



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

JUSTICE COMMITTEE

Tuesday 23 October 2012

Session 4

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JUSTICE COMMITTEE

29th Meeting 2012, Session 4

CONVENER

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

DEPUTY CONVENER

*Jenny Marra (North East Scotland) (Lab)

COMMITTEE MEMBERS

*Roderick Campbell (North East Fife) (SNP)

John Finnie (Highlands and Islands) (Ind)

*Colin Keir (Edinburgh Western) (SNP)

*Alison McInnes (North East Scotland) (LD)

*David McLetchie (Lothian) (Con)

*Graeme Pearson (South Scotland) (Lab)

*Sandra White (Glasgow Kelvin) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Joanne Clinton (Clerk)

Doug Cross (Association of Chief Police Officers in Scotland)

Roseanna Cunningham (Minister for Community Safety and Legal Affairs)

Vic Emery (Scottish Police Authority)

Chief Constable Stephen House (Police Service of Scotland)

Chief Superintendent David O'Connor (Association of Scottish Police Superintendents)

Peter Reid (Scottish Government)

Chief Constable Kevin Smith (Association of Chief Police Officers in Scotland)

Calum Steele (Scottish Police Federation)

Dave Watson (Unison Scotland)

CLERK TO THE COMMITTEE

Irene Fleming

LOCATION

Committee Room 1

Scottish Parliament

Justice Committee

Tuesday 23 October 2012

[The Convener *opened the meeting at 10:00*]

Decision on Taking Business in Private

The Convener (Christine Grahame): Good morning. I welcome everyone to the Justice Committee's 29th meeting in 2012. I ask everyone to switch off mobile phones and other electronic devices completely, as they interfere with the broadcasting system even when switched to silent.

John Finnie is unable to attend and has sent his apologies.

Agenda item 1 is to decide whether to take business in private. The committee is invited to agree to consider items 5 and 6 in private. Are we agreed?

Jenny Marra (North East Scotland) (Lab): No. I am not sure why item 5 needs to be taken in private. I have raised concerns previously in committee about the increasing amount of business that is being taken in private. I see no reason why the discussion of European Union issues and our priorities should be taken in private; they should be open to the scrutiny of Parliament.

The Convener: I am frankly not bothered one way or the other.

Roderick Campbell (North East Fife) (SNP): I am quite happy with that.

The Convener: Does the committee agree to take item 5 in public and item 6 in private?

Members *indicated agreement.*

Draft Budget Scrutiny 2013-14

10:01

The Convener: Agenda item 2 is our first evidence session on the Scottish Government's draft budget 2013-14. Today, we are focussing on the budget for police reforms.

I welcome our first panel of witnesses to the meeting: Chief Constable Kevin Smith, president of the Association of Chief Police Officers in Scotland; Doug Cross, chair of the finance management business area of ACPOS; Chief Superintendent David O'Connor, president of the Association of Scottish Police Superintendents; and Calum Steele, general secretary of the Scottish Police Federation. Dave Watson, Scottish organiser, bargaining and campaigns at Unison Scotland will arrive later this morning because he has unfortunately got caught up in traffic—I hope that it has nothing to do with the tram works.

I thank the witnesses for their helpful written submissions.

Roderick Campbell: Morning. Will the panel provide some general comments on the proposed 2013-14 policing budget?

The Convener: As the witnesses have all appeared at the committee before, they will remember that they just need to let me know when they want to respond and I will call them.

Chief Constable Kevin Smith (Association of Chief Police Officers in Scotland): There has been much talk about the budget being a flat cash budget; the reality is that there is a cash reduction. Over and above police reform—which has been fundamental to our discussions over the past year—the budget brings challenges. With inflation and other pressures, the challenge is even more significant than we had perhaps anticipated.

On next year's reform savings, in our view, the anticipated £41 million saving is closer to £71 million and, for the following year, the anticipated saving, which increases to £88 million, is probably closer to £140 million. Suffice it to say that the service's outlook is that we have what we have, we are absolutely committed to delivering the reform savings, we have a significant track record of achieving savings over the years and we are on track to deliver the required savings. We believe that the savings are achievable but, in the years to come, there will be difficult decisions to make about policing and the additional pressures on top of police reform bring significant challenges for the new chief constable and the new authority.

Graeme Pearson (South Scotland) (Lab): At your previous appearance before the Justice Committee, you indicated that your personal and

professional view was that the savings that have been set out will not be achieved in the coming years. Have you discovered further information in the interim that changes your position? If so, what was it? If your view has not changed, as a member of the reform sub-group what is your forecast for taking this through?

Chief Constable Smith: Most significantly, when we last gave evidence it was absolutely clear that in the current year we would not be able to run a voluntary redundancy and early retirement process within the existing police authorities' governance arrangements. The indications are that the issue is now receiving due regard and that, although it still has to be formally approved, we will be able to run a voluntary redundancy and early retirement process in the coming year that will give us a significant start.

Moreover, although the savings that we made in the current year were set at a modest level of just over £6 million, it is predicted at this stage that we will be looking at £9 million savings with an underspend. If we can retain that money for, say, spend-to-save initiatives, advance purchase of parts of the fleet and so on this year—and if it is not subject to VAT—we will be able to accrue some savings in the following year. The more work we have done and the more that we have examined every aspect of the budget—in which, I should add, we have set challenging targets—the more confidence we have that we will be able to do this.

Nevertheless, the main point is that there will be challenges to deal with. This will not be without pain, whether it be in jobs or whatever—after all, there is always the spectre of having to backfill—but our whole approach has been focused on driving every single pound out of the non-staff element to ensure that we minimise the impact on staff.

Graeme Pearson: I do not want to put you behind the eight ball but I am going to have to, because the £6 million that you mentioned does not come anywhere near the £41 million, the £71 million or the £88 million that you highlighted in your opening remarks. Furthermore, you have not rehearsed for us how you came to change your view that the savings would not be achieved in the coming years. Finally, what did you mean by “backfill” when you talked about jobs?

