



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

JUSTICE COMMITTEE

Tuesday 25 November 2014

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JUSTICE COMMITTEE
30th Meeting 2014, Session 4

CONVENER

*Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP)

DEPUTY CONVENER

*Elaine Murray (Dumfriesshire) (Lab)

COMMITTEE MEMBERS

*Christian Allard (North East Scotland) (SNP)
*Roderick Campbell (North East Fife) (SNP)
*John Finnie (Highlands and Islands) (Ind)
*Alison McInnes (North East Scotland) (LD)
*Margaret Mitchell (Central Scotland) (Con)
*John Pentland (Motherwell and Wishaw) (Lab)
*Sandra White (Glasgow Kelvin) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Chief Constable Sir Stephen House (Police Scotland)
Michael Matheson (Cabinet Secretary for Justice (Designate))
Janet Murray (Police Scotland)
Hilary Pearce (Scottish Government)
Deputy Chief Constable Neil Richardson (Police Scotland)
Alastair Smith (Scottish Government)
Denise Swanson (Scottish Government)

CLERK TO THE COMMITTEE

Joanne Clinton

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Justice Committee

Tuesday 25 November 2014

[The Convener opened the meeting at 10:31]

Decision on Taking Business in Private

The Convener (Christine Grahame): Good morning and welcome to the 30th meeting in 2014 of the Justice Committee. I ask everyone to switch off mobile phones and other electronic devices as they interfere with broadcasting, even when switched to silent. No apologies have been received.

Under agenda item 1, the committee is invited to agree to consider in private our approach to a legislative consent memorandum on the United Kingdom Modern Slavery Bill, under item 5. Are we agreed?

Members *indicated agreement.*

Draft Budget Scrutiny 2015-16

10:32

The Convener: The next item of business is our final evidence session on the Scottish Government's draft budget 2015-16, involving two panels of witnesses: Police Scotland, followed by the Cabinet Secretary for Justice designate.

I welcome the first panel to the meeting. From Police Scotland we have Chief Constable Sir Stephen House, Deputy Chief Constable Neil Richardson and Janet Murray, director of financial services. Thank you very much for attending.

I go straight to questions from members: Margaret Mitchell, John Pentland, Alison McInnes, John Finnie, Elaine Murray, Roderick Campbell—is that a sign that you want to come in?—Christian Allard and Sandra White.

Sandra White (Glasgow Kelvin) (SNP): I will make it a full house.

The Convener: There we go—everybody is in. Where do we start? Margaret, please.

Margaret Mitchell (Central Scotland) (Con): Good morning, panel. The figures that we have show that since 2009 some 2,000 support staff have been cut. When we heard evidence from Stevie Diamond of Unison, he stated that not only have police staff numbers decreased but police staff roles are diminishing. He mentioned licensing and citation serving in particular. Will the chief constable comment on the impact of Police Scotland's restructuring on police support staff and workforce balance?

Chief Constable Sir Stephen House (Police Scotland): Good morning. I am happy to comment on that.

The numbers that you quoted are about right, and those are two examples of changes. Civilian staff serving citations was brought in recently. Previous to that—probably when Neil Richardson was an officer and definitely when I was—police officers served citations. We have simply gone back to that model, so police officers are now tasked with serving citations. The same thing applies to licensing. I remember that there was a bit of a public concern when police officers stopped doing firearms licensing, for example, and we civilianised that. The view was that people wanted police officers to do that, and we are moving back towards that.

We are working to balance a budget. One of the ways that we have been doing that is by reducing—I would not use the word cutting—the number of civilian staff through voluntary redundancy; obviously compulsory redundancy is

not an available tool for us. We are reprofiling the organisation, and I believe that we are doing that in a cost-effective, efficient way.

There are operational benefits in some areas. Certainly, the licensing and citations changes will mean that police officers will better understand the nature of the community in which they work and will be able to link things together a lot more. The difficulty when specialist civilians did the work—they did it extremely well and there is no criticism of them—is that that was the job that they did all day long, whereas police officers might realise when they are going to do a firearms licensing check at an address that they were called to a domestic abuse incident at that address a month ago and that that is a bit concerning.

When it comes to things such as licensing and citations, police officers can link things together, which it was not always so easy for civilian staff to do, so there are some operational advantages.

Margaret Mitchell: The support staff built up a certain expertise in licensing, which can be quite complex in nature. Given that so many crimes are often alcohol related in Scotland, there was some concern that there was a downgrading of those staff. They were still expected to do something but they would not be recognised for it. Perhaps the chief constable can address that point.

The Scottish Police Authority advocated a review of the workforce balance. Would you be supportive of that?

Chief Constable House: On your first question, my experience has been that police officers have done much of the licensing, particularly the active licensing checks. With respect to civilian colleagues, it is far more effective to have a police officer in uniform going into licensed premises than someone in civilian dress who has to identify themselves.

There is always room for specialists in the organisation, but I think that uniformed police officers do a good job of licensing. That has been borne out by the reduction in violence across the country. The crime statistics that have come out today show a 10 per cent reduction in violent crime across the country. As you said, much of that crime is alcohol related.

The balance of the workforce is a much bigger issue, which we are addressing. I am sure that when the SPA gave evidence it talked about the lead that it is taking in developing what the picture of policing will look like going forward in Scotland and what the balance of the workforce will be. We are certainly playing a full part in that discussion with the SPA.

We know some things already. For example, we are reducing the number of control rooms, so we

know that that picture will look different. We are looking at other areas, such as where our custody provisions are. We are also looking at criminal justice, where there is a very mixed picture across Scotland. We have brought together eight forces that, as with so many things, did criminal justice very differently when it came to the mix of police officers and police staff. Some forces were very heavily civilianised and others were not civilianised at all. The situation is still settling down.

Rather than set any specific target for the number of civilian staff that we would expect there to be—we do not have such a target—we are asking our heads of unit to design the best unit that they can possibly imagine and we then see what the mix of police officers and staff is. Rather than set a target that we are artificially aiming for, we are saying that we are trying to design the best—and most cost-effective—organisation that we can and see what that looks like. There is no specific target that we have in mind for civilian staff or the balance of staff.

Margaret Mitchell: Would you favour there being more devolved budgets to the various parts of the police force?

Chief Constable House: Personally, I would. I have worked in a number of police organisations in which either the budgets were devolved while I was there or they were already devolved. When we say that, it is shorthand for divisional commanders having quite a large proportion of the budget. However, the constraints that we face are that, as I think you know from our submission, our staff costs are something like 93 per cent—perhaps it is 91 per cent—of our total budget. The biggest proportion of that is the 73 per cent that is accounted for by police officers.

There would be little point in me devolving the budget to divisional commanders when the biggest chunk of it by far is police officer numbers. Divisional commanders cannot do anything on police officer numbers, because if they started to reduce the number of police officers, we would not maintain 17,234 officers. In future, it is quite possible that we will take steps to devolve more and more of the budget, but if you ask divisional commanders, the big chunk that they really want to get their hands on is police officers' pay and conditions. They would start dealing with that, as it is where all the money is, but there is no point in devolving that.

Another issue is that if we devolve the budget to divisional commanders they will need a finance manager and more admin staff to manage the budget locally. The same is true in relation to a number of functions. Most police forces have been going in the opposite direction recently.

My first choice would be to find a way to give divisional commanders the decision-making ability about budgets and the shape of their workforce locally, without giving them the administrative and bureaucratic burden of managing the budget.

The Convener: I have a big list of members who want to ask questions, but I will let Margaret Mitchell back in later.

John Pentland (Motherwell and Wishaw) (Lab): Sir Stephen, morale in Police Scotland is probably at an all-time low. That seems to be reflected in sickness absence. Some 4.2 per cent of police officer working time and 4.5 per cent of police staff working time are lost due to sickness. The rates seem high, given that, according to the Office for National Statistics labour force survey, the average rates are 1.6 per cent for men and 2.6 per cent for women. How do you explain the higher rates?

Chief Constable House: To be honest, there is very little in your question with which I agree—

The Convener: May I just check with John Pentland, for the sake of the *Official Report*, where his figures are from?

John Pentland: They are from the labour force survey of the Office for National Statistics.

Chief Constable House: As I said, there is very little in your question with which I agree, Mr Pentland. I do not think that it is possible to measure morale in any scientific way.

There has been a huge degree of change in policing in the past two years—the biggest change that there has ever been—and there has certainly been a degree of uncertainty for officers about what the future held for them, which of course pales into insignificance compared with the uncertainty that civilian staff have had. Police officers knew that they had a job and would be deployed; civilian staff were in a much more uncertain position.

Our measurements show that police officer sickness absence levels have at worst held steady, and they have improved in some parts of the country in recent years.

I am not entirely certain to what the 1 per cent rate that you mentioned refers. It is certainly not a national United Kingdom police figure, because our rates are very close to the average rate—indeed, in some areas our rates beat the average. If it is a national workforce figure, I respond that police officers work shifts and that they get assaulted by the public all too regularly, and no one ever tries to compare police officer absence figures with private sector figures. If it is a public sector figure, our estimates are a bit closer, but the vast majority of people in the public sector do not work shifts and are not subject to the levels of

assault or indeed stress to which police officers are subject.

We keep a close eye on our absence figures, as does the Scottish Police Authority, and we do not find that they are out of step.

John Pentland: Are you saying that you do not think that sickness absence of 4.2 per cent is high?

Chief Constable House: What I am saying is that it is no higher than it was under the legacy forces. In absolute terms, I can say that we would want it to be lower.

We keep a very close eye on police officer absence, and I pay tribute to the men and women in Police Scotland for their determination to come into work. We have a number of people who are off long term, sometimes through unavoidable illness, and we support them. We have officers who are off long-term sick because of assaults and we have a number of people who are off short term, but we have processes in place to get people back to work as fast as is humanly possible.

The organisation pays a great deal of attention to the matter, and I am sure that you are aware that the Scottish Police Authority spends a good deal of time looking at it, both at the human resources and remuneration committee and at full authority meetings, where it is a standing agenda item.

John Pentland: Sir Stephen, I take it that you are quite happy with 4.2 per cent because the rate has not increased in the past couple of years. What are you doing to reduce sickness absence? From what I have heard, rates are even higher in local policing. If morale is not the issue, as you said, why are people off and why have you been unable to manage sickness absence?

10:45

Chief Constable House: I am sorry, but I just do not accept the premise of the question. What I have been trying to say is that these figures are not exceptional; they go back into the legacy forces. They have not changed dramatically.

Yes, we want the figures to improve, and we are looking at improving our occupational therapy wherever we can. However, we have a very robust system for supporting officers when they are off sick. They have to phone in to let their supervisors know that they are not coming into work; there is a follow-up; and there is a return-to-work interview.

Officers have access to occupational health of a good standard, and we are seeking to improve that even more. We make regular visits to our long-term sick officers and ensure that we try to

support them to the best of our ability. Moreover, many of our localities have gyms where officers can try to keep themselves fit, and we stress to officers the need for them to do that.

I think that we are doing quite a lot on this issue. I would never say that I was happy with 4.2 per cent—that was your word, not mine. We want to get officers back at work as soon as possible, but I do not want to put undue pressure on officers who are genuinely ill and make them feel that they have to come back to work. That is why we offer a return-to-work service, as a result of which officers can come back to protected duties and recuperate while at the same time doing some useful work, perhaps away from the public, until they are fully fit. I believe that we offer quite a wide range of services to our officers, but I am always keen to learn about more.

The Convener: I think that John Pentland is getting at a slightly different issue. What was the percentage for absence in the legacy forces? You said that the figure is much the same now as it was then. Do you have it to hand?

Chief Constable House: I am afraid not, but I am happy to write to you with a breakdown of those figures.

The Convener: Is that not the point that you are making, John?

John Pentland: It is perhaps one of my points, convener, but the question that I am trying to get at is: what have you done over the past two years to improve sickness absence? The figure was 4.2 per cent last year and 4.2 per cent the year before. What have you done this year to improve that?

