for the committee.

David Henderson: We used to calculate the figures by taking a head count. However, we now calculate them on a whole-time equivalent basis at the end of each quarter. At the end of March 2003, there were 15,361 officers and 5,979 support staff. On 31 March 2004, there were 15,645 officers and 6,252 support staff. On a whole-time equivalent basis, that is an increase of 284 officers and 273 support staff. Those figures do not take special constables into account.

Nicola Sturgeon: Do you have a target for the number of whole-time equivalent officers you want to see in post by the end of March 2005?

Jim Gallagher: No. That is a matter for the chief constables. In the partnership agreement, ministers expressed an aspiration to maintain or improve the total number of officers and a desire to get more of them on to operational duties in each force.

I should point out that the numbers will fluctuate from month to month as the pattern of recruitment and retirement varies. As Mr Rae indicated in your earlier discussion, chief constables have very prudent reasons for wanting to bring forward recruitment. For a start, that will ensure that they have more experienced officers in place before they lose the expected large numbers of folk who will retire.

Nicola Sturgeon: I understand that recruitment is a matter for chief constables. However, how can we and the Scottish public at large hold you to account for the statement in your position paper and your priorities that the current level of overall police numbers will be improved? If that has not happened by this time next year, will you simply say that the chief constables had other priorities? If so, why set such a priority?

Jim Gallagher: That is a fair question. The ministers will meet the commitment to which you refer and which can be found in the partnership agreement by allocating sufficient resources to and working in co-operation with the chief constables to ensure that training, recruitment and other systems are in place to enable them to meet that priority objective. As the committee has heard, although the police service does not think that extra policemen are the answer to every problem, it certainly regards having policemen and policewomen on the beat and available for operational duties as a major priority. As a result, despite the fact that the Executive does not have explicit powers to make the chief constables meet the priority, I am confident that by providing the resources and co-operating with them we will be able to deliver what has been promised.

Nicola Sturgeon: You heard Mr Rae say that if he was offered an extra £25 million he would prefer to spend it on infrastructure to enable his

existing officers to do their job better than to spend it on more officers. The committee has a role in scrutinising the budget. Although you have set a clear priority, you now seem to be saying that you have no control over whether it is achieved and that that is a matter for chief constables. You can make resources available, cajole and make your views known; however, you have set yourselves a priority that somebody else will decide to meet or not.

Jim Gallagher: The evidence is that the priority is being met and that the number of officers on operational duties and the total number of officers have reached a level that has never been reached before. To that extent, we have already succeeded. In that context, there is an important underlying issue about the governance of policing. You will remember that policing is subject to tripartite governance in which the Executive and the police boards have a role and the chief constables have an important operational role.

12:00

Nicola Sturgeon: I understand that and I do not disagree that the matter is for chief constables. However, when we question you again this time next year, how will we know whether you have fulfilled your priority?

Jim Gallagher: You will know by the number of officers, obviously—

Nicola Sturgeon: Will you have fulfilled your priority if next year's figures show that the number of police officers has increased by 10, or would the number have to be 100? How will we hold you to account?

Jim Gallagher: I understand the question. It is important to say that ministers have not made a commitment that the number of police officers will increase every month. They have said that the current record level—David Henderson might say when that level was attained—will be maintained. Ministers have not said—and they have been careful not to say—that the number of officers will increase month by month or year by year.

Nicola Sturgeon: Does that mean that the word “improving” in your position paper was a misprint and that the word should have been “maintaining”?

Jim Gallagher: I stand corrected; the word “improving” was indeed used, but the paper does not say that the number of officers will increase by a particular amount every month.

Karen Whitefield: Nicola Sturgeon talked about new officers. Chief Constable Rae of Strathclyde police told us today that the use of prison escorts in Strathclyde could free up a number of his officers, which would be of great benefit.

Does the Scottish Executive have an overall target for the number of people that it plans to recruit to civilian jobs in the police service? How many officers might such a recruitment strategy free up to undertake front-line operational duties?