Chief Constable Smith: In this debate, concern has been expressed that the focus on police staff job cuts might give rise to the threat of police officers being taken off the street to fill those posts. Although we want to avoid such a move, it will have to be considered as we move into the coming year. That is what I mean by “backfill”, which, as I have suggested, is something that we would want to avoid for a whole range of reasons,

not least of which is that most of those posts are better handled by qualified support staff who know what they are doing. We certainly do not want to take police officers off the street. I suppose that I am simply being candid and honest about one of the threats that might arise in the coming years.

That said, we have done a lot of work on putting together a new command team, which is costing significantly less than the previous arrangement; on management delayering; on reducing police overtime; on bringing forward the VR/ER scheme; on budget reductions with, as I have said, challenging targets ranging from 10 per cent to 40 per cent; on property, supply services, transport and procurement; and on reviewing the size of the fleet in every single aspect of policing. The outline business case looked at reductions in the fleet only within operational policing—or what we know as local policing—but we have looked at every single aspect and believe that there is more to do in that regard.

On asset management, we have put in place small teams—six months out—to examine procurement, the fleet and estates. For example, on the last point, we think that the estates footprint of the new service will shrink as functions are rationalised—and in that regard I am talking only about our leases throughout the country, not the actual estate that we own. In some respects, we are taking a practical and pragmatic approach to a whole range of things. We know what money we have and realise that we have to cut our cloth accordingly.

Graeme Pearson: Could the committee get sight of the paper outlining the numbers involved in the various reviews to give us some confidence that you can build towards these savings?

Chief Constable Smith: That information is available. The reality is that we never took the arrival of the new chief constable, the new chair and the new authority to be the endgame. In some respects, it is only the starting point at which certain key decisions can be made. I know that Mr House will be giving evidence later but, from the perspective of the reform sub-group, I do not think that there will be any difficulty in sharing that information.

If the committee is looking for absolute certainty at this point, I should make it clear that we are in a period of uncertainty. One of the principal means of saving money will be our VR scheme, which, whether we like it or not, is a blunt instrument. For example, it does not allow you to choose which parts of the organisation you want to rationalise. Indeed, in some respects, the uncertainty is as basic as not knowing whether people will actually put up their hands to leave the organisation; after all, the current employment market is pretty dire. I do not want to leave the committee with the

impression that we can give it certainty down to the last minute; we are leading through a period of uncertainty, not the least element of which relates to the constraints on us and our ability to manage the budget while maintaining police numbers and the no compulsory redundancy policy.

Graeme Pearson: I hope that you can share that paper with us so that we can understand your position.

The Convener: And, given that the Cabinet Secretary for Justice will be giving evidence next week, the sharing will have to be quite rapid.

Alison, is your question on the same point?

Alison McInnes (North East Scotland) (LD): Yes. The committee really needs to explore this uncertainty. The submissions that we have received are all couched in very parliamentary terms and talk about “challenges” and “difficult decisions”. We need to get behind what those challenges really are and, in that regard, I want to hear the panel’s views on the likely impact of the “difficult decisions” that have been mentioned. What will be the impact of the double whammy of management delayering and decivilianisation at such high speed? Can you guarantee that the hard-won prize of low crime figures will not be impacted by these rapid changes to the service?

Chief Constable Smith: The one thing that we are handing over in the move from the existing arrangements to the new service is record performance levels. A huge range of factors are at play in why crime is at this particular rate, but I hope that much of it is down to good policing and the service that we provide. It would be wrong to give any guarantees in that respect other than to say that the whole service is behind the continuation of those high performance levels. The fact that we are maintaining police numbers will be a key component, but if job cuts among support staff reach a certain level, the risk of backfilling will emerge. I also point out that many support staff involved in, for example, forensics, analytical work and so on play a critical part in crime reduction and detection.

As I have said, given the number of factors at play, I do not think that anyone can give the committee any guarantee that crime will remain at this particular level. However, I give you the service’s commitment that it will keep driving current performance.

As for the comment about certain submissions, I hope that in other submissions we have given the committee hard facts. The numbers in relation to the nature and extent of the challenge are there. We know what that challenge is and, through a number of factors, are looking to drive it out. That said, none of this comes with certainty; instead, it comes with uncertainty, not least because the VR

process is very dependent on who in the service decides to take advantage of it.

Alison McInnes: It would be interesting to hear from other panel members, particularly the Unison representative, on this question.

Chief Superintendent David O’Connor (Association of Scottish Police Superintendents): The service has to explore and assess all the alternatives and prioritise where savings can be made without reducing posts and making changes that affect people. That must be one of the key priorities as we move forward.

We are moving towards the new single police service of Scotland, which will go live in April next year. There is an evolving model for the new service as we try to bring all the forces together, but in this new model we need to strike the right balance, as I have said before, between police officers and police staff. That is currently a work in progress. Operational policing works across Scotland because it gets support from highly experienced, trusted and valued members of staff, so we need to ensure that we have the right balance between police officers and police staff as we go forward.

10:15

The Convener: I welcome Mr Watson. I hope that you were not delayed by the trams.

Dave Watson (Unison Scotland): No. I am afraid that I could have done with a few more police traffic officers this morning, but perhaps I can highlight that point as I make my submission.

The word “challenges” has been used many times, both in the written submissions and already in oral evidence today. For any new organisation, the savings targets would be pretty challenging, but the problem here is that the new SPA does not have a normal savings target because it has another target, which is to retain 17,234 police officers.

The Convener: Sorry, can you tell us what the USPA is?

Dave Watson: I said the new SPA.

The Convener: I thought that you had mentioned another acronym.

Dave Watson: You had me there as well. I suppose that we could call it the NSPA.

The Convener: I have a cold, so my hearing is not quite what it was.

Dave Watson: That is no problem. I am probably just catching my breath as well.