The Convener: Forgive me, John, but I think that we have had as much from the chief constable as we are going to get on that matter. He has given us a long explanation. You might not agree with it, but I do not think that he is going to say anything fresh. Are you, chief constable?

Chief Constable House: No.

John Pentland: I am not too sure whether I agree with your intervention, convener. I am trying to get to the basis of this. If there is sickness absence, that means that someone else has to cover it, and—

The Convener: I accept that, John, but that is not my point. You can ask your question again, but I have just asked the chief constable whether we are going to get anything in addition and he has said no. Do you want to move on?

John Pentland: I will move on to another question. Six months into the current year, more than £4 million of cuts are still to be found and making more than £1.5 million of identified savings is regarded as a major challenge. Does the fact

that this year has been such a struggle highlight the extreme difficulties that you will face next year?

Chief Constable House: Thank you for the question. I think that we have said that we are expecting some real challenges next year in balancing the budget. We have identified what we saved last year, what we are on course to save this year and what we expect the gap to be next year—it is basically all around the mid-60s of millions of pounds. We expect the situation to be challenging.

As we sit here, getting closer to the end of this financial year, we are increasingly confident that we will balance the books this year, which will give us a bit of a head start for year 3. However, that will be challenging. I am quite sure that Mr Swinney will say that it is meant to be challenging, and I am happy to tell him that it is. We have plans to identify where we can find some of the money, but we are still working on producing a balanced budget for the coming year.

John Pentland: You said that you are still working on the budget, but are you able to tell the committee whether any of the reductions will come from reducing the number of civilian staff? Will there be further closures, reduced hours for police stations and control room closures? What will the other savings be?

Chief Constable House: It is a matter of public record—after all, we took it to the Police Authority—that we have a plan for the control rooms. Inevitably, there will be more voluntary redundancies and early retirements in that area, because the staff know about our plans for those control rooms.

I mentioned in an earlier answer that we are reviewing our custody centres to see whether we can be more efficient in how we deal with our prisoner handling. That review might result in a reduction in the numbers of civilian staff. We will continue to look at all the other functions that we carry out, such as finance, HR and information and communication technology, to see whether we can be more efficient with our budget. That might mean offering redundancies to more civilian staff, so, yes, I anticipate that there will be more reductions in the numbers of civilian staff.

We are also looking at a number of other areas. For example, we are looking to save revenue through a reduction in our property portfolio; we are looking to save money through investment in our property portfolio to make the properties more carbon efficient, which will save millions each year; we are looking at our vehicle fleet on the same grounds; we are looking at our use of ICT; and we are looking at our procurement for contracts. We are still in the process of

rationalising many hundreds of contracts that we have across the country so that we can get maximum benefit from big purchase, because we are obviously a big-volume purchaser now.

We are therefore looking at quite a lot of different areas. For example, we are also looking to see whether we can be more efficient in our use of police overtime because, although it is a necessary resource, it is expensive and we want to reduce it. We are also looking again at our senior officer ranks to see whether we can rationalise those down and reduce the number of our more expensive senior officer ranks—by “senior” I mean not length of service but senior in rank—and see whether we can manage with fewer of those. There is no area that we will not consider looking at to balance the budget.

John Pentland: I have a final question in the meantime, convener. Sir Stephen, can you tell me how much money has been saved by the elimination of duplication since the creation of a single police force?

Chief Constable House: My director of finance will answer that one.

Janet Murray (Police Scotland): Of the £64 million that was saved within Police Scotland last year, almost two thirds of that sum came from the reform of the service and the creation of the single force. That will continue this financial year and next financial year, and a similar sum will be saved through the removal of duplication because of the creation of the new force. Certainly by the end of this financial year, almost 50 per cent of the savings will have come from the creation of the single force and the removal of duplication.

John Pentland: Okay. That is fine just now, convener.

The Convener: I will take a supplementary from Sandra White in a moment.

The point that was just made is an interesting one. On the financial side, we have raised the issue of the single police force being charged VAT, which the separate police forces were not charged. [*Interruption.*] Excuse me—I seem to have a fly in my throat.

How much are you paying out in VAT that is not recoverable?

Chief Constable House: At the moment, it is not coming out of our budget.

The Convener: It is coming from a special fund, but if you were not covered what would the cost be?

Chief Constable House: About £23 million.

The Convener: In which financial year? This one?

Chief Constable House: Yes, this year, but going forwards it will be about £23 million.

The Convener: Will the figure increase over time? It is £23 million at the moment and you are getting support through a Government fund, but it is a big bill.

Chief Constable House: It is a huge bill. Logically, it will increase only if our purchasing increases and, as our purchasing is reducing—that is one of the ways in which we are saving money—I do not expect the VAT bill to increase, but it will not reduce by an awful lot. I am very happy to go on record as saying that £23 million is a huge amount of money—it is probably worth 680 police officers.

The Convener: That is what one of my colleagues previously calculated on the back of an envelope.

Chief Constable House: I think that the figure that was previously given was 400 officers, but that is quite a conservative estimate. The more accurate figure is 680, which is a lot of officers. I am not necessarily saying that if we had £23 million we would spend it on that number of officers, but it would be good to have that money.

I am not a tax expert by any stretch of the imagination, but I find it bewildering that we seem to be the only police service in the United Kingdom that is charged VAT. None of the 43 forces in England and Wales pays it. The answer from the Treasury seems to be that it is because we are a central Government organisation. The Police Service of Northern Ireland does not pay VAT, nor does the National Crime Agency, yet we pay VAT. I just do not understand the logic of that and, frankly, I do not think that the Scottish public would understand it either. It has not been explained to me in a way that I can understand.

The Convener: Perhaps we will pursue that with the cabinet secretary designate. I take it that it is a matter for Government rather than for Police Scotland.

Chief Constable House: I think that the Scottish Police Authority has a view, but I am sure that it would be delighted if the Government were to discuss that with it and take it up, because it seems a bit anomalous.

Sandra White: You have usurped me, convener. That was to have been my supplementary question, and Sir Stephen House has answered it, so I shall keep my hand in for a question later, if that is all right.

The Convener: Absolutely. I apologise for pre-empting your question. I did not lip read.

John Finnie is next, to be followed by Alison McInnes, Elaine Murray and Christian Allard, and

then Roderick Campbell, according to what is on the slip. It is not my handwriting. I am accused of everything in this chair, from duplicity to trickery of all sorts.

John Finnie (Highlands and Islands) (Ind): In answer to Mr Pentland's question, chief constable, you touched briefly on something that I would like to ask about. I appreciate that you might not be able to give the fine detail, but my question is about the Climate Change (Scotland) Act 2009 and the obligations that are placed on public authorities. A term that has been used in relation to the police is that they are a major player in tackling the climate change challenges that we face. Can you give a general outline of the extent to which spending decisions are influenced by the requirements that are placed on the police? What conflict is there, for instance, between making savings and reducing emissions?

Chief Constable House: I do not recognise much of a conflict at all. It is about efficiency across the board as far as we are concerned. We are putting a sum of money from our capital spend—I am sure that Janet Murray will know how much—into improvements in existing buildings, usually for things such as windows, which tend to be of old design, and doors; we are also improving how we generate power in some places, so that we can become more efficient and use less electricity and gas.

We constantly review our vehicle fleet to try to ensure that we are following the best guidance. We are starting to use electric vehicles, although use of such vehicles is marginal. I am not an expert in electric vehicles, but I know that they still have a bit of an issue with range. We have used some in the fleet, and as they become more sustainable we would be happy to take them on board. You will be aware that we have moved to a heavily diesel fleet, although I understand that environmental advice has perhaps started to move against diesel fleets, so we will take that on board as well. I note that petrol engines have become much more efficient in terms of miles per gallon, so we may have to think about going back to petrol. That is where a slight conflict may arise. When we purchase vehicles, we look at the whole-life cost. Maintenance costs are important, and a diesel vehicle tends to have a lower maintenance cost than a petrol vehicle, simply because it has a longer maintenance schedule. Diesel vehicles have longer mileage and are a bit more robust, so we get more money on resale. That all feeds into our vehicle choices.

We are looking more and more at mixing vehicles, and I read over the weekend that hydrogen-powered vehicles have started to make much more of an impact—admittedly in California, where such things always seem to start—and they

look attractive because they do not have the range limitations that pure electric vehicles have. We would be interested in trying a hydrogen-powered vehicle as soon as such vehicles come in. Bearing in mind that Police Scotland now has the second biggest police vehicle fleet in the UK, we would get fairly early access to such specialised vehicles and we would be keen to try them out.

The final thing to mention is new builds. Neil Richardson can say more about Dalmarnock than I can, but I am aware that it has a very high BREEAM rating—that is how it was designed from the start. If you want more detail, I am sure that Neil Richardson can talk about that.

The Convener: I want to know what that word meant. What was it that you said Dalmarnock had a high rating for?

Chief Constable House: BREEAM is an industry standard for low-carbon usage in the running of a building. I cannot recall what the letters stand for, but often when buildings are up for rent, you will be told if there is a high BREEAM rating. We specified that Dalmarnock should be built in that way so that the running costs would be low.

11:00

The Convener: I can see a question for some Christmas general knowledge quiz in that—"What are BREEAM ratings?"—and we will get it right because we will google it and find out what it is.

Deputy Chief Constable Neil Richardson (Police Scotland): In basic parlance, it is the building equivalent of going into Currys and looking at fridges that have A ratings and A+ ratings. It is a similar scale and represents how efficient the building is holistically.

The Convener: We will not talk about the BREEAM rating of this building, then.

John Finnie: I am not technically minded, chief constable, but things clearly improve as you get rid of less-efficient older vehicles and buildings. Has there been any projection done of the timeframe and how that will impact?

Chief Constable House: We have set targets on reducing emissions. We are looking at a 25 per cent reduction on current emissions by 2020 and a 50 per cent reduction by 2050. The aspiration is to become a carbon-neutral organisation. That is not an easy thing to do, but we have to aspire to such achievements. We reckon that the total cost of our carbon footprint last year was in excess of £26 million. That is for everything: the cost of the fuel, gas and electricity. Anything that we can do to reduce that will save taxpayers' money and be better for the environment.

John Finnie: We are scrutinising the budget. Is that a regular budgetary consideration?

Chief Constable House: Yes. I think that I am right to say that all our papers to the Scottish Police Authority include carbon emission implications, so the authority keeps that matter under scrutiny and so do we.

John Finnie: Thank you. That is reassuring.

Alison McInnes (North East Scotland) (LD): To return to the budgetary pressures on the service, you are not alone in acknowledging that next year will be challenging, Sir Stephen; all our witnesses so far have expressed concern about that. Calum Steele, Chief Superintendent Rennie, Derek Penman and Vic Emery all said that the coming year will be much harder.

When I pressed Derek Penman on the risks, he said:

"The obvious risks are about the extent to which, in order to make more savings, the police might have to lose more staff ... Alternatively, they might start to cut inappropriately into the other"

part

"of the budget ... That might be shown through falling service and public satisfaction levels."—[*Official Report, Justice Committee*, 4 November 2014; c 29.]

What, to your mind, are the risks for the service in the next year?

Chief Constable House: I would not take issue with anything that Mr Penman said. He is a highly experienced police officer and worked as one of my senior officers before he became Her Majesty's inspector of constabulary, so he is well aware of the situation in the organisation. However, I am sure that he is also well aware of the fact that, when we look to balance the budget, we not only ask how we can save money but consider the operational implications of the cut. If those implications are disproportionate or if we do not think that we can balance them in some way, we will not have the cut in our top line.

We will do exactly as councils have done—you have seen it in the newspapers recently; it is a well-trying strategy. Councils list all the things that they could possibly do to balance the budget and publish that information so that the public can take a view on it. That is the council testing the water and, when the public react violently against some proposals—such as school closures or something else that is quite emotive—it pulls back. We do something similar. We consider a wide range of issues: some that are politically acceptable, some that are not and some that are operationally too damaging for us.