Jim Gallagher: I invite David Henderson to say something about the numbers. We do not have a numerical target for the officers who should be freed up, but we have an aspiration to free up officers. You will have noted from the numbers that David Henderson provided earlier that investment in additional civilian staff has been, if anything, as great as investment in additional officers, because additional civilian staff support and free up officers.

David Henderson: I can provide information that will also partly answer the previous question. Last March, after the 2002 spending review, ACPOS published its own document, “Policing Priorities for Scotland 2003-2006”, one of the commitments in which was to release 250 officers for front-line duties—civilianisation will be part of that. ACPOS has therefore set its own objective, which ties in with what ministers would like.

I can give three examples of where that has happened, although I cannot give details across the board because we do not yet have those. First, in Strathclyde, civilianisation has released 112 police officers from administrative tasks, in personnel for example, for operational work. Secondly, the opening of the new control centre for Lothian and Borders police has released 12 sergeants. Thirdly, Chief Constable Rae mentioned the project to contract out prison escort services. When that project has been completed, up to 300 officers will have been released.

Karen Whitefield: Will the number of police officers who have been released back to operational duties be kept separate from the overall number? That would mean that when you come back to the committee next year we will be able to establish whether existing levels have been maintained and the Executive has met its target of improving those levels—whether by 10 or 100 officers—and whether the overall number has increased because officers have been freed up for operational duties.

David Henderson: ACPOS will keep those records because it has set its own target, so we will have those figures.

Karen Whitefield: As part of the spending review, does the Executive envisage that money will be available to allow scope for further civilianisation of posts in the police service? If so, where might further civilianisation take place? Do you have rough targets for the number of people that you hope to employ and the number of officers that are likely to be freed up?

David Henderson: The short answer is no.

Jim Gallagher: Or not yet.

David Henderson: That is an operational decision for chief constables. One can go only so far with civilianisation. When every post is civilianised, one has to stop somewhere. Some officer expertise will always be needed in headquarters. We do not have a target for that, but ACPOS has set an initial target to release 250 police officers.

Forces have been at this for several years; it is not new, but I cannot tell when they will reach the final point and will not be able to do any more or how much more is to come. That is an operational matter for the chief constables.

Jim Gallagher: It might be worth adding that, at this beginning stage of the spending review process, it is not possible to say what the outcome will be. We have a long way to go on such decisions.

David Henderson: We and the chief constables are conscious that there might be other areas in which others could do the work that the police are doing at the moment. One area that is being considered is escorting heavy loads on roads, which is done by police officers at present. Does a police officer have to do that work or could someone else do it? Other options are available and we are always considering them, but there are no targets.

Karen Whitefield: Does the Executive review whether the push for increased civilianisation actually frees up front-line officers? I occasionally hear criticism from police officers who are serving on the front line. Although they do not necessarily want to do jobs that other people could easily do and which would allow them to do the policing work that was the reason for them signing up to be police officers, they sometimes have reservations about what happens when someone calls a call centre. Their reservation is not just about a call centre handling the call but about the police's ability to respond to it. My point is about making sure that we are not putting in an additional tier of bureaucracy that we think will free up police time but which will only slow down how the police respond to individual concerns in communities.

David Henderson: HM inspectorate of constabulary for Scotland considers that factor when it is carrying out inspections and making reports. A few years ago, the chief inspector concluded that escorting prisoners was not a core police duty and he encouraged the idea that it should be done differently. The inspectors consider those factors and the ministers read their reports.

The Convener: I agree with Karen Whitefield, but I did not get the impression that you addressed the issue that she raised. As I understand it, you are really being asked about personnel and desk-based jobs in the police. In my opinion, the police force is one of the most disciplined organisations that I have seen and it is extremely efficient at handling any job. If the target is to civilianise absolutely every job, you will lose the valuable discipline that police officers bring to the work. Where do you draw the line on civilianisation? Do you at least acknowledge that there is value in police management levels and that police officers can contribute efficiently to such work?

Jim Gallagher: I will start with your assessment, which I think I would share. Like some other uniformed services, the police are pre-eminent in the way in which they have the capacity to respond in a disciplined way to almost anything. That is a great asset and we rely on that in relation to operational issues. We take great comfort from that. Sometimes that is the way to respond to back-office management issues, but sometimes it is not.