The SPA is not like a normal body, in that it has to achieve these challenging savings targets with,

essentially, one hand tied behind its back, because it has also been given the political target of retaining 17,234 police officers. That means that the service can focus its savings only on a very small part of its budget. Yes, it can do a little bit on procurement and police costs, but the bulk of the savings will be focused on the 17 per cent accounted for by police civilian staff. That is the difference between the savings target for the SPA and the savings targets for any other body in Scotland at the moment.

The current plans that ACPOS has pulled together rightly set out the options. It has been argued that, somehow, great chunks of savings will happen from the economies of scale of bringing together a number of police forces. However, those savings are relatively small, and experience teaches us that, in reality, they will probably be even smaller. The bulk of the savings are to happen in operational police staff roles—you can list them off. Essentially, they are going to come from front-office staff in the control rooms, in the custody suites and in many other areas.

It is perfectly clear from the documentation that the only way that that will be achieved is by substituting police officers for those in police civilian roles. That makes no sense either on operational grounds, because that is not what police officers are best equipped to do, or in best value terms—in terms of cost—the requirement for which, as you will remember, was rightly put into the Police and Fire Reform (Scotland) Act 2012.

Essentially, the challenges would be easier for the SPA if it was freed up from that political target and allowed to set the right balance between police officers and police staff. However, the SPA is not being allowed to do that because of that direction. Our plea is that the SPA should be freed up to make that decision itself.

Alison McInnes: Does the panel agree that removing the need to ring fence police officer numbers would be the single biggest change that would help to smoothe the transition?

Calum Steele (Scottish Police Federation): No. The reality behind the financing of the police service is that budgets across all areas of expenditure are shrinking. I absolutely agree with Dave Watson that one thing that we could do with more of is police officers—he just gave a classic example, when he came in this morning, of the need for more traffic officers.

A real difficulty in the police service is that we almost have a situation in which Dave Watson, on behalf of his members, advocates that fewer civilian staff should be lost and I, on behalf of my members, advocate that no police officers should be lost. The last thing that we should be doing is getting into whose job is more important than

someone else's. When we look at the police service, we know that a mix of individuals is required to deliver a fantastic service to the public.

However, politicians are allowed to be politicians and Parliaments are allowed to be Parliaments and Governments are allowed to be Governments, and they are entitled to make pledges and promises to the public on what they will deliver. Whether we like it or not—personally, I like it—maintaining police officer numbers at 17,234 over the term of this Parliament is a political commitment and is one that I know is supported by officers and others across the service and is welcomed by communities.

In an ideal world, more resources would be put into the police service rather than us just finding out how we can make cuts within what we have.

Sandra White (Glasgow Kelvin) (SNP): The issue of support staff seems to be raised continuously, and I think that Calum Steele hit the nail on the head: there are differing views from each level of the police force. In its submission, the Scottish Police Federation mentioned that the police in England were told that their job was to catch criminals and nothing more and said that its view was that the police should be more involved. It also talked about support staff and said that, in the first 10 years of the Parliament, the level of support staff rose by 70 per cent while police numbers rose by only 8 per cent. The submission from the Association of Scottish Police Superintendents says:

“Our concern is that, in the future, Police officers will be answering telephone calls, completing licensing enquiries”

and that type of thing, which is the direct opposite of what is said elsewhere. In the Unison submission, Dave Watson says:

“UNISON believes that the Scottish Police Authority and the Chief Constable should be able to decide the correct balance of police officers and police staff”.

Everyone is agreed on that last point, I think. Why are the comments from each service so diverse? As Calum Steele said, it does no good to make support staff the ones who are in the news all the time. We need to have a balanced debate but, from reading the submissions, it seems that people's views are not balanced. We have to consider the whole budget, so it would be nice to hear why there is such a difference between the submissions.

Chief Constable Smith: I suppose that there are different views around the table. We are all professionals. Our views are the product of our career experiences. I think that having different views is a strength. Dave Watson and I agree on many things and disagree on others—likewise with Calum Steele and David O'Connor.

From the point of view of ACPOS, it would be easier if we were not constrained by the need to maintain 17,234 police officers. However, as Calum Steele says, we are constrained by that and we, as leaders of the service, need to make the best of it.

There will come a time when the reduction in support staff starts to impact adversely—it will be for the new chief constable and the Scottish Police Authority to judge when that is. All that I have asked for during the past year to 18 months is a forum, such as this committee, to enable us to have a mature debate about what the best balance of resources is for the Scottish police service, and for us not to continue to be constrained simply by a number.

As we go into the first year, we will start to get an indication of the impact on our support staff colleagues and, more importantly, on service delivery. We need to ensure that, from the service perspective, Government and all parties remain willing to continue to have a mature debate about what the best blend is for the future. That is a debate not for today but, perhaps, for this time next year, when you are starting to assess how the first year of the new service has gone.

Chief Superintendent O'Connor: I want to build on my earlier point about the evolving policing model for Scotland. You are clearly aware that part of the savings will come through management layering. There will be a hope and anticipation that the number of officers who are out there delivering a service in communities will continue to remain as it is. However, I have to say that the chief constable and the convener of the Police Authority need to consider the 17,234 number. There is a view, among some of our members, that that number puts the chief constable in a straitjacket. Do not get me wrong; I would never advocate a reduction in police officers. However, I sense, as we go forward, that the chief constable must be empowered to think about that issue, along with the convener of the authority, in order to strike the right balance for the people of Scotland.

Dave Watson: Obviously, there will be differences, in particular between Calum Steele and me. If police support staff numbers were ring fenced, I would be as happy as Calum is, and that is an honest appraisal of the situation. When I talk about extra police officers, I mean police officers who are in operational roles, not ones who are sitting doing jobs that are currently done by police civilian staff. That is the key issue.

Comparisons have been made with England and Wales and we need to recognise that Scotland started behind the ball. In ratio terms, we have always had fewer police civilian staff than there have been in England and Wales. That is

because improvement reports have been produced down south that state that it is more efficient and better for the operational delivery of the service if we get the right balance of staff—in other words, if civilian staff are in civilian roles and police officers are in police roles.