For example, we could consider cutting back massively on our overtime budget, which is, I think, about £18 million. We could say that we will

save all that money and there will be no overtime, but that would not be a realistic decision to take. Overtime is expensive, but it is absolutely essential for flexibility and to allow officers to respond to incidents as they would want to. We might have that on the list, but we would pretty quickly say, "No—we won't do that."

We might ask whether we could reduce overtime by 10 per cent and how we could manage that. Could we manage it through better supervision of overtime to ensure that officers really need to stay on duty for as long as they say they do? Could we say, "Actually, you can sort that out tomorrow or hand that work on to somebody else"? We have to take those steps because it is public money that we are dealing with.

The bottom line is not to say that we are going to balance the budget, come what may; the bottom line is that we have to deliver an efficient and effective police service and meet what the Government and the Scottish Police Authority want from us, but we have to do so within a balanced budget. It is a matter of balancing the two. I know that Derek Penman would have put that across in his answer, and I hope that I have done so, too.

Alison McInnes: Thank you for that. What we are trying to establish is whether the budget is realistic and appropriate for the services that you are trying to provide. Given that the projected savings were built on—let us face it—quite shaky foundations, with a quite sketchy outline business case, would you support a review of the timetable for the savings? Would you say that we need to pause and have a look at the scale of the savings that you are expected to make?

Chief Constable House: I probably have to speak up for Neil Richardson a little bit. Our view, and the view of the Association of Chief Police Officers in Scotland at the time, was that the outline business case was solid. What we took issue with was the savings that were attributed to it. ACPOS never signed up to that exact amount of savings. However, when I first appeared in front of the committee—I am sure that Vic Emery was with me at the time—we said that we accepted the budget for year 1 and that we thought it was doable, and we did the same for year 2. I feel that I have to stick with saying that it is going to be challenging for year 3, but I do not feel that I am in any position to say that it is not doable. I just think that it is challenging.

As members will be well aware, we have an overall strategic financial target of saving £1.1 billion by 2026, and, internally, we are confident—and I think I am right in saying that Audit Scotland is confident, too—that we will meet that target. However, I have been saying to my people that it is not a smooth path from here to 2026. The path

is quite bumpy, and anything that can be done to smooth it would make it easier for us to sustain progress. For example, next year is pretty difficult. There are years beyond next year that, at the moment, do not seem as difficult. Having said that, they could become more difficult as we get nearer. I am not an expert in financial projections; to be honest with you, I think that that is the role of Government departments.

The budget for next year will be challenging. We are up for the challenge, but it is going to be more difficult next year than it has been in the first two years.

Alison McInnes: You say that you are up for the challenge. Are you also up for being open when you think that the challenge cannot be met, if that happens?

Chief Constable House: Yes. I am happy to repeat externally what I have said internally to my organisation for a number of years, which is that there will come a point at which we will have to say to politicians that we cannot do any more, and if that point comes, I will say that. I have always tried to be open and honest with the public in Scotland and with politicians.

That is the situation. I do not know where we go when that happens, but I see that as my role. Despite what people in the room may think of me and my leadership style, I take very seriously looking after my organisation so that it can look after the public. We do not get every single decision right, but I can promise you that, if a time comes when I think that the service is being degraded, I will say so.

I do not see that yet. I am very proud of what we have achieved so far. As we sit here today, the crime figures for the past year—our first full year—have been released. Total crime is down, and violent crime is down 10 per cent. There are some areas that we would like to improve on, but I think that that is a pretty good report card, particularly when we combine it with Derek Penman's recent review of our statistics, which found that our recording of crime is good—we record with 94 per cent accuracy, which compares extremely well with other parts of the UK. The public can have confidence in our crime figures; we have confidence in them, as do HMI and the Scottish Government.

The Convener: Does Alison McInnes have confidence in them, though?

Chief Constable House: It is not my job to ask members questions; it is the other way round.

Alison McInnes: Yes, the questions are this way round.

I am interested in what you said about meeting the overall target by 2026 but perhaps taking a

different path to get there. That ties in a little bit with Vic Emery's comment that you are moving from a consolidation phase to a transformational and reforming phase. I am concerned about whether the public will have confidence in that transformation. You need to take the public with you and, in order to do that, you need time. Do you feel that the budget pressures will force you to make that transformational change too quickly and that you will lose the public along the way?

Chief Constable House: I think that we have taken some appropriate decisions so far. I keep going back to the control room example, because it was a very iconic decision—it was a huge decision about structure and infrastructure. We have taken other bold decisions on our ICT development, which Neil Richardson is leading under the i6 umbrella.

I genuinely believe that a single service can deliver a better service to the public than the very good service that the eight constituent forces provided. It is not a case of fixing things that those forces got wrong; it is a case of building on strength. I also believe that we can deliver the service more efficiently and more cost effectively. We have already heard from Janet Murray about the amount of money we have saved through a reduction of duplication, and I believe that there is more of that to come.

We have identified that we still have more than 500 contracts across Scotland. We already had a degree of consolidation among the eight forces—there were some frameworks that we bought from—but we can squeeze the provider numbers ethically and appropriately.

For example, when we went live on day 1, we had eight different contracts with BT, all at different rates. That cannot be right for one service and we are fixing such things. We have strength in dealing with some quite big outfits now because we are a big purchaser on behalf of the Scottish public. There are benefits. The model is capable of much more and we can make more savings.

Your question was about whether we are going too fast. I acknowledge that we are going fast and that that is causing stress and strain in the organisation, but we are going at the right speed. We want to improve as fast as we possibly can and offer an increasingly better service each year. There are a number of areas where I can evidence that we have done that already.

Deputy Chief Constable Richardson: I have a couple of comments to support that. On pace, with the passage of time, there are inevitable realities that are slowing down our ability to move forward as rapidly as we did in the earlier stages. The closer we get to true transformational activity, the more relevant that is.

I have been the senior responsible officer for Dalmarnock, and it has taken us six years to go from the notion through to delivery. The technology project that I am leading on also has been going for six years and, although we are very close to it, we have not yet got to the point of delivery.

Those are genuinely transformational activities that have huge amounts of benefit, and I believe that there are a lot more such activities within the organisation. However, on the chief's point about smoothing the way, inevitably, the delivery of such transformational changes will, given the nature of the changes, take time. We have to go through due process, we have to prove the case, and we have to ensure that there is consultation and that people are brought along with us. That will all take time.

It may very well be that there is plenty of dividend but cash-flow and phasing issues will present themselves. At the moment, we are looking very closely and very rapidly at the opportunities that we think are credible.

The Convener: I know that John Pentland wants to come back in but I want first to take everybody who has not come in yet, starting with Elaine Murray.

11:15

Elaine Murray (Dumfriesshire) (Lab): Sir Stephen, you told us last year that there was no policy for the backfilling of vacant civilian posts by police officers. However, Tina Yule of Her Majesty's inspectorate of constabulary for Scotland, when speaking about the custody report, stated:

"part of the resourcing model is to backfill from local policing with police officers."—[*Official Report, Justice Committee*, 4 November 2014; c 25.]

She went on to say that that was not necessarily for civilian staff, and that it could be for other policing staff.

Stevie Diamond said that, where there were vacancies, police officers would be put in them—that has been the experience.

Chief Superintendent Rennie said:

"The job still has to be done, however, and logic dictates that more police officers will perform those functions."—[*Official Report, Justice Committee*, 4 November 2014; c 39.]

There may be no policy of backfilling, but it sounds as though it is happening. What are you doing to monitor and address the situation, in which police officers appear to be carrying out work that would more appropriately be carried out by civilian support staff?

Chief Constable House: I have said this to the committee before, and you have quoted me quite accurately as saying that there was

"no policy or strategy of backfilling".—[*Official Report, Justice Committee*, 29 October 2013; c 3402.]

However, I think that I have also said that backfilling goes on on a daily basis, of course, because people go off sick and positions have to be filled at short notice. That is inevitable in an organisation of 23,000 people across the country. However, there is no policy to do it.

I think that you are referring to Ms Yule's comment on the inspection that was done in Fife. Derek Penman said in his report that no evidence of backfilling as a strategy was found. That is the other side of the coin.

There is inevitably backfilling for custody across the country. However, as you said in your question, that is more to do with police officers backfilling the roles of other police officers; it is not backfilling civilian custodians. The reason for that is simple, and it is one reason why we are reviewing custody as a whole. Our custody provisions and requirements are very uneven. There is a ramping up of prisoners being taken into custody on a Thursday, and the volume keeps going up. It hits a peak on Sunday night, because we do not have Saturday or Sunday courts. The cells fill up and, on Monday morning, there is a mass exodus to the courts. On Monday afternoons, therefore, we need just a fraction of the staff who are needed on a Saturday or Sunday night. Employing people at an even level would be vastly expensive—far more expensive than we need—so we provide a surge capacity from police officers. That is not so much backfilling as reinforcement of the existing staff who are on a permanent rota.

There are other examples. In our contact centre in Aberdeen, there are police officers doing jobs that were previously done by staff colleagues. The reason for that is simple: it is well publicised that we will be closing down the control room and contact centre in Aberdeen. Staff are taking advantage of the very buoyant labour market in that area, and they are going to other jobs early on. We agreed with the unions that it would be pointless to have us bring in more civilian staff to backfill for a short period. It would be unfair to use agency staff, which I think would risk some danger, because we need experienced people. We are deploying police officers in that instance, because we know that it is only a matter of time before the control room shuts down.

We backfill in certain cases where we think that it is the logical thing to do, and we try to secure union acceptance of that. However, there is still no policy around backfilling at this moment in time.

Elaine Murray: Ms Yule said that

“backfill is for any custody officer, whether civilian or police”.—[*Official Report, Justice Committee*, 4 November 2014; c 25.]

She did not say that it was just for police officers; it was for civilian officers, too.

Stevie Diamond discussed instances in which there were unfilled vacancies, rather than those in which closures were imminent.

My question was whether you are monitoring where backfilling is happening, and whether you will take steps to address it if it is inappropriate.

Chief Constable House: I am sorry—I should have been more direct. Yes, we monitor it. Where we think that it is inappropriate, we will take steps. However, as I said, I would not expect it to happen in the organisation, as there is no strategy or policy to support it. People would be acting outside the strategy if they did it.

Elaine Murray: On the same day, we heard evidence from Chief Superintendent Rennie and Stevie Diamond about stress on staff members and police officers at superintendent level. Chief Superintendent Rennie said that superintendents work long hours and

“cannot take their rest days or their annual leave and ... when they feel sick, they would rather use annual leave than report in sick.”—[*Official Report, Justice Committee*, 4 November 2014; c 46.]

Stevie Diamond said that he was surprised that sickness absence rates had not increased more for civilian staff, because of the stresses that they were under. What is your view? Are you concerned about that? Are you taking steps to address those issues?

Chief Constable House: I am always concerned if I hear that staff are under undue stress. However, we regularly review the superintending ranks and the roles that they carry out. We have looked at the superintendents on-call rota and we have added to the number of superintendents in it. I think that the average figure is that a superintendent is on call one week in nine, which is not particularly onerous.

We have done a fair degree of engineering to ensure that nobody is overburdened in that. There is a higher proportion of on-call among specialist crime directorate superintendents, because they are fewer in number, but the on-call burden on divisional superintendents across the territorial divisions is not particularly onerous.

I met two divisional commanders from Aberdeen and Aberdeenshire yesterday at a long-service medal ceremony and their morale seemed particularly high. I meet superintendents virtually daily; they work hard, but the Association of Scottish Police Superintendents has done a good

job in ensuring that their remuneration is not bad. Frankly, superintendents are senior managers in the organisation and I expect them to work hard. I do not want them to be unduly stressed, but they have difficult jobs to do. They make difficult decisions; sometimes—without wanting to overdramatise—they make life and death decisions in firearms incidents or any other incidents. They manage a great range of incidents—search and rescue in the Highlands and so on—and we put a great deal of faith in our superintending ranks. I am sure that they find their jobs tough.

I would be disappointed if superintendents felt that they could not take their annual leave. That is not an issue that I have noticed, if I am honest. I see them taking annual leave. The situation is not that they are not leaving work at all. We meet ASPS regularly, and it raises a number of issues with me. I will be honest—in the past, it has raised concerns about the on-call rota and allowances for cars. We talk regularly about those matters, which is a perfectly appropriate way of dealing with problems.