There are two questions to think about when we talk about civilianisation. First, have we got the right kind of people and skills? Secondly, do they need to have the formal powers of a police officer? Those questions can be separated out a little bit, but for many of the jobs that have been civilianised—the process of civilianisation goes back as far as the 1980s—it was a question of bringing into the police service the right set of skills and attributes that the service did not have, while retaining ultimate police management responsibility for the service; at the end of the day, civilian staff are part of a team that supports officers who deal with operational matters.

A balance must be struck; the judgment is about what is the most effective and efficient way of striking the balance overall. None of the chief constables would say that we have reached the end of the lollipop, so to speak, on civilianisation or, to put it differently, on different ways of working. The issue is not necessarily just about taking a post and civilianising it. Let me give the example of demand management: a task can be done differently so that some aspects of it are handled by some folk and other aspects that may well need both professional police resource and a disciplined response are still dealt with by officers.

The Convener: On freeing up officers from their duties, the Scottish Police Federation has said in the past that because of their service some officers are not fit for front-line duties—for example, they may have been injured on duty—so that is why they do jobs that may now be civilianised. Have you factored in a percentage to

cover the number of officers that you think you will lose in that process?

Jim Gallagher: I do not think that we have a number for that. Traditionally, the police service has allocated to non-front-line duties officers who for one reason or another may not be as fit as they once were—whether through age and stage or through injury. I am not aware that anybody has set a target for reducing the number of posts for such people. There is a management task for the police service—

The Convener: Perhaps I did not make my point clear. If police officers are removed from court duties or whatever and a percentage of them are not fit to serve on the front line, they would have to retire. Have you factored into the equation the fact that you will not get all the officers on to the front line if even one of them is not fit for front-line work?

Jim Gallagher: At an individual level, it is certainly possible that an officer might turn out not to be fit for front-line duties and would retire. I am sure that that happens. However, we are not allowing for a budget that will permit some of them to retire, as that would happen on an individual basis anyway.

Maureen Macmillan: My question is about your prioritisation of the need to tackle persistent offenders. When we asked the police representatives about the matter, their response was a bit vague. They mentioned liaising with the procurators fiscal and they talked about perhaps getting involved in drugs courts or domestic violence programmes. They also referred to the need for rehabilitation services, although they did not talk about their role in that. What specific action does the Executive expect criminal justice agencies—in particular the police service—to take to ensure that persistent offending is tackled?

Jim Gallagher: You are right to ask that question in the context of the criminal justice agencies as a whole. There is no doubt that, as Willie Rae said to the committee, there is—even among offenders—a relatively small minority who commit a large proportion of crime. Various numbers have been bandied about, but I do not think that we have a scientific description of the proportion, as it were. However, it is undoubtedly the case that a large proportion of crime is committed by a small proportion of offenders.

I will consider the problem in another way. A lot of persistent offenders will receive a large number of sentences—they will be caught, prosecuted, convicted and sentenced—and will come back time and again. A relatively large number of people serve a long sentence by instalments, as they say in prison—they come back several times.

That is not a new phenomenon; it has been with us for a long time. However, a reasonable expectation of the Parliament and ministers is that the justice system as a whole needs to address the phenomenon. An obvious and practical implication for the police is that, because persistent offenders commit much of the crime, one way of clearing up crime is to check on the persistent offenders. The police have done that with some success. Therefore, to that extent, the police service has made a contribution, in that it has identified and arranged for those people to be prosecuted.

What we do not have in the justice system as a whole—and we are not unique in this, because it is true throughout the United Kingdom and, I think, the western world—are sufficiently effective ways of ensuring that we can bring offending careers to an end earlier than they are currently ending. Most criminal careers come to an end. Most people with a criminal career will probably find that it peaks before they are 20 and concludes in their mid-20s. A great aspiration for the system has to be to find ways of stopping those careers earlier.