The situation might be the result of a political direction, but the solution to that is in Parliament. The chief constable has no say over the matter, but you do.

Calum Steele: In many regards, Dave Watson is correct to say that the solution lies in Parliament. However, I do not think that it is simply a case of examining the justice budget in its entirety and saying whether what we are doing with it is the right thing or not. In a previous session of the Parliament, I highlighted the fact that justice gets a lot of scrutiny in the Parliament by way of written questions and the number of times that policing and law and order are debated. Policing, justice and crime are responsible for a tiny proportion of the spend of the Scottish Government but take up a disproportionate amount of the time that politicians spend on scrutiny.

Where funds are transferred from is an obvious difficulty, as is whether we want to have a situation in which more money is spent on justice than on education or health, which is obviously not going to happen. There are political decisions to be made across the spectrum, in various areas of expenditure, which include health and education, not just justice.

The Convener: Jenny Marra will ask the next question. Rod, do you want in as well?

Roderick Campbell: I was going to ask about voluntary redundancies.

The Convener: We will come to that next. I also hope that someone is going to ask about the conflict between national and local funding—David McLetchie, I am looking at you.

David McLetchie (Lothian) (Con): Oh, right.

Jenny Marra: Chief Constable Smith, earlier you said that there was a risk and a spectre of backfilling. Can you give us an idea of the extent of backfilling across the country?

Chief Constable Smith: I do not think that I can do so, as we move into the new service. It is a bit like asking how many jobs we are going to lose. At this point, it is just speculation. We want to get to the point of being able to make clear decisions.

Until we engage in a voluntary redundancy process and people raise their hand, it will be difficult to assess what jobs will be lost and which of those we might choose to backfill. Clearly, our preference would be to lose the jobs that we do

not assess will be part of the new service and to avoid areas in which there would be an automatic backfill. For example, a lot of people in operational roles in control rooms, contact centres and custody facilities and at front counters might be interested in voluntary redundancy, but we would want to avoid losing those people, as those posts would be high on the list of those that would require backfill.

Until you find out who is volunteering to go, it is difficult to assess what the backfill might be. I would not want to throw numbers around, as that would be unhelpful.

The risk of backfill is absolutely part of our thinking. We do not want to bring in cops off the street unnecessarily. However, until we find out the details—which will be only once we advertise the VR scheme—it is a bit of an imponderable.

10:30

Jenny Marra: At First Minister's questions three weeks ago, I asked the First Minister about a document that I believe you wrote, in part. It suggested that hundreds of police staff posts could go. Is that correct?

Chief Constable Smith: It is crucial to point out that that document was not about decisions that had been made. As people would expect, it explored every one of the possibilities—some of which are unpalatable. The decisions are for the new chief constable or the new authority to take.

The document referred to a range of issues that we had to explore at that point in time, so that we could give the new chief constable options. Decisions had not been taken then, and most of them have not yet been taken. Until the decisions have been made and until we know the situation exactly, the number of posts that will have to be backfilled is a subject of pure speculation.

Jenny Marra: So, the document was speculative.

Chief Constable Smith: No—the document was not speculative. People would expect us to look at every aspect of policing and to come up with options, some of which were based on the Government's outline business case and what it would mean. For many people, some of the options would be unpalatable, because they involve automatic backfilling. The options were for consideration. As we move forward, the detail will come out.

Jenny Marra: I have in front of me another document—a leaked document—that talks about where savings could be made in the police force. It talks about the potential buyout of terms and conditions for police officers and about

standardising terms and conditions for police staff. Will you elaborate on that?

Chief Constable Smith: I will take the second point—on standardising terms and conditions for police staff—first. About 18 months ago, the existing police authorities were negotiating with trade unions about what was probably called “modernising” terms and conditions. That related to weekend working, shift allowances and so on. The police authorities proposed that, as part of cost reduction, our staff should move to terms and conditions that were more akin to what local authorities pay.

The option is in the document because the authorities' proposal failed at the 11th hour when they decided not to proceed with it. It is a legitimate option for the new force and the new authority to consider. Whether that sits in their vision of policing and of the relationship that they want with their staff, will be for them to consider. The document simply refers to a potential saving that could be made. If £1 million, £3 million, £4 million or £6 million can be saved on terms and conditions, that money can reduce the need for job cuts. The option is a potential saving, but no decision has been made. It is for consideration.

Jenny Marra: So—downgrading terms and conditions is a legitimate option that is on the table.

Chief Constable Smith: The issue was discussed as recently as 18 months ago. The discussion stopped because police authorities said that we were moving into a new era of reform. The proposal stopped and failed.

The option is a legitimate consideration in relation to the savings that we must make, but it will depend on a number of things, including the unions' willingness to negotiate and the view of the chief constable, the authority's chair and the authority on whether they want to take the option. That can be decided only with a range of financial information about whether we are achieving the savings by other means.

Jenny Marra: Can I take a view from Unison on the issue?

The Convener: I will, of course, call Mr Watson from Unison.

Dave Watson: A question was asked about savings and I entirely accept Kevin Smith's assurance that we are talking about proposals. I have included some of the numbers in our submission, so committee members can have a look for themselves.

In essence, you have to look at the jobs that police officers can do when they are backfilling for civilian staff, which is why there is an emphasis on control room, custody and front office. Those are

the jobs that a police officer can do—albeit at twice the salary, but that is a judgment that people have to make.

In relation to conditions of service, I remind the committee that the cabinet secretary made an absolute commitment in the bill that the principles of the Transfer of Undertakings (Protection of Employment) Regulations would apply. In those circumstances it would be unlawful to cut staff pay as a result of the changes. What TUPE says, in essence, is that you cannot make changes to terms and conditions of service of staff after their transfer. Obviously, we are always willing to negotiate, but you will understand that police civilian staff who are facing thousands of job cuts are not going to be too chuffed about having their pay cut at the same time—particularly when we are talking about pay cuts to the extent of around 20 per cent of their salary, which was the figure that was on the table last time. Although we are always prepared to negotiate, I am afraid that pay cuts of that scale on top of the job losses will not be acceptable to our members.