Elaine Murray: We got the impression from that evidence that some of the efficiency savings that had been made at that rank by decluttering—or whatever you might call it—have gone into the SPA and the Police Investigations and Review Commissioner rather than front-line policing. Do you agree with that concern?

Chief Constable House: I do not see that as the pattern. We have reduced the numbers in the superintending ranks quite markedly in the organisation, and there is a bit more to go. We probably have about 20 more superintendents in the organisation than we have posts that we need them to do. We still have some extra superintendents, and we will reduce the number when people retire.

In the main, we have converted superintending posts to police constable posts. I guess that there is some saving between the cost of a police constable and the cost of a superintendent or chief superintendent. We have generated £20 million-worth of savings from police salaries to contribute to the budget targets. Some of that has come from a reduction in the senior ranks. I remind you that we have more than halved the bill for chief officer ranks across Scotland, as well.

Roderick Campbell (North East Fife) (SNP): Good morning. When I put a question to Vic Emery about the funding of police officers who were formerly funded by local authorities and what the position on that is, he suggested that I address that question to you.

Chief Constable House: Did he? How kind. I can certainly answer that—I have some

information on that somewhere. About 329 officers are funded by various councils across the country. The two biggest chunks of those are, as one would expect, in Edinburgh and Glasgow, which probably contribute two thirds, and the rest are in a number of other councils that provide essential but smaller amounts of funding. As one would expect, we are seeing some pressure from councils on this matter, and a couple of the smaller contributing councils have said that they might find things more difficult next year. In my experience, we get that every year, but the money is often forthcoming because the councils value the extra policing. Obviously, it is entirely a matter for the councils; we would be disappointed if that happened, but we understand that everyone has budgets to balance.

Roderick Campbell: But the funding is still largely intact.

Chief Constable House: Absolutely. It is still very much there.

Roderick Campbell: I move on to the separate issue of property. Last year, you said that you had about 800 buildings, only about half of which were operational. A year on, can you summarise the property position and what you have done to maximise resources in that respect?

Chief Constable House: Forgive me, but I want to pin things down a bit. There are 800 buildings, but if I had said that only half were operational, what I would have meant is that operational officers work from them, not that the others are empty. Was that what you meant? The buildings have never been empty as such; they are administrative centres or even old headquarters buildings. For example, I would not classify the Pitt Street building, which we still run, as operational. It has a control room, but operational units do not work from it; it is an administrative centre, of which there are quite a few around the country.

In general, we are in the midst of developing with the Scottish Police Authority and a number of other agencies a very comprehensive property strategy. We are looking to reduce our property, with a huge emphasis on the non-operational buildings—which is, I guess, where I would have used the phrase “operational”.

Roderick Campbell: You said that only

“half of those are what the public would recognise as operational buildings.”—[*Official Report, Justice Committee*, 29 October 2013; c 3400.]

Chief Constable House: Okay. We are still focusing on reducing the number of buildings. Our number 1 target was to get out of any expensive leases; we have done a lot of work on that, and we are now out of most of them. We then looked at whether we could rationalise by putting more people into buildings or selling off other buildings,

which would not only get us a capital return but give us a revenue uplift. It would certainly save us money.

We are still in the midst of that work. The combination of that with, as I said to Mr Finnie, ensuring that any new buildings that we put up are more efficient in their use of utilities is where we are headed. We expect to get about £5 million in receipts from buildings that we have sold this financial year, and those buildings range from police houses that we no longer need to much larger buildings.

Roderick Campbell: Last year, you said that you had shaved about £10 million off the previous year’s overtime budget, and you talked about an overtime budget of £22 million. This morning, however, you mentioned a figure of £18 million. In light of pressures as a result of, for example, inspecting domestic abuse incidents, is that overtime budget sufficient? Moreover, Mr Penman indicated that the budget was, to some degree, devolved to divisional commanders. It would be helpful if we had a bit more flesh on the overtime situation.

Chief Constable House: Janet Murray has just passed me a hastily written note, reminding me—and here I give credit to the Scottish Police Federation and Calum Steele in particular—that some of the overtime savings have been made as a result of Mr Steele’s proposal to convert a number of public holidays into annual leave days. That does not sound particularly dramatic, but it has meant that we have been able to avoid paying public holiday rates to police officers. We said, “Instead of giving you X number of public holidays, we will give you X-plus days annual leave.”

The benefit of that approach for police officers is that it is far more flexible. They can take a public holiday only on the public holiday, but if they work that as an ordinary day they can get an annual leave day in return, which they can opt to take at a time of their choosing, within reason. The approach probably saved about £4 million from our overtime bill. Savings have been made without cutting the number of cops on the street.

11:30

As I said, we need to be as efficient as we can be. Overtime is expensive and we must ensure that supervisors are authorising it and there is a third eye on the case, so that someone is saying, “Yes, we need that spending; the person has to be interviewed—today or before the end of the shift—by the officer who has a rapport with them, rather than by another officer.” If we are happy with that, we will pay the overtime.

A big element of overtime comes from unexpected incidents, usually tragic ones, such as

homicide investigations, where we simply have to get feet on the street early, for public reassurance. A lot of homicides are solved very early on, and we have to put people out to do door-to-door inquiries and so on. We spend where we need to spend.

The budget is devolved. Rose Fitzpatrick, the deputy chief constable with responsibility for local policing, keeps some of the budget at the centre, but she also devolves to divisional commanders a proportion of the overtime budget, for them to spend. We do not control that at the centre; it is controlled at local unit level.

Roderick Campbell: To what extent do policing major events and trying to recover the costs of doing so factor into that?

Chief Constable House: As I am sure that members are aware, because I am sure that Vic Emery mentioned this when he was here, we have worked with the authority to bring in a policy on consistency of charging at events, which means that we are able to be a lot more consistent about how we do that around the country. I have figures, but I will have to find them and I am struggling to do so—I apologise.

The Convener: It is all right. You can pass them on to us. I am not saying that you cannot cope, but—

Chief Constable House: The figures are interesting. We keep a log of events, which records 12,195 events since 1 April 2013. We have recovered full costs at 272 events and some costs in relation to a further 81 events. That does not include football matches, but it includes every other event, from local galas or fêtes to—dare I say it?—hogmanay in Edinburgh.

We look at a number of issues, but the authority's policy is clear. Where the enterprise is profit making, there is full cost recovery. Let me be clear: we would rather not have any officers at such an event. It is for the local commander to decide whether policing is required and, if so, what level of policing, on grounds of public safety and crime prevention. We will then inform the organisers and people who will make the profit about that decision, and there will be full cost recovery.

Some costs are abated, for a number of reasons. For example, if an event has some element of public interest an abatement will be applied, in line with the Scottish Police Authority's policy. We take the bigger decisions on the matter to the SPA's finance and investment committee, so that it can agree on whether there should be abatement, and at what level, or whether the event should be a full-cost-recovery event.

The Convener: I presume that there is a contract between Police Scotland or the SPA and the event organisers. I was going to say "a stitched-up contract", but that sounds wicked; I mean a firm contract, so that everyone knows where they are at the end of the day.

Chief Constable House: Yes. We would be more inclined to call it a memorandum of understanding that says, "We will provide these officers, under the command of this rank, to do the following jobs" and that we expect the organisers to provide, for example, a certain number of stewards, to reduce the costs.

We are not out to put loads of cops at such events; we want that reduced as much as possible. Football is a good example in that regard. There are now a number of non-policed football matches in Scotland. There is no police presence, because history and intelligence tell us that there is no trouble at those matches, so we do not need police officers. At other matches, we need to deploy quite a few officers, which is unfortunate.

The Convener: Is there a memorandum of understanding in that regard?

Chief Constable House: Yes.

The Convener: I wanted to clarify that things are not sprung on people, and that people know exactly what they have to pay for at the end of the day, if you have sent police officers.

Christian Allard (North East Scotland) (SNP): Good morning. That subject will be the main thrust of my question; I want to pursue the issue of football clubs. In relation to the numbers that you have just given us, how much money are we talking about since April 2013? How much money is still to be recovered? How much will not be recovered at all?

Chief Constable House: I can give a general introduction on that. A number of matches are now police-free, so there is no charge for those. When we provide police officers to a football club that is a profit-making enterprise, we expect full cost recovery, but we have to distinguish between amateur and professional clubs. An amateur club might get to a cup final—it happens; I can think of an example in Ayrshire—and although amateur clubs are not profit making, a police presence is still necessary because tensions can run quite high.

With a profit-making enterprise, we will provide police officers when we think that intelligence and history suggest that we should. We will agree that with the club, and we will expect full cost recovery. I do not have specific figures; I think that Janet Murray knows how much money is owed to us by football clubs.

Janet Murray: Yes. As the chief constable outlined, we have a number of officers who attend football matches. Once an invoice for that has been issued, we have a recovery process, as any other organisation would have. Charges that remain unpaid after 90 days represent a very small amount—only £85,000. I do not have the exact figure with me but, in general, recoveries from football clubs are high. We have a very good and active programme of recovery and following up on cases in which we have issued an invoice. We do that by working with the clubs and the commanders to ensure that moneys come back to us.

Christian Allard: That is good from the point of view of public perception. In the north-east—in Aberdeen, for example—some football matches have not been policed at all. If that is what happens in the future, great savings will be made.

We have heard in evidence that there are some other private event activities that you carry out. How much money has not been recovered in those cases? What is your policy? Are you changing your policy on how to recover that money, or is it the same policy that you had in the past?

Janet Murray: The previous forces had different practices. We are looking to amalgamate those and to find the best possible recovery process. In the main, although the previous forces had different practices, they tended to follow a similar route of following up either by letter or verbally, arranging meetings with every individual involved and, if necessary, taking appropriate legal action.

Christian Allard: Is any legal action on-going?

Janet Murray: There is no on-going legal action, at this point in time.

Christian Allard: We heard from Derek Penman that you have a national policy of recharging. Is that in place?

Janet Murray: Yes—we have an approved policy on that. We worked with the Scottish Police Authority on a full-cost-recovery policy, which has been in place since August 2013.

Christian Allard: Vic Emery told us about a meeting between academics, the Scottish Government and Police Scotland to discuss what policing might look like in five, 10 and 15 years, and what expectations the public and politicians have of the service. How far on are you with that discussion? Have you made progress? Do you have a timetable?

Chief Constable House: We are making progress, but we do not want to rush the process. It is fine to ask the police service what it thinks policing should look like in five, 10 and 25 years, and I am sure that the Scottish Police Authority

also has a valid view, but it is just as important to ask a variety of other stakeholders, particularly the public, what they would like to see by way of positive change. I anticipate that the process will take a while. Several meetings have already taken place between groups within Police Scotland and the SPA to discuss some of the concepts that we will consider as we move into the next five, 10 and 20 years.

We also want to ensure that we pay attention to what is going on internationally, because a lot of thinking is going on about such things. There are also a lot of ICT developments going on around the world and we need to ensure that we take advantage of them.

The work is on-going and I will not promise that it will be finished in three or six months. We need to take our time with it, and we want to ensure that we talk enough to the public, councils and a variety of other stakeholders, including the Crown. For example, Lord Carloway came along to a recent meeting of the justice board and talked about the Scottish Government's digital strategy and about digitalisation in relation to courts and legal processes.

That takes us into areas such as body-worn video cameras, which Christian Allard will be aware of, coming from the north-east. They have been in place in Aberdeen and Aberdeenshire for a few years now, and the Scottish Police Authority is keen to talk to stakeholders, including the public, about moving forward with them. They represent a sensible and practical approach to evidence gathering and transparency in the criminal justice system.

Christian Allard: Are you considering sharing budgets with other services such as social care and the national health service? Are you considering sharing buildings?

Chief Constable House: On sharing buildings, we already have more than a toe—a foot, I guess—in the water. For example, the Fort William police office—which was funded by the then Northern Constabulary police board, to give it credit—is a facility that is shared with the Scottish Ambulance Service.