12:15

Very early intervention—probably before the individual has even reached the adult justice system—will play a role. Elsewhere, committee members will have seen ministers' priorities for improving the work of the children's hearings system and, even before that stage, their priorities for intervening, through very early support, with children who are at risk in other ways.

In the major consultation on reoffending, ministers want to find the best way in which the justice system can deal with reoffenders. At the moment, I do not think that we have an effective answer to that. Part of the answer lies in more—and more effective—community penalties, which takes us back to the information on the budget that members have. Part of the answer lies in taking a more focused approach to sentencing. Ministers have set up the Sentencing Commission to see whether we can match the sentencing structure and the sentencing options that are available to the courts to the need to prevent reoffending as well as the need to punish and to deter, which is an inevitable part of sentencing.

Another part of the answer lies in finding the most effective ways of intervening with offenders to get them back on the straight and narrow. With offenders in prison, the indications are that the most effective work that we can do—in addition to programmes that focus on the individual—relates to reintegration into society. The offenders who are least likely to reoffend are those who have good family links and a home and a job to go to. Increasing their probability of having those things

ought to decrease their probability of reoffending. We also have to find the most effective ways of using community penalties, which have many strengths but are not necessarily more effective than other penalties at preventing reoffending.

All those issues are covered in the consultation. I cannot and would not seek to pre-empt the results of that, but, if there is a big question for the justice system to answer, it is certainly this: how good are we at stopping our customers from coming back time and again? That is a question for the whole justice system, not just for the police.

Maureen Macmillan: Is there money in the budget to deal with such issues?

Jim Gallagher: Yes, although there may be a case for moving that money around in future or even for more investment to reduce reoffending.

Maureen Macmillan: Many pilot schemes and initiatives go on but nobody ever knows what happens to them in the end or what happens to the funding stream. Lots of initiatives are funded by multiple streams. People are continuously scrabbling around for money to make the initiatives work properly. It seems that there is a bit of a mess and that some streamlining is needed.

Jim Gallagher: Particularly in relation to community penalties, it is fair to say that there has been an epidemic of pilotitis. That is because, over the past five years, we have more or less doubled the amount of money that has gone into work on community penalties. In doing so, we have opened up all sorts of new mechanisms. Each community penalty has been subject to a fairly rigorous evaluation. For example, ministers have given a commitment to roll out drug treatment and testing orders in all the courts. So far, that has been subject to an interim evaluation, which has been fairly positive. Similarly, the drugs court has been subject to an interim evaluation that has been fairly positive. On the basis of such evaluations, ministers can commit to rolling out the programmes further, according to the partnership agreement.

You are right to suggest that a lot of new things are happening. A lot of new disposals have been made available. That is because of the funding that was made available in the spending review. From memory, I think that the figure for the community justice budget line is £86 million, but five years ago it was only about £47 million. It is perhaps not surprising that at such a time of growth we see a lot of new things coming up. Part of the trick is to support the things that are seen to work; that is part of the debate about the most effective ways of reducing reoffending.

Marlyn Glen: I understand the difficulty of setting meaningful targets, but you have to have some baseline measurements and targets to

enable Parliament to judge whether the Executive is delivering on the priority of tackling persistent offending. Are targets in place?

Jim Gallagher: At the moment there are no outcome targets in relation to persistent offending, partly because, as you say, the baseline issue is important. We have data on the propensity of offenders to reoffend or to be reconvicted, which is the one thing that we can measure. I have not brought the data with me, but a lot of them are displayed in the consultation document on reducing reoffending.

Our targets on reducing reoffending are what I would characterise as intermediate outputs, or steps on the way. In the justice portfolio, you will see targets in relation to prisons, such as targets on the number of programmes that offenders are offered and targets on the number of programmes that meet agreed standards—the accredited programmes that all the best international evidence suggests are most likely to work. You will also see targets on the volume of prisoner education. As I said in response to Maureen Macmillan, the offender who is less likely to reoffend will have a job. One of the ways of giving offenders a better chance of getting a job is to improve their educational attainment. Similarly, you will see targets on the number and volume of community penalties.