The Convener: I do not want open negotiations at the table, although you have made your point.

Doug Cross (Association of Chief Police Officers in Scotland): Throughout the past couple of questions there has been a lot of emphasis on what is being looked at in terms of various staff members and the potential for savings. As Mr Smith has pointed out, it is important that every line of the budget is being looked at for potential savings. Some areas are quite significant, such as the size of the fleet and where savings can be made regarding its maintenance, and use of the estate. We are also looking at quite significant reductions in equipment, supplies and services, property costs, transport and so on, which will come through a combination of reducing duplication, buying better, standardising specification and not buying things at all in certain areas. All those are being looked at as credible alternatives before we start to look at any impact on any section of the workforce. That work continues.

Calum Steele: I would echo much of what Dave Watson has just said regarding terms and conditions. Terms and conditions come down to how motivated the police service and its staff are. It is very tempting, I suspect, to just look at cash without looking at the consequences of taking cash out.

As I laid out in my submission, the SPF has been looking at terms and conditions. There is hardly a time when we are not; it is part of the reason for our existence. We have for some time been alert to the challenges that are coming with the budget. Uniquely, I think—unless someone is going to disabuse me of the notion—we have

agreed a reduction, in effect, to our take-home pay. Many of our members are losing £2,000 per annum, which is a significant chunk of cash. That money is being directly used to help to mitigate some of the enormous challenges that are coming for support staff. That gives an indication of the creative way in which we are able to look at money in the service. I do not think that it is common practice for any one group of workers to give up willingly some of their money in order to benefit another group, but that is what we have done.

I think that there is a danger in looking at terms and conditions, because you almost risk the expectation that the employees will, in effect, pay for the service. Of course, the employees should be paid for delivering the service. That distinction is crucial and we should never lose sight of it.

Chief Superintendent O'Connor: I will say something that the convener has already alluded to. We are not here to negotiate terms and conditions and it is important that we follow due process. I understand that documents can be leaked, but I think that they have a detrimental effect on staff, at times. There is due process for negotiating terms and conditions; it is important that we follow properly laid-out negotiations, which are part of the mechanisms that are in place.

Calum Steele: I want to bring one important issue to the attention of Ms Marra with regard to the buy-out of terms and conditions of police officers. As a consequence of decisions that have been made on the working age of police officers, up to 12 years have, in effect, been added to the cost of buying out those terms and conditions. Therefore, the cost of delivering any proposals that are being worked up in their own right will, I imagine, have doubled by default. Again, that is a consequence of having to deal with decisions that are taken elsewhere.

The Convener: Can we move on now? We have had a fairly full discussion on terms and conditions. I thought that we were going to have a negotiation there, which would be a first for the committee—the press would certainly come in then.

Jenny Marra: I have a final question on the issue. What are the budget implications of backfilling? In effect, jobs are being done by police officers who are on more expensive salaries than the civilian staff who used to do those jobs. We are in a budget scrutiny process, so what are the budget implications of that?

Chief Constable Smith: Although you are scrutinising the budget, the first issue is the operational impact of having fewer cops on the street. To me, the operational implication is more significant. The financial implications are that we

might have to train police officers to do jobs that already-trained support staff do. Also, there is more regular turnover of staff when police officers have those posts. If there are fewer cops on the street but we are trying to maintain the presence, we might have to pay that smaller number of cops more overtime. There are operational and financial implications.

However, everything that we are doing is about trying to move forward without that. We are taking critical decisions to ensure that we do not just jump into that, because it is not in anyone's interest. The financial issues are evident, but the operational ones are even more significant.

Jenny Marra: Are you saying that backfilling is, in essence, more expensive?

Chief Constable Smith: Yes. It is more expensive for a cop to do a job that a member of support staff, who is generally paid less, could do. The police officer is less likely to remain in the post, so there will be constant turnover, with additional costs of training and so on. It is an unnecessarily expensive option. Because of the experience, training and time in the post that support staff have, in the vast majority of cases, they would probably do the job better.

The Convener: I think that we have exhausted the issue of backfilling, but I am looking round and apparently, you do not feel that we have. David O'Connor wants to come in.

Chief Superintendent O'Connor: I just want to build on what has been said. There is no doubt that police officers could backfill and perform some jobs. However, that would come at a cost. Police officers are highly experienced and trained. We, as commanders, want them to be out in communities doing the job of preventing, detecting and disrupting crime. I sense that, potentially, there would be a cost. Without doubt, police officers could go into call management, call screening or custody areas, but we must consider the impact that that might have on community policing.

Doug Cross: As Chief Constable Smith said, there are costs related to training and there are ancillary costs. However, the real impact of backfilling is on operational efficiency and on best value, as Dave Watson said. In cash terms in the budget, we can operate by backfilling, because we are funded for 17,234 police officers. If they are utilised in non-operational roles, we can operate within the budget in cash terms, but that is not the most efficient and effective way of using the resources.

Jenny Marra: So, when we are trying to make savings, backfilling is not really a good idea.

Chief Constable Smith: I do not think that anyone here is saying that backfilling is good: I am not saying it. Next year or in subsequent years, it might become a necessary evil in order to balance the budget, but I do not think that anyone in the service or from any of the staff associations or professional bodies would advocate backfilling. However, it would be misleading of me to say to the committee that it is not a distinct possibility in the coming years.

The Convener: I have been advised by my deputy convener that she has ceased her questioning. I do not want to clamp down on the discussion but, to be frank, I think that we have aired the issue pretty well. None of us thinks that backfilling is a good idea per se. Obviously, you want to use people where their skills and experience are appropriate.

We have other issues to touch on. Rod Campbell has a question, and he is going to do something different, I hope.

Roderick Campbell: No. I have short questions for Kevin Smith and Dave Watson, and a question for David O'Connor, if I may ask them.

The Convener: I am in your hands. Obviously, I have no power whatever.

10:45

Roderick Campbell: I will wind back quite a way to the discussion about voluntary redundancies. I have heard what has been said previously about that.