We are in discussion with the Scottish Fire and Rescue Service about whether it wants to use parts of our West Bell Street facility in Dundee, which would potentially be a control room facility. It is not yet a fully integrated control room, but it would be a step towards that.

I am sure that Vic Emery has said, and I share his aspiration, that the next generation of control rooms—probably not in three or five years, but 10 or 15 years out—will be shared. I would be surprised if they were not shared across the emergency services.

Christian Allard: Thank you.

The Convener: I am conscious of the time. I ask Margaret Mitchell and John Pentland to ask their questions, then the panel can answer them together.

Margaret Mitchell: At previous meetings I have asked about budgets for campaigns—on the 101 number, doorstep sellers and keeping safe online—and about general public relations budgets, but it was not made clear how much is spent on those things or where we would find a breakdown of the information. It is important to see how effective that preventative spend is.

John Pentland: I have three questions, convener.

The Convener: I am in your hands, but I want us to be finished by 1 o'clock.

John Pentland: The questions are really quite important.

First, Sir Stephen mentioned in a response to Alison McInnes that he is quite confident that £1.1 billion of savings is achievable by 2026. How will you measure that, given Vic Emery's comment last week that you do not know what policing will cost or what the future holds for policing? Are you telling us that the future of Police Scotland will depend on the budget that you have available?

Secondly, you said that you spend £18 million on overtime. How much of that is spent on covering for absence and sickness? If you do not have the answer now, perhaps you can write to the committee with it.

My third question is one that the convener asked me to ask. Victim Support Scotland is dependent on funding to deal with domestic violence, sexual crimes and human trafficking. Will that funding be available to it this year?

The Convener: I do not know where that question came from—I do not remember it. Anyway, please answer as you can, chief constable.

Chief Constable House: In response to Ms Mitchell's question, I have a breakdown here of what we have spent on different campaigns. It is two pages long, so I am happy to write to the committee and include it as an appendix.

The Convener: That would be helpful.

Chief Constable House: We are spending an increasing proportion on social media and on electronic media. The spending is not so much on television adverts but on YouTube and the internet, and a lot of it is on Twitter. I am sure that a number of members will be aware that we have something like 178 Twitter feeds across Police Scotland, and those are extremely active. We

have something like 600,000 contacts on Facebook, YouTube, Twitter and so on. We are using those platforms a lot more and they are often considered to be more cost-effective than traditional TV and newspaper coverage.

11:45

Margaret Mitchell: Which general heading does that spending come under in the budget?

Chief Constable House: I do not know. I have a breakdown of the figures that gives the cost of each campaign, so the information is quite detailed.

The Convener: It would be helpful if we could have that by tomorrow.

Chief Constable House: I can leave it with you.

The Convener: That would be even better. We can copy it to members.

I am conscious that John Pentland's questions still have to be answered.

Chief Constable House: How can I be confident that the £1.1 billion saving is achievable? I can be confident because we are already making recurring yearly savings that will add up to a saving of £1.1 billion by 2026. It is a simple arithmetic exercise. I have no idea what my budget will be in 2026, but I hope that it is sufficient to run a first-class police service. The amount of money that we do not spend each year going forward will add up to £1.1 billion by 2026, which is what we were asked for.

I cannot say how much of the £18 million that we spend on overtime is for covering sickness absence. The reality is that—as I have already said during the meeting—overtime is usually to cover unforeseen events such as homicides, other emergencies that take place, searches for missing persons in open country and a variety of public-order situations. Overtime is not used so much to cover sickness absence. The obvious point to make is that if someone calls in sick at 7 o'clock in the morning at the start of a shift and we are, therefore, down one, I would expect the sergeant or inspector to ensure, if we need to cover that vacancy, that it is covered in some other way. There would be no one to pay the overtime to. We do not use overtime to cover sickness absence.

The Convener: I am going to—

John Pentland: Convener—

The Convener: No. I am sorry. We have had answers.

John Pentland: We have had answers to some of the questions.

The Convener: And the chief constable—

John Pentland: Is Sir Stephen—

The Convener: Please do not interrupt me.

We have had an answer, in which the chief constable has said that he cannot give us the detail. He has put it on the record that—to paraphrase his comments—it is highly unlikely that Police Scotland is using overtime to cover for sickness. The chief constable has given examples and put his comments on the record. If anything can be added by a breakdown of any figures—which the chief constable may or may not have—on use of overtime to cover sickness absence, I take it that the chief constable will provide such information to us.

Chief Constable House: I am happy to do so.

The Convener: Does that satisfy you?

John Pentland: The level of sickness absence in the police force is 4.2 per cent. I ask the question because I need to find out how much of the overtime bill of £18 million is being spent to cover sickness absence. That is my only question.

The Convener: Your question is on the record and I have dealt with it. I have said that, because we cannot have the details just now, they can be provided later if Police Scotland has figures at that level. I cannot do better than that. Neither the chief constable nor other members of the panel can answer the question on the spot.

I thank the witnesses for their evidence. We will break for five minutes before the next panel.

11:48

Meeting suspended.

11:51

On resuming—

The Convener: I welcome Michael Matheson, the—this is a mouthful—Cabinet Secretary for Justice designate. I congratulate you on your appointment, Michael, which brings you full circle to the era when we first came into the Parliament.

The Cabinet Secretary for Justice (Designate) (Michael Matheson): It does: the old Justice and Home Affairs Committee days.

The Convener: Indeed. I cannot remember whether I was a convener then, but I do not seem to have moved on anywhere. I do not know why.

Michael Matheson: If I recall correctly, Roseanna Cunningham was the convener of the Justice and Home Affairs Committee and you became the convener of the Justice 1 Committee.

The Convener: That is what happened. Our history is exposed. However, as I said, you have had a trajectory that is very different from my own. However, if you don't rise, you don't fall—I have settled for that.

I also welcome to the meeting, from the Scottish Government: Neil Rennick, acting director of justice; Gillian Russell, deputy director, police division; Hilary Pearce, police division; and Richard Dennis, deputy director, fire and rescue division.

I invite the cabinet secretary designate to make an opening statement.

Michael Matheson: Convener, thank you for the opportunity to appear before the committee today. People across Scotland rely on our justice system to live in safety and security, to ensure that their rights are protected and to resolve disputes fairly and swiftly. Our draft budget for 2015-16 is focused on maintaining access to, and the quality of, vital justice services within the context of continuing restraint on our overall budgets. Over recent years, we have managed to achieve that by reforming and transforming how justice services are structured and delivered. By doing so, we have protected vital front-line services, made more efficient use of resources and strengthened delivery at both national and local levels.

For the police, the single service has strengthened local policing while ensuring that all parts of Scotland have access to specialist expertise and equipment wherever and whenever it is required. Officer numbers are high: the latest figures show that there are 17,267 officers in Scotland, which is an increase of 1,033 from 2007. Public confidence in our police is also high and rising. It has been another remarkable year for policing in Scotland. The policing of the Glasgow Commonwealth games was exemplary and played a crucial role in the games being the most successful ever, safely enjoyed by tens of thousands of spectators from around the globe. The policing of the Ryder cup was also an example of first-class policing of one of the world's greatest sporting spectacles.

There were many successes, all of which took place against the backdrop of the shocking and tragic events at the Clutha bar almost exactly a year ago. With characteristic commitment, the police and other emergency services responded professionally, even when they knew that three of their own were lost in the wreckage. That was a typical response from our police in the most testing of circumstances.

The fear of crime is reducing. Figures published earlier this morning confirm that crime has fallen again and is now at a 40-year low. Non-sexual crimes of violence have fallen by 10 per cent. As a

result of proactive policing, an increase in historic reporting and the willingness of more victims to come forward, sexual crimes have increased by 12 per cent. Crimes of handling an offensive weapon have dropped by 5 per cent, which represents a fall of 62 per cent since 2006-07. The clear-up rate for all crime has increased and is now at the highest rate since 1976, the first year for which comparable figures are available.

Our police make an immense contribution to that success. We value that contribution and will not attack our officers' terms and conditions. Compared to England and Wales, where the hated Winsor package was imposed on police officers and where police numbers are falling and predicted to decrease by some 15,400, Police Scotland and the SPA are making excellent progress in delivering savings. The vast majority of the savings are sustainable and recurring. That is why great progress has already been made towards delivering the projected £1.1 billion by 2026. I also commend the similarly strong progress that the Scottish Fire and Rescue Service has made.

Police and fire reform is part of the wider reforms of our justice system. The Victims and Witnesses (Scotland) Act 2014 places the interests of victims at the heart of the reform agenda. When implemented in full, it will strengthen the rights of victims to support and standards of services and will require offenders to contribute towards the cost of providing immediate support to victims.

The Courts Reform (Scotland) Act 2014, which received royal assent earlier this month, will also result in the most significant modernisation of Scotland's courts and civil justice system in at least a generation. From April next year, the Scottish Court Service and the tribunals service will merge into the Scottish courts and tribunals service under the leadership of the Lord President and Eric McQueen, the chief executive of the Scottish Court Service.

The Scottish Court Service has also confirmed major investment in new, state-of-the-art ICT to transform how people access our court services. That forms part of our ambitious justice digital strategy, which was launched over the summer.

The Court Service has confirmed that it has the necessary physical capacity to accommodate the current and anticipated volume of criminal and civil cases within the court estate. Despite budgetary cuts, the Scottish Court Service and the Crown Office and Procurator Fiscal Service have increased their legal staff numbers since 2008, with the Procurator Fiscal Service experiencing an increase of 70 additional legal staff.

An effective and efficient justice system is vital to meeting the challenges of a modern, fair and equal Scotland. We will continue to encourage and support our law enforcement agencies to tackle crime—including sexual offences, domestic abuse and serious and organised crime—robustly. We will also continue to support preventive measures that can encourage people away from crime or help people to resolve civil disputes more quickly.

I and my officials are, of course, more than happy to take questions from the committee.

The Convener: I have been a bit indulgent because it is your maiden voyage, cabinet secretary designate, but we will now move on to the meat of the day, which is questions on policing, courts, the Crown Office and access to justice at large.

Roderick Campbell: Good morning. If you do not mind, I will just call you Mr Matheson rather than the longer title.

I begin with a matter that has been mentioned in several other evidence-taking sessions and about which I wrote to your predecessor: the recoverability of VAT in relation to Police Scotland in particular. How are negotiations with Her Majesty's Treasury going on that matter? I do not want to be too difficult on your first outing, but is there anything that you can add to the debate?

12:00

Michael Matheson: As you will be aware, my predecessor had for several years pursued this issue on several occasions with HM Treasury and a variety of different ministers who have been responsible for this policy area. To date, however, Treasury ministers have refused to change their policy position on the matter, which we think is unacceptable. This is costing the Scottish Police Service £24 million a year, and if we could secure the exemption in the same way that other forces in the UK have been able to, that money could clearly be invested in—

The Convener: We have been told, cabinet secretary designate—which is what I will call you—that it equates to 680 police officers.

Michael Matheson: That just exemplifies the impact of the measure. We are very clear that this policy matter could be changed very readily by—
[*Interruption.*]

The Convener: Excuse me, but I seem to be in negotiations with Sandra White on my left. You are next on my list, Sandra.

I am sorry, cabinet secretary designate. Off you go.

Michael Matheson: We are very clear that this is a policy matter on which Treasury ministers

would be free to make a decision at, in my view, the stroke of a pen. I certainly intend to pursue the issue with vigour, and I would welcome any suggestions from the committee on how it could assist in pursuing the matter with the UK Government. I make it very clear that the present situation is completely unacceptable, and I will be pursuing the matter further with the UK Treasury to try to get the policy in this area changed.

Roderick Campbell: I am grateful for that assurance. Could I just move on—

The Convener: Before you do so, Roderick, I want to ask whether the correspondence with the Treasury is in the public domain.

Hilary Pearce (Scottish Government): Yes, it is.

The Convener: So we can see it. That is all I wanted to know.

Roderick Campbell: Thank you, convener.