Those targets are steps on the way, rather than outcome measures. We have a way to go before we get outcome measures about which we could feel comfortable saying to ministers, and ministers could feel comfortable saying to the Parliament, “These are things on which it is reasonable to make a judgment.” We have gone part of the way, but not the whole way.

Bill Butler: When the Minister for Justice gave evidence to the committee last October, she said, in response to the argument that the Executive’s policy priority of tackling crime seemed not to be matched by its priority for the justice budget, that it was not only the justice budget that delivered on tackling crime, but that other budgets, such as the education and communities budgets, had an effect. In the light of that, the committee recommended that the budget data be provided on a programme basis rather than on a departmental basis. Can the Executive produce data showing the total amount spent on tackling crime across all relevant budgets over the past three years, so that the justice committees can assess properly trends in the provision of resources in that regard?

Jim Gallagher: I do not think that the matter is as simple as that. I will answer your question in a slightly roundabout way. It is striking that, when members heard from Chief Constable Rae and the ASPS representative earlier, one of the things that Mr Rae said was that the issue of dealing with

crime is not just for the police service and the justice system. Crime is a complicated social phenomenon. Although we define and measure it in legal terms, we are talking about a set of behaviours, some of which fall across the boundary of criminality and some of which do not.

The things that are done to influence that set of behaviours influence not only crime but all sorts of other things. It is pretty clear that the offending population is at the lower end of the educational spectrum—we see that in the offenders in our prisons and in the justice system generally. One could argue that interventions to ensure that the benefits of educational achievement are distributed more widely will help to reduce crime. However, I would probably, rightly, be mocked if I suggested that we should claim the whole school budget against the priority of reducing crime, even though the education system has an important contribution to make. Similarly, there is no doubt that crime is found disproportionately in areas of multiple deprivation. All the investment that the Executive is making through area-based initiatives and other initiatives relating to housing and area regeneration should make a contribution to the reduction of crime.

One cannot, therefore, say that such-and-such a percentage of certain budgets can be seen as tackling crime; it is not easy to say what number or proportion of those significant budgets can be said to be, in some sense, tackling crime. However, it is possible to say that, without doubt, investment—investment in education and investment in area regeneration are only two examples—ought to help to reduce crime and the effect of crime on communities in general.

Bill Butler: You say that we are dealing with a complicated set of phenomena. Obviously, we would not expect the Executive to claim that the total budget for those departmental responsibilities is to tackle crime or to have an impact on crime. However, is it possible for you to give us an indicative amount—a percentage—of a budget that you feel helps in tackling crime perhaps more than parts of, for example, the education budget? Is it possible for you to disentangle that?

Jim Gallagher: I cannot give you an answer today, although I would be happy to reflect on the matter. It strikes me that that is the kind of question that would require a major academic investigation before I could give you an answer that was not just a finger in the air. The education budget is probably the best and most direct example of such a budget.

Bill Butler: Can you outline areas that a major academic investigation would have to look into in order to allow you to unpick the budget? Would that be possible so that you can give the committees a framework within which to work?

Jim Gallagher: Yes, in principle I could do that. Off the top of my head—I have not prepared for this—it strikes me that the extent to which investment in education is consciously and deliberately skewed towards areas in which there is underachievement ought to be linkable, in principle, to the capacity to reduce crime. Similarly, investment in area regeneration, which is focused on areas that are disproportionately likely to generate crime, ought, in principle, to be scoreable against crime, in some sense. However, just as education has multiple objectives, so does area regeneration, which is about the quality of houses, other quality-of-life issues, economic regeneration and jobs, for example.

In principle, one might want to think about those two areas. One might even think about investment in economic regeneration. The justice system helps offenders to get jobs and to enter the labour market. Making the labour market function more effectively, investing in training more generally and making the work force better trained ought, in principle, to assist. Those are the kind of areas that one might have a go at.

Bill Butler: Would it be possible for you to give an outline response for the committees to look at to guide our future thinking on this particularly difficult question?