When Mr Smith gave evidence to the committee at the end of February, we were working on a figure for the number of voluntary redundancies to the end of 2013-14 of 1,134 or thereabouts. In the light of what you have said previously about voluntary redundancies, would you care to speculate on whether that figure is still one that you can live with, or have you changed your mind on that?

Chief Constable Smith: You used the word "speculate". As we go through the process, the risk is that we speculate, set hares running and cause further anxiety. We want to drive out as many savings as possible from the non-staff part of the budget. Until we go into the voluntary redundancy/early retirement process—which still has to be approved by the new authority and negotiated with the unions—it is extremely difficult to come up with a precise number.

We need only look at the outline business case to realise that it is fair to say that the savings will be significant, but we are all trying to avoid speculation until we get into the detail of what the budget will be. However, there is no avoiding the

fact that there will be a significant number of voluntary redundancies.

Roderick Campbell: Mr Watson said in February that there would be 600 job losses if the VAT exemption were not granted. In your written submission, that figure has gone up to 800. Will you clarify why that is?

Dave Watson: The figure of 800 came from a paper that Kevin Smith submitted to the committee. As we predicted, the VAT exemption has been lost as a result of the way in which the new police force has been organised, and that has to be paid for in some way. I notice that police forces are proposing to buy things before 1 April to save on the VAT. We cannot do that for much longer. The VAT issue means that a big chunk of cash still needs to be found from the justice budget.

Chief Constable Smith: Lots of my documents seem to be being used. We are talking about a point in time when there was uncertainty about the VAT situation. That was our projection of the number of job losses that there would be if VAT was an additional liability. It has been made quite clear—my finance people have given me confidence that this is the case—that VAT has been included in the budget settlement, so the VAT situation should not mean that further budget savings are required. There might be some additional costs at the edges, depending on what the VAT liability is, but we have had it shown that that chunk of around £22 million is included in the budget.

Roderick Campbell: Mr O'Connor's submission mentions the promotions that have taken place this year. You say that you are concerned

“by Chief Constables' apparent unwillingness to act in a collegiate fashion”.

Can you clarify how many promotions we are talking about? I have seen it mentioned in the press that there have been 180 in the first six months of the year.

Chief Superintendent O'Connor: I do not have the exact number. Since last November, following on from the decision that Scotland would have a single police service from April 2013, we have raised our concerns about the continuation of substantive promotions in some forces. At the time, although we accepted that there might well be an operational need for promotions in some forces, we believed that a moratorium should be brought in to halt substantive promotions, that any promotions should be temporary and that when we moved into the new service—this harks back to the new policing model for Scotland—the chief constable would look at the ranks of superintendent and chief superintendent, in particular, across Scotland. We raised that with a

view to preventing any problems further down the line.

Roderick Campbell: What is your rough assessment of the financial impact?

Chief Superintendent O'Connor: Much will depend on the numbers of superintendents, chief superintendents and senior officers who are included in the new policing model. We have already talked—and the committee has probably read—about the management delayering, which will no doubt lead to some reductions among my membership. The bigger concern was that the superintendents and chief superintendents across Scotland would have a role to perform in the new service.

Roderick Campbell: Does anyone else want to comment?

Chief Constable Smith: I have a great degree of sympathy with David O'Connor's position. We agree on most things, but this is probably an area on which it has been difficult to find common ground. Chiefs act in a collegiate fashion. That is why we are making savings in this year and why we have put so much resource into reform.

The policing performance that the Government, the Parliament, this committee and everyone else acknowledges comes largely because of the men and women on the street, but key leadership at senior level is fundamental—I am talking about David O'Connor's members, who are supers and chief supers, and other people in the federation's ranks. While chief constables retained liability and accountability to their authorities and communities for delivering performance, many decided that they must fill a critical command post and made a professional judgment that it would be filled on a substantive basis. The aspect that we have not discussed is that we have a confidence level on the retiral rate among all our people over the next year, which will largely take account of any addition.

Whatever new model we come up with to enable Steve House to deliver the new policing service, substantial work on reform will be required for the next two, three, four or more years. That work will need to be led, managed and driven forward by senior officers. I am confident that there will be common ground, partly because we will be able to manage the situation through retirement and people moving on to other posts.

The Convener: That is that subject exhausted. I tried to strong-arm David McLetchie into asking about local funding.

David McLetchie: Although the new arrangements seek to provide a single stream for all core police funding, the Scottish Government has advised that local authorities will still be able

to provide additional sums for local policing. What was the scale of such funding in the past? Is it envisaged that funding will continue to be provided at a similar level?

Chief Constable Smith: Doug Cross is probably best placed to talk about the figures.

Doug Cross: About 300 police officers are funded by money—about £10 million—that goes directly from local authorities to the police service.

David McLetchie: Can you assure us that those officers will continue to be employed?

Chief Constable Smith: We hear that people are happy with the service that they get—I hope that that gives you a degree of confidence. The numbers relate largely, although not entirely, to Glasgow and Strathclyde and Edinburgh and the Lothians. At this stage, there appears to be a commitment to continue the approach.

As we drive the issue forward and seek to continue provision, much will depend on our ensuring that we can provide evidence to authorities that the officers are additional to the core provision, and on ensuring that authorities continue to provide for the communities in which the officers work. All the indications that we have are that people have confidence in the additional policing.

However, as I said, there is a degree of uncertainty and there are no absolutes. The matter is ultimately a local decision for local authorities and their leaders. We hope that the approach will continue.

Calum Steele: For me, the issue is one of the greatest arguments for police reform as the right way to go. Police resources should go to the areas that need them, not the areas that can afford them. However nice it might be for a relatively well-off local authority to put its hand in its pocket to provide more police officers, the approach restricts the chief constable's ability to deploy resources.

There is an opportunity for local authorities—given that we no longer have police authorities—to at least put their hands in their pockets and bid for provision of and locations for support staff, because a lot of the assistance that is provided by support staff is not necessarily required on location. If there is a real belief that support staff provide a valuable service—I think that that belief exists—a slight change of focus in bidding for having the locations of support staff services in local authorities would be very useful.