I want to move on to the more general issue of the number of cases coming to trial in the courts. I do not want to get too bogged down in figures, but there certainly seems to be an increase in the number of sheriff court and High Court cases and, in particular, the number of trials, which has necessitated a call for extra funding from the justice board this year. Last week, Mr McQueen said that there had been

“positive signs of a reduction in business volumes”,—
[*Official Report, Justice Committee*, 18 November 2014; c 52.]

but if they got things wrong and found in the middle of next year that they were still under pressure from the number of cases, they would discuss that with the justice board and the Government. How far can you cover the eventuality of more money being required to cover this activity?

Michael Matheson: As you will appreciate, our court service is demand led and, as a result, it is difficult to predict what the full demand will be in the year ahead. Resources can be planned on the basis of historical experience, but there might, of course, be an increase in demand that might not have been expected. For example, an increasing number of sexual offences cases, road traffic offences and domestic violence matters are being taken to trial, and that has clearly created a certain pressure on the Scottish Court Service and the way in which it carries out its responsibilities. As a result, my predecessor arranged for £1.47 million in additional resources to be made available in this financial year to assist the Court Service and, indeed, our prosecutors and to ensure that they have the additional resource that they require to meet the increasing demand.

That underscores the important value of the justice board. By bringing together the different elements of the system—which of course we, too, are a part of—to have a dialogue and to explore issues that might emerge in the course of a year, we can respond to any in-year changes that it might be necessary to make.

As I have said, this is a demand-led service. You can plan as best as you can on the basis of historical experience, but we recognise that there will be in-year pressures, and this year we have responded to the increase in demand as a result of more cases going to court.

Roderick Campbell: If there is the same demand next year, will we be able to respond?

Michael Matheson: We will work with the justice board to see how we can do so. There is certainly a desire on our part to ensure that we respond to demand and to try to provide people with the support and assistance that they require if they are to meet increasing demand.

Roderick Campbell: Okay. I will let other members in.

The Convener: That is for me to decide. I am feeling piqued about things today. Christian Allard is next.

Christian Allard: Mr Matheson talked about a 12 per cent increase in sexual crimes. Many people who have given evidence to the committee have said that the issue for the courts is not the increase but the complexity of cases. As Rod Campbell said, that might continue to be an issue in the coming year. Do you have any plans that might help in that regard?

Michael Matheson: I welcome the fact that more sexual offence cases, as well as domestic violence cases and road traffic offence cases, are going to trial. That reflects the priorities of the police and prosecutors and a change of culture, which has been important for the Government as well as for our police and prosecutors.

It is important that we respond to in-year demands. We will remain engaged with the justice board to ensure that if issues require to be addressed in year, we try to do that as quickly and as helpfully as we can.

Christian Allard: Rod Campbell mentioned the VAT bill. There are other bills that seem to be unpaid, such as bills for policing events. Can you help Police Scotland to redefine its policy on charging for some events? Do you understand Police Scotland's concern about the stress that policing events places on the budget?

The Convener: That matter is more for the SPA than for the Government, because it seems to me that you are talking about interference by the

Government in policing matters at a level that might not be appropriate.

Michael Matheson: That is largely an operational matter. I understand that the SPA's approach is to recover the costs associated with the policing of events. How it does so is based on its policies on the issue, but I understand that the objective is to achieve cost recovery from organisations that arrange events.

The Convener: Profit making, as I recall.

Michael Matheson: As I understand it, the police cannot make a profit from such things; policing has to be done on a cost-neutral basis, so it is about recovering the costs associated with—

The Convener: I am sorry to interrupt you. We were told that if an event is profit making, there is full cost recovery, although there can be abatement in some circumstances, for example if the event involves an amateur club rather than a professional body, and that there are no charges if the event is not profit making. Perhaps you can clarify that.

Michael Matheson: Hilary Pearce will do so.

Hilary Pearce: The principle of full cost recovery is set out in section 86 of the Police and Fire Reform (Scotland) Act 2012. Where Police Scotland is required to apply a full cost-recovery approach is also set out in the Scottish public finance manual. Section 86 precludes the making of a profit from charging for services.

Police Scotland has a process, which includes consideration of abatements of certain percentages of the full cost depending on the event's commerciality. The process takes account of a range of considerations, given that each event is unique.

Christian Allard: Thank you for that important clarification, which relates to the question of public confidence in policing and, in particular, the public's expectation of what policing is for. That leads me to my last question. We heard that Mr Matheson's predecessor had some meetings regarding the future of policing in five, 15 and 20 years' time. I would like to know whether he is aware of those meetings and what he thinks Police Scotland will look like in five, 10 and 15 years' time. Are we talking about the police sharing budgets and perhaps buildings with the national health service, for example, or social services?

Michael Matheson: I suppose this is a dangerous question. I have been in the job for fewer than five days and I am trying to predict what the police service might look like in 10 or 15 years. Obviously, a considerable level of consolidation has taken place around going from eight forces down to a single force. There is also

the transition that will be necessary as the service moves forward and develops its own ethos and culture as an organisation.

However, within that, we must also do horizon scanning and think about what the shape of policing should be in 10 or 15 years' time. For example, the tackling of serious and organised crime in the past probably did not include things like cyber crime as a high priority, but I know that it is now a high priority for the police, and it is important that the police address that. Of course, it is for the SPA to look at taking forward work—and I understand that it is doing so—on what the police service will look like in 2026. I have asked my officials to keep me informed about the work that the SPA is undertaking. However, it is clearly for the SPA to look at future proofing the police force for the next 10 to 15 years.

Christian Allard: I understand that and it is important for public confidence, but there must be transparent dialogue so that people can see the progress and the vision.

Michael Matheson: Of course.

Sandra White: Good morning, cabinet secretary designate—that sounds like something from a presidential election. I have a small comment on the VAT situation. I am pleased that there is correspondence, including letters, on the issue, and I hope that the committee will get access to that. If the committee agreed to ask a Treasury minister to come before us to give evidence about why the Treasury will not give the VAT money to the Scottish Parliament, would that be a step forward from the correspondence that has been sent?

Michael Matheson: Convener, I am certainly able to ask officials to make available what correspondence on the issue the Scottish Government has, if that will help to—

The Convener: Just stop right there, cabinet secretary. It is a matter for the committee to decide whether to invite a Treasury minister. Your offer would be very helpful, but—

Sandra White: Basically, I was just throwing out the idea.

The Convener: You have done so.

Sandra White: The correspondence that the cabinet secretary mentioned would be helpful. Hopefully, that would lead to—if the committee decided to seek it—a Treasury minister coming to the committee.

The Convener: I want to clarify whether, if we were to consider the issue, some of the communications might not be in the public domain. If so, there might be issues around our accessing them. I ask the cabinet secretary to consider what

else might be available to us that is perhaps confidential. If it is confidential on both sides, it perhaps cannot be disclosed without the Treasury's agreement. Is everything that has gone on in the public domain?

Michael Matheson: What I will do is look at the matter with an open mind. I am more than happy for officials to look at making available to the committee whatever information we are able to provide on the matter, including correspondence. Where that is not possible, we will clearly advise you of that. However, I am more than happy to have an open mind on the issue and to look at what information we can provide the committee with about our correspondence with the Treasury on the issue.

The Convener: I appreciate that it might have been agreed that some correspondence is or is not confidential.

12:15

Sandra White: Convener—

The Convener: Did you have something else to ask, Sandra?

Sandra White: Yes, I did.

The Convener: Excellent.

Sandra White: I want to ask about the purpose-built justice centres. According to its evidence, the Scottish Court Service thinks it desirable to move into the centres, but what are the cabinet secretary designate's thoughts on their advantages? Moreover, given the Scottish Court Service's comments about the need for them to be financed, how will the Scottish Government do that?

The Convener: I might be wrong, but I believe that we had evidence that £60 million had been set aside.

Michael Matheson: The configuration of court services is obviously a matter for the Scottish Court Service, and it is looking at the idea of having three justice hubs or centres across the country to deal with more serious criminal and civil matters that might be referred to them. It is for the service to take forward the modelling that would be required for such work and to look at how the centres would fit within the overall court structure and the present court estate. It would then have to bring forward a business case to the Scottish Government to justify such an approach. We have assigned £60 million from the overall investment in the NPD programme to facilitate the provision of the three centres, but the Scottish Court Service needs to take forward this work over the next couple of years within the capital programme. As I have said, an allocation has been set aside to assist in that respect.

Sandra White: Thank you. I just wanted to clarify that, and the fact that NPD stands for non-profit-distributing.

The Convener: We know what it stands for.

Sandra White: I was just clarifying it.

The Convener: Thank you very much.

Elaine Murray: Congratulations on your designation, Mr Matheson. I believe that it is not an appointment until it has gone through Parliament, but I congratulate you anyhow.

Michael Matheson: Thank you.

Elaine Murray: I want to push you a bit more on the pressures on the Court Service because of the complexity of work. We have been told by the FDA of an overall 12 per cent reduction in permanent staffing; have heard reports of serious cases at sheriff and jury and High Court level being indicted on the last date of service before the time bar; and have learned that summary courts are being staffed by newer and less experienced people who are not getting adequate time to prepare cases. There is the possibility of applying to the justice board for additional funding, but that does not really address the issue of retaining permanent and more experienced staff to deal with some of these complex cases. Is there not a case for making a permanent alteration to the Court Service budget in order to retain those staff?

Michael Matheson: It is for the Scottish Court Service to make a proposal to justify any additional resources that it requires to meet on-going demand in the system. Of the £1.47 million that has been provided in year, £1 million is going to the Scottish Court Service, and the other £0.47 million is going to the Crown Office and Procurator Service for staffing. From the discussions that I have had with Eric McQueen, the chief executive of the Scottish Court Service, it appears that a large part of that resource is for staffing purposes to ensure that the right staff are available to undertake the additional necessary work.

If there were to be any issue with on-going demand in the Scottish Court Service that meant that its budget allocation—or the way in which it is used—were not sufficient to meet that demand, I would expect the service to consider adapting its budget to reflect that situation or to discuss with its justice board colleagues how it might wish to manage things. We are, of course, stakeholders on that board, and if a long-term issue begins to emerge, we will have to consider it as and when the Scottish Court Service feels that it must be brought to Government.

Elaine Murray: We have been advised that there was a more than 10 per cent increase in cases going to petition the previous year and an increase of another 8 per cent this year. It looks as

if there is a rising trend in more serious cases, and more experienced staff will be required to take them forward.

Michael Matheson: My initial take on the justice portfolio in the past couple of days is that it is extremely important to look at the whole justice pathway from the police right through to our prison system. Historically, elements of the justice system have operated in a disjointed fashion and my predecessor has done a tremendous amount of work to make it a much more cohesive, interlinked and interoperational system. We can see the benefits of that. For example, because of some of the initiatives that there have been and the work that has been done, some cases now reach trial that historically might never have done so.

I am keen that we look at the whole justice pathway, from policing through to the court system and our prison system, to make sure that we are reflecting the resource in a way that meets the demand on the system from different points within it. The justice board clearly has a very important part to play in helping to shape that.

Elaine Murray: Can I also ask you about the capital budget? We heard last week from organisations representing victims that the courts are still inadequate in some cases when it comes to dealing with the needs of victims. Victims are still coming into contact with offenders when they go into court and there are problems with some of the information technology and videoconferencing links and so on.

Are you confident that sufficient funds are allocated to the capital budget of the Court Service to enable it to iron out some of those problems and make the journey that the victim in particular experiences when they go through the court system more appropriate?

Michael Matheson: Over a number of years, the Court Service has undertaken a lot of work to provide different waiting areas for witnesses and accused. A lot of work has been done towards achieving that. I expect the Court Service to continue that work and to continue to look at its estate and at how it can be much more sensitive to the needs of different groups of individuals who are using our courts.

It is also about the agencies that are there to support victims of crime in the court environment. For example, among the things that are being looked at is how the justice centres can bring together a suite of services. There is the court and there are also the support services, from benefit advice through to victim support. It is about how they can deliver a much more holistic approach to justice in that type of environment. I expect the SCS to continue that process.