Jim Gallagher: Yes. I would be happy to have a go at that with my colleagues, although it is not a minor task—it will require a fair bit of thought. I am not sure whether it would be possible for me to give you anything useful in the timescale of the present budgetary investigation, but I would be happy to look into the matter.

Bill Butler: Even if it was not useful in the context of the current budgetary investigation, it might be useful for the future. We have asked this type of question before but, because it is a difficult area, there are no ready answers. If you could do that, that might be helpful.

Jim Gallagher: As I said earlier, convener, if it would be helpful to the committee, I am happy to take the question away and have a look at it.

The Convener: I think that it would be helpful to do so.

12:30

Maureen Macmillan: Cross-cutting issues like this arise at other committees, too. Looking into the issue, therefore, is not something that should be done only by the Justice Department; every Executive department should be doing that. The question of what bits of other budgets impact on rural development was raised at the Environment and Rural Development Committee.

Jim Gallagher: Part of the trick is to identify which cross-cutting issues we should focus on, as there could be many. If the convener will forgive me for saying so, thinking about crime is a substantial challenge for me, before I move on to rural development—

Maureen Macmillan: I understand that. I meant that the Executive in general and not just one of its departments should consider the issue.

The Convener: We want to know whether there is an example that would let us see the broad gist of Executive spending on a specific objective, such as reducing offending, for which we realise that the spend cannot be contained solely within the justice budget. Would it be possible to identify what you spend on the post-prison release programme on drug rehabilitation?

Jim Gallagher: That is not in the published data, but it would be easy to find data for the committee that describe our investment in relation to both the Scottish Prison Service's post-release programme, which it manages through a voluntary organisation, and the throughcare expenditure, which is included in the community justice programme. Ruth Ritchie could say whether the figure is displayed in the information that we provided to the committee.

Ruth Ritchie (Scottish Executive Finance and Central Services Department): The throughcare information is displayed, but the SPS information is not broken down. We would have to get that information for the committee.

The Convener: As you know, we are much more in favour of Executive programmes being highlighted in the AER, because that allows us to see what is being spent. The post-prison release programme on drug rehabilitation is one that occurred to me. I would like to see the information, if that is possible.

Jim Gallagher: We are happy to provide that.

The Convener: You must tell me if my last area of interest does not fall into your remit. On last night's "Newsnight Scotland", it was claimed that the SDEA is a gimmicky mechanism. It was also claimed that some police officers subscribe to that view. Can you provide the committee with information on the seizures that the SDEA has made under the proceeds of crime provisions? What amounts have come back to the Treasury as a result?

Jim Gallagher: The answer to the first point is yes. I missed "Newsnight Scotland" last night; I must have fallen asleep. I do not know who said that, but it would not be fair in any respect to say that the SDEA is a gimmick. It is a substantial—

The Convener: I just wanted to draw the Executive's attention to what was said. I would be

interested in seeing the figures; I am sure that the committee would be interested, too.

Jim Gallagher: The figures are published in the SDEA's annual report. By good fortune, Mr Henderson has a copy of the report with him today. Would you like to hear the figures now or would you prefer to refer to the annual report?

The Convener: If you could send us the figures, that would be fine.

Miss Goldie: I will try to keep my questions as brief as possible. You heard what the previous witnesses said on the subject of pensions. What are the projected officer retirement numbers that the Executive is working on for the peaks in 2005-06 and 2009-10?

Jim Gallagher: We are working on the same figures that the chief constables are using; those figures are the source of our information. I do not have the number in my head and I rather doubt that David Henderson does. In SR2002—and using the figures that were provided by the chief constables—we put into the GAE line sufficient to ensure that the projected retirals could be covered. There is no doubt that the payment of pensions is inescapable; we have to pay them. The provision that we made in SR2002 is reflected in the growth of the police GAE line to do just that.

Miss Goldie: That suggests that you are satisfied with the provision for 2005-06.

Jim Gallagher: Yes.

Miss Goldie: Are you also satisfied with the provision for 2009-10?

Jim Gallagher: In the 2005-06 figures, we are looking at the outcome of SR2002. We are currently embarking on SR2004, which will finish in 2007-08. If we continue to manage the programme of two-year spending reviews—which now seems to be institutionalised—we will start to consider 2009-10 in SR2006.