The Convener: Can you unravel that a bit for me? I am trying to follow this. Core funding for policing throughout Scotland will be paid over centrally and, in addition, local authorities will be able to put in some of their own money and say,

“Here's my bit—I want so many police officers for that money.” Are you suggesting that, instead of doing that, local authorities could put their hands in their pockets and say, “I want to use this for support staff”?

Calum Steele: Yes.

The Convener: So I understood what you were saying. That is a good way to get to it.

How can it be guaranteed? It is like making a purchase. How can a local authority be guaranteed that, if it puts money into the big pot, it gets back what it paid for?

Calum Steele: I am not an authority on guaranteeing anything, except perhaps 17,234 police officers, but I think that there are opportunities for local authorities to develop centres for excellence in much the same way as has taken place across Scotland in a variety of fields over the years.

Dave Watson: It is an interesting idea. We must remember that that funding stream was left in because Scottish Government officials thought that it was a way to get round the VAT problem, but that turned out not to be the case. As we always thought, the Treasury did not buy that argument.

As you all know only too well, the difficulty is that local authority budgets are not exactly looking rosy at the moment. Local authorities are publishing and consulting local people on programmes of cuts on a huge scale. The difficulty about saying that local authorities might want to fund support staff is that although Calum Steele is right and there is a logical argument for doing that—if you fund X number of support staff, it releases more police officers to be operational—I suspect that a number of councils will need some convincing of the linkage.

Councils can currently say, “We have a real problem in town X on a Friday night. We will put some money in, chief constable, if you guarantee us an officer in that area on a Friday night.” That is the link that local authorities want to see when they invest additional money. However, when budgets are very tight, it will be difficult to achieve that.

Chief Superintendent O'Connor: The service will look at how we can share police staff with other agencies in local communities as we go forward. We have always said that police reform should be the start of public sector reform. If there is to be further reform in local authorities, we should maybe look at ways in which we can share police staff roles in local communities, because I am sure that there will be many opportunities to do that.

Graeme Pearson: I seek some information from Mr Cross. David McLetchie alluded to additional funding for around 300 officers. Does that mean that 17,234 officers are funded and that, in addition to that, there are another 300 officers, so that the total is 17,534 officers?

Doug Cross: The position varies across Scotland. The figure of 17,234 came in at a point in time. Some of the officers were being funded at that time and some of the additional officers came after that date of 1 April 2007, so there is a mixture between those that add to the total of 17,234 and those that maintain that figure.

Graeme Pearson: I want to be clear about this in my own mind. In the event that local authorities indicate that they are not prepared to fund additional officers, does that mean that the service will have 17,234 officers or does the figure fall below that level?

Doug Cross: Depending on where the funding arrangements came from and when they ceased, there might be a potential issue about the ability to fund 17,234 officers, but the majority of the officers provided by the additional funding that you mention are above the figure of 17,234.

Graeme Pearson: I feel that I am in an episode of “Come Dancing”—[*Laughter.*]—but I think I know what you are saying.

The Convener: I thought of “Yes, Minister” rather than “Come Dancing”, frankly.

11:00

Graeme Pearson: There was an allusion earlier to a mature debate. I have to say that, at an earlier meeting of this committee, I found that the contributions were far cover on the impact of current reform. I am pleased that there is a bit more honesty around how the reforms are going to be dealt with.

On Sandra White’s earlier point about the 70 per cent increase in staff numbers, does Mr Steele agree that that 70 per cent rise commenced at a time when there were virtually no civilian staff in the police service in Scotland and that the civilianisation programme was designed exactly to put police officers where they are wanted—on the street? The blanket coverage of the comparison between 70 per cent and 80 per cent might be misleading to those who do not know the picture behind it.

Calum Steele: The short answer is that I do not agree. I do not agree because there were significant numbers of support staff in Scotland. I do not have the figures immediately in front of me, but from recollection there were around 3,500 support staff. That is not the same as virtually no civilianisation.

I am reluctant to get into a position where we trade the work that police officers can do as opposed to what support staff can do—that would be very unhelpful. As a blanket provision, I do not accept that there are roles that are more expensively performed by police officers if members of support staff are taken out of those roles. I just do not think that this—

Graeme Pearson: I just wanted to clarify the position about the numbers—the 70 per cent rise. I can get the figures if you want them, but I think that I know that the rise came from a virtually zero start, when police officers were utilised within headquarters and other posts. A policy was designed within the past 10 or 15 years to change that position and to put police officers out on the street.

I acknowledge, too, that your presentation today is a great deal more sympathetic towards the co-workers in the police service than was the case at the last meeting of the Justice Committee that you attended.

The Convener: I thought that the two of you—Dave Watson and Calum Steele—are getting on a bit better, but there we are.

Graeme Pearson: Very much so—that is the point that I am making.

The Convener: I meant personally, as well.

For clarification, I do not want to go down the route of police officers versus civilian staff and I do not think that the committee wants that, either. We know that both groups have merits.

Perhaps we can just clarify the statistics, which Graeme Pearson said went back 10 or 15 years. If that cannot be done just now, it would be helpful if Mr Watson or Mr Steele could write in to clarify the position a decade ago and the position as we move forward. If you can do that right now, Mr Watson, that is fine.

Dave Watson: I have been representing civilian staff for about 30 years, and I can remember going into divisional headquarters with hordes of police officers filing, typing, and doing all those sorts of jobs. That changed, leading to the big growth of police civilian staff over the years, plus a range of purely civilian functions such as forensics and forensic accountancy—there are a whole range of specialist jobs where civilians were brought in because of their expertise.

The key figure is the ratio of police officers to civilian police staff. If the current plan goes ahead, by my calculations we will end up with about 15 per cent of the budget going on police staff, which—to give you a flavour of the situation—would be about half of the figure in England and Wales. By the way, crime fell in England and Wales last year by 6 per cent.