I understand that a key part of the capital expenditure that the SCS has within the forthcoming budget is around ICT. The SCS has been investing in ICT and is continuing to invest in it. That includes investment to address the issues with videoconferencing. For example, my understanding is that, for those courts that have already closed as part of the programme, videoconferencing suites have been provided. Although utilisation of the suites has been somewhat limited so far, as the Victims and Witnesses (Scotland) Act 2014 is more fully implemented, their use will grow. The SCS has already started making that type of infrastructure investment and it will continue to do so.

The other element is the ICT system that the SCS uses for case management and for electronic documentation that can be transferred between the courts, defence and the prosecutors. It is about the sharing of information as well. A big part of what the SCS is taking forward is around ICT. The budget reflects the SCS's priorities in the coming year and how it wishes to take forward ICT.

Margaret Mitchell: Congratulations on your new post, cabinet secretary designate.

Michael Matheson: Thank you.

Margaret Mitchell: Last week, we took evidence from the Procurators Fiscal Society and from the Crown Office and Procurator Fiscal Service. I think that it is fair to say that there was a bit of a disconnect between the two sources of evidence. I therefore very much welcome your initial approach of looking at the whole journey and at where there may be some weaknesses.

However, I will flag up an important point, although I think that it was acknowledged. It is sometimes difficult for people who are in a public service to be as forthright as they could be. There may not be such a restraint on the society. One of the areas in which there was a disconnect was lack of preparation time. It was suggested that there is always a lack of preparation time, but people just get on with it. However, what was worrying was that the society said that although that is true, lack of time is becoming the norm and leads to problems with evidence, procedure and witness availability, which in turn causes delay in the courts. Are you prepared to consider the issue, given that there seems to be a £1.1 million reduction in the staffing budget for the Crown Office and Procurator Fiscal Service?

Michael Matheson: The overall Crown Office and Procurator Fiscal Service budget will increase in real terms. How best to make use of the resources in the service is a matter for the Crown Office, the Lord Advocate and the Solicitor General for Scotland to determine.

We recognised that this year additional demand was placed on our prosecutors, which is why they received money to help to cope with the increasing number of cases that go to trial—£0.47 million was provided in this financial year.

It is for the Lord Advocate and the Solicitor General to determine how to use the budget for their staff. As I said, since 2008 the number of legal staff who are employed by the Crown Office and Procurator Fiscal Service has increased by 15 per cent.

We are under tremendous pressure, and the justice system is no different from the rest of our public services in that regard. The UK Government is cutting the Scottish Government's budget, and we must recognise that in how we manage our services.

That is why reform is so important. The Crown Office and the Scottish Court Service are taking forward work to ensure that we have much more effective systems for witness management, so that the right police officers and witnesses are there. For example, the witness notification process reminds people that they are due to give evidence, to try to reduce the number of no-shows. A range of things can be done, through IT, policy and practice, to try to ensure that when cases go to trial everyone is there who is meant to be there. Work is being taken forward on that. The issue will continue to be important, but how the approach is determined and implemented is a matter for the Crown Office and the Scottish Court Service.

We must be realistic. The UK Government is cutting our budget and we must protect our front-line services as best we can while ensuring that they are as efficient as they can be.

Margaret Mitchell: Good things are going on. For example, we heard about the domestic abuse task force, which deals with more complex cases and ensures that every witness is seen, and which involves procurators fiscal travelling throughout the country. That is all welcome, but there is a gap in the bulwark service, which has been highlighted. I ask that the cabinet secretary designate keeps an open mind on these things, given the importance of the Crown Office and Procurator Fiscal Service.

The figures from June show that only 63 per cent of sheriff and justice of the peace cases were resolved from caution to verdict within the 26-week target, compared with 74 per cent in September 2013. I acknowledge that the aim of the Courts Reform (Scotland) Bill is to increase access to justice and deal with delays, but court closures are having a negative impact. The court closure programme is coming to an end. Will you comment on court capacity? Will you have a look

at the four courts that I think are due to close by January 2015? Is that a realistic prospect?

12:30

Michael Matheson: It is worth keeping in mind that the court closure programme was brought forward by the Scottish Court Service and reflects how it believes it can best manage its estate.

I looked at the evidence that Eric McQueen gave to the committee, which in my view was quite robust on whether court closures are causing delays in business in other areas of the court system. From the discussions that I have had with the SCS, I know that they are not.

The court closure programme—there have been two phases so far and the third will take place in January—affects only 5 per cent of court work. The SCS is very clear that its physical estate is sufficient to meet the demands on the service in Scotland.

Some of the in-year additional finance that we have given the SCS is to assist it with cases that are now reaching court, so that it can have additional staff to meet the increasing demand. The SCS is very clear that no delays have come about as a result of any court closures and that it is very confident that its existing court estate is sufficient to meet the predicted demand.

Margaret Mitchell: Further analysis of why fewer cases are meeting the 26-week target would be welcome. I think that it is a result of staffing levels in the Crown Office and Procurator Fiscal Service and court closures. I would like to say that it was proved correct that court closures are not having an impact, but I rather fear that they are.

The Convener: That was not a question.

Margaret Mitchell: It was a comment. I am finished.

The Convener: John Finnie?

John Finnie: Congratulations, Mr Matheson. I would like to ask about the budgetary implications of two manifesto commitments: the 1,000 additional officers and the environmental court.

I will take the additional officers first. The magic figure is 17,234, as you know. I noted that you said that the actual figure is 17,267. Clearly the additional officers will have contributed to the excellent figures that you reported and the public's growing confidence in how the police go about their business. Do you have any plans to review the commitment to have 1,000 additional officers? There is a view that that should be reviewed, given the percentage of overall costs that relate to staff costs, the fact that police officers cannot be made redundant and the implications about the balanced workforce—I do not share the common view on

that, but you need to have the right people to do the right job. If I was a member of support staff, listening to radio adverts encouraging people to apply to join the police, whose numbers are already in excess of 17,234, I would feel devalued. Have you any plans to reassure support staff or perhaps meet them?

My question is whether there are any plans to review the 1,000. I appreciate that a general election is coming and there is a 2016 election after that.

Michael Matheson: In short, no. We remain committed to our 2007 commitment to have 1,000 extra officers. I expect both Police Scotland and SPA to operate within that commitment. The commitment remains and I intend to take it forward as the new cabinet secretary.

On the staff side and engagement with stakeholders, I intend to be as open as I can—staff side and professional side. I will engage with staff organisations and professional organisations in an open way and I will have an open-door policy for them to engage with me.

There are no plans for us to change our position on the 1,000 extra officers.

John Finnie: How do you answer the suggestion that the 1,000 officers represent overt political interference in policing? No one is going to refuse the additional resources, but there are knock-on consequences of the requirement to maintain a force of 17,234 officers.

Michael Matheson: It is not interfering in operational issues; it is about the overall number of officers. How they are deployed and utilised is a matter for the police, and how the service is configured is a matter for the Scottish Police Authority. There is a clear policy commitment to the 1,000 extra officers that I expect to be maintained.

John Finnie: We heard earlier from the chief constable that there could be further support staff redundancies. There must come a point at which the two sides of the equation do not match up.

Michael Matheson: It is for Police Scotland to determine how it configures its staffing levels. In the merger of the eight forces, it was always anticipated that there would be a level of overlap in backroom functions that may have been undertaken by the staff side—there was always going to be duplication, and that has to be addressed. We also have a policy of no compulsory redundancies, whereby staff can be redeployed, work in a different field or take a voluntary severance package.

The ultimate configuration of the Police Scotland staff resource to ensure that it is best used is a matter for both Police Scotland and the Scottish

Police Authority. I am always prepared to discuss with the staff side the challenges that they face. I recognise those challenges. However, the Government has a clear commitment on police numbers to which we remain committed, and we will continue to pursue that policy.

John Finnie: On the question of an environmental court, in a previous report the committee commended the format of an environmental tribunal. The issues of access to justice and compliance with the Aarhus convention have come up repeatedly. Will you undertake to consider the establishment of an environmental court or tribunal in the very near future?

Michael Matheson: I am always open to considering how we can improve access to our justice system in an appropriate way. You may recall that, a number of years ago, there was resistance to having overspecialisation of courts because of the potential diluting effect that that could have on those who would operate within them. However, mindsets have changed and we now have more specialist courts than we had.

The first specialist court that I experienced was the drug court in Glasgow, which was an innovative approach. When I witnessed it at first hand, I could not help but recognise the real value that it had. I recognise the importance of having different specialist courts, and I am open to considering how such specialisation can be continued in the future. I am also open to considering what the shape of our specialist courts should be in the future, including whether we should have an environmental tribunal or court. That is not to say that it will automatically happen, but I am open minded about considering whether it would be appropriate and how it would fit within the Scottish justice system.

John Finnie: Thank you.

Alison McInnes: I congratulate you on your new position, Mr Matheson, and I look forward to working with you.

Michael Matheson: Thank you.

Alison McInnes: Over a number of days and from a range of people who are involved in policing, we have heard evidence about the challenges that lie ahead in next year's budget. We have heard evidence from the SPF, the ASPs, HMICS, the chair of the SPA and, this morning, the chief constable. They have all warned that next year's budget will be very challenging indeed. When I pressed the inspector of constabulary on the risks that lie ahead, he said that there could be an impact on operational effectiveness if the required savings were not achieved. We were also reminded this morning that, although it was involved in drawing up the outline business case, ACPOS never agreed that the £1.1 billion of

savings could be made. In the light of all that, will you commit to review the timetable for the reform, to ensure that policing is not compromised by unrealistic budget savings targets?

Michael Matheson: I fully recognise the pressures that different parts of the justice system in Scotland face because of the financial constraints in which we operate due to the UK Government cutting the Scottish Government's budget. As we have to operate within that framework, we have to ensure that our services are as efficient and effective as possible, and a big part of the work that my predecessor has undertaken has been about trying to make the system much more efficient and effective. That was one of the driving forces behind moving to a single force in Scotland.

It should be acknowledged, though, that Police Scotland has done a tremendous amount of work to achieve significant efficiencies. In the previous financial year it achieved an efficiency saving of about £64 million, and it is projecting to achieve that again this year. It is well on track to achieve the £1.1 billion of savings that we anticipate between now and 2026, and a key part of that is to be able to ensure that it is as efficient and effective as possible.

However, all aspects of our public services are under pressure. Justice is no different from health, education or other areas of public service. What we need to do is to ensure that the way in which our police service is operating is as efficient and effective as possible.

I recognise that there are challenges in being able to achieve the targets, and I would expect the chief constable and the SPA to continue to look at how they can make the service more effective. The organisation employs some 23,000 people and it was formed through the merging of eight forces. I suspect that there are still areas where efficiencies can be gained in how the service operates, and I have no doubt that it will continue to do that work.

At the end of the day, chief constables have to make decisions about operational matters and how they can best utilise their service. If Police Scotland is looking to change how it delivers services, I fully expect that it will also anticipate what the outcomes will be before it implements any change. It will take a cause-and-effect approach when it considers any changes to the service.

It is important that Police Scotland is efficient and effective and that it is able to operate within the constraining budget that our public finances face. That is why reform is essential to ensure that we can protect those front-line services.

Alison McInnes: I absolutely acknowledge the savings that Police Scotland has made in the first couple of years in removing duplication and dealing with some of the inefficiencies, but Vic Emery has said that we are now moving from that consolidating period to a more reforming period, and the concern in communities is that that reform is being driven by the budget pressures rather than by Police Scotland taking communities with it and discussing the issues. We have seen that some of the early decisions taken by Police Scotland did not have the support of communities in Scotland. In moving forward to what might be more radical reforms, is it not important that sufficient time is given for those discussions and for decisions to be made without their being driven purely by the budget process?

Michael Matheson: Efficiency is part of it, but it should be done within the wider context of engagement with other stakeholders. My personal experience as a constituency MSP is that there has been considerable engagement with my local commander, even before I became justice secretary. I have experienced that directly. However, that is not to say that there is not scope to improve engagement and look at how it can be added to.