Miss Goldie: So, amber lights will flash and alerts will be sounded. What about the question of where the money will come from? You probably heard Mr Rae's interesting assessment that, if the pattern that is being investigated, if not adopted, down south were replicated in Scotland, an extra budget would have to be found by central Government to meet this particular obligation. Do you have any comment on that assessment? What is your understanding of where the money will come from?

Jim Gallagher: There are two issues, the first of which is whether it is easier practically to manage the budget at a Scotland-wide level. There are arguments for doing that, particularly the unpredictable way in which lump sums hit. For example, if a relatively small force gets many lump

sums landing at once, that causes a budgetary problem. The second issue is which budget the money is charged to at Government level. There is no doubt that the taxpayer will have to fund the pensions. That is true at a UK level and at a Scotland level. Currently, that is a charge on the Scottish block grant. How we spread out the hit that the pensions will cause on the Scottish block is a matter of allocation. At the moment, that hit is taken by police budgets and is supported through GAE. It is possible to imagine another system in which the hit is taken at a national level. However, it all comes out of the same pot, which is the taxpayer's pocket.

Miss Goldie: It comes out of the same pot, but what about the impact on operational activity? There is concern that, whether the extraordinary charges hit the budget at GAE level or at central Government level, the increased police pension provision, whatever it is, should not reduce the resources that are available for operational activity. Is it your understanding that the operational activity budget will be protected?

Jim Gallagher: In relation to the 2005-06 budget, which is the one in the current budget round, the answer to your question is yes. We secured sufficient resources in SR2002 to ensure that the operational policing budget would be protected in 2005-06.

Miss Goldie: Right. Have you any comment on the next peak in 2009-10?

Jim Gallagher: As I said, that is two spending reviews away and I am still working my way through the first spending review. Therefore, it is a bit premature to start talking about the next peak.

Miss Goldie: Unless you are a policeman who will retire in 2009-10.

Jim Gallagher: In that case, you can be sure that you will get your pension.

Margaret Mitchell: There are four forensic laboratories in Scotland, which are currently managed by the police forces. Is centralisation of that service under the common police services a target? If so, do you have a figure for what would be saved through economies of scale?

Jim Gallagher: There is no doubt that the forensic science service is pretty high up the list of services that could be provided in common services, such as the police college. The reason for doing that is not so much to provide economies of scale and to save money, but to manage the increased investment that we will have to make in those services. As William Rae said earlier, science's capability to aid police investigation has increased in leaps and bounds and the demands on the service have followed. We can see the results of that in, for example, the clear-up rate for

serious crime. However, we have concluded that the most effective way in which to meet that demand is to try to manage the forensic science service as a whole so that it can support all the Scottish forces. As Mr Rae said, we have set up a project to do precisely that in relation to all the common services, with forensics quite near the top of the list. David Henderson may want to add something about the four labs.

David Henderson: There has been a continual increase in demand and demand will increase by around 5 or 10 per cent per annum into the future, so there is a growing need for the police to use forensic techniques.

At present, with four different labs for the four different forces, there is some duplication. Centralising will allow the labs to specialise, so instead of four labs all doing the same thing, one lab may specialise in one thing and another lab may specialise in something else. That is where there will be some rationalisation and efficiency gains, but they will be offset by the growth in business, which will more than cancel out the efficiency gains. The net effect, as has been said, is that the service will cost a bit more.

Margaret Mitchell: So will savings not necessarily be made?

David Henderson: They will be made, but they will be offset.

Margaret Mitchell: Will they be offset in that increased efficiency will mean that demand—which is huge—can be met?

David Henderson: That is correct.

Margaret Mitchell: Are you looking to centralise any other services in the common police services?

Jim Gallagher: We are looking to do several different things in the common police services project. The first is to rationalise and improve governance of the existing common police services, including the Scottish Police College, which provides training, the Scottish Criminal Record Office, which provides support to the entire criminal justice system, and organisations such as the Scottish police information strategy. We have to rationalise current governance.