When we go through a change process and communities are concerned about their local police station or the local officers, how the service will be configured and how their control centre or call centre will change, it is extremely important that our police service remains engaged with local communities. That is why, if there are ways in which that can be strengthened, I am open to looking at that and considering those matters.

There are some things that we are doing just now. For example, there are local policing plans for each of our local 32 local authorities, and then we have much more granular policing plans that go right down to ward level. There are 353 of those right across the country. If there are ways in which we can make that work better, I would be keen for the SPA and Police Scotland to explore how that can be achieved.

As we transform and change services, we must remain engaged with the community and people must feel that they are participants in the dialogue. If there are ways that we can build on what is happening to make that better, I am open to that. If you or other members have suggestions on how that can be achieved, I am more than happy to have that discussion.

The Convener: That concludes your first evidence session of many with this magnificent Justice Committee, cabinet secretary designate.

As we are moving on to the next item, for which the cabinet secretary designate will remain, I will suspend for two minutes while we allow officials to change over.

12:45

Meeting suspended.

12:48

On resuming—

Subordinate Legislation

Criminal Legal Aid (Fixed Payments and Assistance by Way of Representation) (Scotland) (Miscellaneous Amendments) Regulations 2014 [Draft]

The Convener: Item 3 is consideration of an affirmative instrument: the draft Criminal Legal Aid (Fixed Payments and Assistance by Way of Representation) (Scotland) (Miscellaneous Amendments) Regulations 2014. The cabinet secretary designate is staying with us for the item. I welcome the Government officials: Denise Swanson, who is head of the access to justice unit, and Alastair Smith, who is a solicitor in the directorate for legal services. This is an evidence-taking session in advance of the debate on the draft regulations, so officials can also be questioned, but I understand that the cabinet secretary designate wishes to make an opening statement.

Michael Matheson: The regulations are the latest in a number of proposals to reduce the costs of the legal aid fund without affecting access to justice. It is reasonable that, when solicitors dispose of cases prior to trial, their fees should reflect the fact that the level of work required for clients is less than that for a case that is taken to its conclusion through the courts. That is what the regulations will deliver, in line with other fee regulations. For example, the Criminal Legal Aid (Fixed Payments) (Scotland) Amendment Regulations 2011 take a similar approach to ensure that, when cases are disposed of prior to trial, fees reflect the lower level of work that is required.

It is important to note that the regulations that we are considering today are not just about savings to the fund. The changes support consistency and simplicity and will benefit solicitors, clients and the Crown. For example, the draft regulations will ensure that the preparatory work that is done by a solicitor for cases that are continued without plea is captured in the fee. That means that, should the case not be called, the solicitor will still be paid for the preparatory work that has been undertaken.

The draft regulations will ensure that exceptional-case status applies to all schedules to the Criminal Legal Aid (Fixed Payments) (Scotland) Regulations 1999. That will allow a solicitor to be paid detailed rather than fixed fees in certain circumstances, when the work involved is well beyond what was expected. The draft regulations will also encourage earlier resolution of

cases through greater use of early pleas and negotiations, which the Crown would welcome.

The Law Society of Scotland has been engaged in the development of the regulations and is fully aware of their content.

As ever, I am happy to answer any questions.

Margaret Mitchell: You might be aware of a late submission from the Law Society of Scotland that expresses concern over the provision for duty solicitors to be paid a half fee when there is a guilty plea. The nub of the issue is that, as well as looking at the full fee, we would not want to revert to not guilty pleas being tendered just to ensure that a fee is provided, while the plea is changed at a later date.

The Law Society has suggested that we delay implementation of the regulations to allow soundings to be taken and perhaps to allow the Government to speak with the society. We do not have to deal with the motion on the regulations until 12 December, and I think that you are coming back to the committee next week. That might give you time to consider the submission more fully, if you are not aware of it.

Michael Matheson: I am aware of it, but I am somewhat surprised, given that the Law Society was fully engaged in the process of drafting the regulations. It seems a bit of a last-minute call on the Law Society's part. We have had dialogue in the Government on the issue that the society has highlighted. Notwithstanding what the society says, I am satisfied that the consultation and dialogue that we have had with stakeholders have been sufficient to allow us to press ahead with the regulations.

Margaret Mitchell: So you have no concerns that, if the regulations come into force, guilty pleas could be delayed and not tendered until a later date.

Michael Matheson: I am not overly concerned about that, because those issues were considered during the drafting of the regulations. I am somewhat surprised by the submission, because the Law Society was engaged in that process and did not comment on the matter. I confess that I am a little surprised that we received—just before 5 o'clock last night, I think—a note from the Law Society saying that it had apparently had a sudden change of heart.

Sandra White: I certainly was not aware of the submission until I came into the committee room this morning and found it sitting on my desk. Previously, the committee and the convener have been most annoyed about late submissions. I have read the other papers on the regulations, which I received at the weekend. The policy note says that the Law Society, which is the regulator

and representative body, is happy with the proposal. However, I came into the committee room this morning and found the submission sitting in front of me—I have not even had a chance to look at it. If the Law Society had wanted to raise concerns, it could have done so earlier.

The regulations have been before the Delegated Powers and Law Reform Committee, which raised no concerns. We came in today and found the submission sitting on our desks, and we have been asked to delay the regulations. I for one do not think that we should do that, because we have not—

The Convener: That is a statement. I am not questioning it, but—

Sandra White: We have not previously accepted late submissions, so I do not see why we should accept this one.

The Convener: Members are debating with each other rather than asking the cabinet secretary questions. That makes his life nice and easy, but it is not the point.

Alison McInnes: I am not sure whether the Law Society has had a change of heart or whether further scrutiny suggested that a little bit of the regulations did not do what the society thought it would do.

We are told that the auditor has found in favour of the Glasgow Bar Association. I would like to learn a bit more about that. Will the Scottish Legal Aid Board lodge an objection to that decision?

Michael Matheson: Yes, it will, and that will go to a sheriff. A matter of law is to be determined and the only way for it to be determined is for it to be referred to a sheriff. The ruling was granted on that basis.

It is worth keeping it in mind that the regulations do not change anything. They clarify existing arrangements, so they do not make a major alteration in any shape or fashion and will have no significant impact on practice in general. They purely clarify uncertainties about previous regulations.

Alison McInnes: So you do not think that there is any benefit in waiting until that appeal has been heard.

Michael Matheson: No—not according to the advice that I have been provided with.

The Convener: Roderick Campbell is next.

Roderick Campbell: To be honest, Mr Matheson, I was going to ask about SLAB's position as well, so my question has rather been overtaken by events. I will leave it there for the moment.

The Convener: Oh. I had expected some help to understand—

Roderick Campbell: I need time to think about where this is going.

The Convener: Elaine Murray can come in.

Elaine Murray: My question was similar to Alison McInnes's as well. It seems to be a taxation decision rather than a legal one. Can anyone clarify exactly what it was?

Michael Matheson: I ask Diane to clarify that.

The Convener: It is Denise.

Michael Matheson: I am sorry, Denise.

The Convener: That is your first mistake.

Denise Swanson (Scottish Government): I have to say that your predecessor was good at calling me Deirdre, cabinet secretary. I have one of those faces.

With the regulations, we want to clarify current practice and the policy for all cases in which early pleas are tendered, not only cases where there is a single charge. The taxation issue went to the auditor of court because of the lack of clarity. The auditor said in his decision that he did not feel qualified to take a view on a matter of law and it needed to go to a sheriff. The matter has gone to a sheriff in three previous circumstances. In one of them, the sheriff held for a solicitor and, in the other two, for the Legal Aid Board.

We are concerned with clarification and simplification. In the majority of cases, solicitors accept that a half fee is the appropriate fee in the circumstances and that is what they put in their accounts.

The Convener: The submission from the Law Society says that the taxation point was "on the interpretation of the regulations".

Is that the current regulations?

Denise Swanson: Yes.

The Convener: If the motion on the draft regulations were agreed to today and the objection went to the sheriff, would the sheriff take a view on the interpretation of the draft regulations? I am trying to understand whether it would be a mistake to agree to the motion while something is being decided.

Denise Swanson: I understand that the sheriff will take a decision based on the 2011 regulations. The decision will not be taken on the basis of the revised regulations that we are proposing.

The Convener: What impact would the decision on the 2011 regulations have on the draft regulations? Would there be any impact either way?

Denise Swanson: The impact would be that we would see no further need for future cases to go to taxation on the basis of clarification. As I said, the majority of cases do not go to taxation; solicitors accept the half fee.

The Convener: I understand that.

Elaine Murray: What you propose will clarify the situation so that, in the future, there will be no dispute as to whether there should be taxation points, so there would no longer be such cases.

Denise Swanson: Yes.

13:00

Michael Matheson: The draft regulations clarify the system. The only change is to the level of fees that are received for the different stages. Principally, the regulations clarify existing regulations. Alastair Smith wants to make a—

The Convener: I will take Roderick Campbell, because he has not had a question yet.

Roderick Campbell: I have a comment. Perhaps I should refer to my entry in the register of interests: I am a member of the Faculty of Advocates.

If we did not take a decision on the regulations today—to give us time to reflect on them—would that cause difficulties for the Government?

Michael Matheson: That would continue the uncertainty. We are trying to give clarification and certainty on the matter.

The Convener: Could we delay the decision for one week? There is a wee bit of difficulty in understanding the effect of the regulations clearly. Mr Smith, are you coming to our rescue?

Alastair Smith (Scottish Government): I am perhaps coming to your rescue to a limited extent in relation to the effect on existing cases of approval of the regulations. I draw the committee's attention to regulation 2, which says:

"These Regulations apply only in respect of proceedings commenced on or after the day on which they come into force."

The regulations' effect would be prospective. We think that they would remove the uncertainty to which the Law Society refers, which would be an improvement.

Margaret Mitchell: I will be absolutely clear. There is an appeal pending. If the regulations are approved but the appeal is lost and Glasgow sheriff court's taxation decision is upheld, will the Law Society's point still stand?

Denise Swanson: No.

The Convener: We do not want to get things wrong for the Parliament or the Government, but I respectfully suggest that we do not fully—

Sandra White: No, I am sorry, convener—

The Convener: Let me say this. You can correct me, but there is some confusion about what the regulations will impact, notwithstanding the late submission. Would there be any harm in continuing our consideration next week, so that we can fully consider the impact? Would that cause any difficulty for the Government?

I am asking the cabinet secretary designate whether there would be any difficulties. After he answers, the committee can discuss whether we want to postpone our consideration until next week. I do not understand what I am being told, frankly.

John Finnie: We have the proposed regulations. What happens with the taxation will happen; it does not have any implications for—

Michael Matheson: It is a separate matter.

The Convener: I should not be confused, then.

Christian Allard: If the regulations are only for clarification and do not change anything, I see no reason why we cannot agree to the motion today.

The Convener: Why does the Law Society say:

“We believe that the implementation of these regulations should be delayed until the regulations have been assessed in the light of this taxation decision”?

Is it wrong?

Michael Matheson: In our view, the Law Society has been consulted and it has engaged in the process of drafting the regulations. The taxation case would be dealt with separately from the regulations.

Elaine Murray: To an extent, I can see why solicitors might not want to get a half fee and why they are making their argument, but I do not see what the problem is. I feel that the issue has been clarified.

The Convener: Okay. As members have no further questions, I move to item 4, which is the formal debate on the motion to recommend approval of the instrument. I invite the cabinet secretary designate to move motion S4M-11524.

Motion moved,

That the Justice Committee recommends that the Criminal Legal Aid (Fixed Payments and Assistance by Way of Representation) (Scotland) (Miscellaneous Amendments) Regulations 2014 [draft] be approved.—
[Michael Matheson.]

Motion agreed to.

The Convener: I thank the cabinet secretary designate for attending.

We are required to report on affirmative instruments. Are members content to delegate to me responsibility to sign off the report?

Members *indicated agreement.*

13:04

Meeting continued in private until 13:08.

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e-format first available
ISBN 978-1-78534-390-2

Revised e-format available
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