Secondly, we are looking at areas in which there might be new common services. At the moment, forensics is at the top of our list, but we have not ruled out other areas.

Thirdly, as Mr Rae mentioned, we want to address the extent to which by doing things in a more uniform way—if that is not the wrong phrase to use in relation to the police service—the police service can make savings. That does not have to be done by nationalising services, although if that is the right way in which to proceed we ought to do

it. It could be done by taking a more uniform approach to procurement, for example. There is no doubt that the police service can save substantial sums. Willie Rae gave a relatively small example of the potential in relation to fleet management. If that is best done by forces acting together, none of us will say that it must be provided as a common service, as long as we get the benefits. There will be a list of such things.

Margaret Mitchell: If there are any economies to be made or if you manage to make savings and there is additional money, will it be ploughed back into the justice portfolio?

Jim Gallagher: In respect of the budgets that have already been set, the answer is yes. If Mr Rae's prediction that the service can save £150,000 in 2005-06 by more efficient procurement of vehicles is correct, as I believe it is, those savings will be available for redistribution within the police service. It will not lose them.

Looking forward, I should add that when ministers set the total budgets after the spending review—which has not yet been completed—they will expect the police service, as with any other public service, to improve its efficiency. However, that is looking forward to decisions that have yet to be taken.

Margaret Mitchell: So if those services managed to become more efficient and make savings, they would get the money in that year. Would the budget then be cut as a result of their having made the savings and would the money go outwith the justice system? In other words, is there an incentive—a carrot—to say, "You've made these efficiencies and, what's more, you'll get these extra resources for all time to spend where you think they should be spent"?

Jim Gallagher: No budget allocation is for all time, but you are absolutely right to say that there is a lot to be said for setting budgets in such a way that the budget holder gets the benefit of the efficiency gains. With any budget, a judgment has to be made about the capacity of the organisation to make efficiency gains. We have always set a level of police GAE and then allowed the police service to have flexibility within it, so that it can recycle efficiency gains. I do not expect to do other than that in the future.

The Convener: Margaret Mitchell makes an important point. It is not the Executive's intention to cut the police budget in the future if the police can make savings on common services.

Jim Gallagher: Once the Executive has set the police budget, it will not come along and say, "Oops, you've made some savings. We'll take them away from you." That would not be fair.

The Convener: It would not. To conclude, I want to ask whether there is a requirement to set aside some resources in the budget to pay for an independent police complaints system. Do you have to glean that money from where it is at the moment, either with the police service or with the Crown Office?

Jim Gallagher: We have set aside a small sum to do that.

The Convener: Do we have the figure for that?

Jim Gallagher: I think that it is probably displayed in the numbers, but perhaps Ruth Ritchie can help me.

Ruth Ritchie: It is part of one of the breakdowns that we have not been able to supply you with. We hope to get it to you in the next week. David Henderson and other colleagues in the police division are finalising a 2005-06 breakdown, but there is certainly money set aside. I think that there is about £1 million for the police complaints system.

David Henderson: The new body will depend on Parliament's approval, which has to be made through legislation and debate in Parliament; 2005-06 is likely to be too early, so 2006-07 may be the first year in which a full budget is needed. Whatever is in the 2005-06 budget will be a partial amount.

The Convener: Absolutely. I should have pointed out that that is a matter for Parliament. Is that £1 million additional money or does it get pulled from other budgets?

David Henderson: It has been anticipated for some years.

The Convener: That brings us to the end of our questions. Thank you for the information that you have supplied. We have had a useful dialogue and we have a note of the figures that we have asked you for. I realise that some are more complicated than others, but we look forward to receiving any information that you can supply.

Jim Gallagher: We are happy to do that. We shall talk to the clerks to ensure that your expectations and ours are the same.

The Convener: That concludes our session on the budget process. I remind members that the next joint meeting of the Justice 1 Committee and Justice 2 Committee will take place on Tuesday 4 May at 2 pm, when the committees will hear evidence from the Minister for Justice and the Lord Advocate.

Meeting closed at 12:47.

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