The Convener: Well, there we are. I feel that I am recycling some material here. Sandra White is next and then Alison McInnes. I would like to stop after that question, if I may, because we have had a good bite at this discussion. I ask members not to ask about old stuff—their questions should be about new stuff or as a follow-up.

Sandra White: I will not—I do not think that rising to the bait is the right phrase, but certainly the figures on crime in England and Wales that I received are different from those that Dave Watson has given.

I want to ask what the witnesses think about duplication. Duplication and overstaffing in certain areas have been mentioned a couple of times, but do you think that we are ready—financially and within the organisations—to go forward with the single police force in the timescale that has been given?

The Convener: That is a good one—I am happy, as that is a new question. Who will respond first on duplication and whether we are ready for a new police force?

Chief Constable Smith: I am in no doubt that we will be ready for 1 April, operationally and organisationally. That is not to say that it will not be a challenge, but we miss 1 April at our peril, because that would make the financial situation even more serious. A lot of what we are doing involves ensuring that we are not changing the vast majority of policing out there, which is the important bit that people see being delivered day in, day out. We are absolutely committed to that, and I am sure that the new service will be ready.

On the second point, addressing duplication is a key part of reform. We will not need eight of me and all things that exist to support that. However, to be cautious, I must say that not everything that our support members of staff and our police forces do involves duplication. Across the country, we will still need people working in control rooms and custody, and in a whole range of posts.

It is clear that under the new service we will be able to rationalise to a much greater degree than we have been able to do under the existing eight forces plus the Scottish Police Services Authority and the Scottish Crime and Drug Enforcement Agency. That is a key component of how we are moving forward: we are doing things just once where we can do so.

Chief Superintendent O'Connor: I have said it before and I will say it again: policing in Scotland is performing to a very high level. It is not broken, so we should not try to fix it too much. It is important that we go forward and build on the sound practices that pervade Scottish policing. We have been calling for some time for the early appointment of a chief constable, and Mr House

has been appointed. We are already seeing clarity in the direction of travel, and staff have more confidence about that.

I thank Mr Smith, because he has been given a very difficult challenge to deal with in a very tight timescale. He has found himself under a great deal of scrutiny at this committee and beyond in the past few months. The timescales are very tight for introducing Scotland's new police service, but I have no doubt that the service will rise to the challenge and the new service will go live.

It has been a very difficult and challenging journey, and I would like us to recognise the work that Mr Smith has done.

Dave Watson: I agree with that. Doug Cross made the point earlier about how the budget can be met, and I do not think that that will be an issue. There is some duplication of services and that will be addressed, although it will take time to do that. We will not just create those new services overnight. Everything will be in place on 1 April, but it will take some time to reorganise the services, and—as our submission shows—that is a very small part of the overall savings picture.

I also caution against what is known as cost displacement. If we look at a lot of the exercises for making savings, we find that there is some cost displacement because we are introducing systems such as self-service, which demand additional time from operational staff who have to do the work that was previously done much more cheaply by other staff.

The Convener: I would like to ask what a sub-service is.

Dave Watson: A sub-service?

The Convener: A sub-service.

Dave Watson: Sorry—I think that we are missing something in translation.

The Convener: What is it? Have I heard wrongly again? You talked about displacement into a sub-service.

Dave Watson: Self-service.

The Convener: Self-service—oh, dearie me.

Dave Watson: Like a supermarket.

The Convener: I understand now. It was much more interesting as sub-service; I was just getting curious about it.

We will move on. This is the last question—and I mean that, so no one should start putting up their hand. Alison McInnes will ask about something new.

Alison McInnes: My question is on an issue that we have not touched on so far, which is fairly

discrete. ACPOS emphasises in its submission that the existing services have made quite significant changes this year in order to reduce the budget pressures in the forthcoming year. It suggests that any additional reserves that might be generated beyond the £36 million that had already been anticipated should be recycled to ease some of the budget pressures. Can you quantify that, and perhaps elaborate on that point?

Chief Constable Smith: I am grateful that you have asked that question—if it had not been asked, I would have sought 30 seconds to make that final point. I will give the committee some background.

As you know, police authorities—like local authorities—can carry reserves, and we have used them strategically to manage our budgets over the past generation. That is not a feature of the new arrangements and, as a consequence, the £36 million that is currently held in reserves, which has been saved through policing and was intended for capital projects and so on, will now be split, with 51 per cent going to Government and 49 per cent going to local authorities. We absolutely accept that, and it is a done deal.

As we continue to drive forward savings under the current arrangements for next year, those reserves—whether we like it or not—will start to build again. My plea—it would be helpful if the committee was minded to ask the Government to consider this—is that whatever additional money we save on top of the £36 million should be provided to the new authority and the chief constable to help them to manage the budget strategically in what will be a very challenging year.

It is currently estimated that that additional money will be around £14 million. That money is being saved by the current service for the new service, and it seems perverse that it cannot be passed to the new authority to allow it to manage the budget strategically, whether that involves investment in information and communications technology, equipment, telephony or other spend-to-save initiatives. That seems sensible.

The Convener: That was a good question, and I thank you for the answer.

I am loth to ask, because I am keeping to a timetable, but does anyone feel that there is anything that we have not aired, as was the case with the final question? Do you wish to raise anything, or have we pretty much gone round the houses?

Doug Cross: On the funding theme, we have identified from looking at the budget a reduction that we estimate to be around £12.9 million over the two-year period. Our view is that that is reducing the cost of policing. That reduction in

funding is presented in the budget as adding to the police reform savings target. ACPOS believes that it should form part of the savings target, because there is a reduction in there. That would ease the pressure on the service and allow it to manage much better its budget and some of the key difficulties that the committee identified around the pace and scale of the changes and how they will impact on the staff and other parts of the workforce. We ask the committee to consider that.

The Convener: Thank you for that point. We now conclude this session. I thank you for your attendance, which has been useful.

11:12

Meeting suspended.

11:19

On resuming—

The Convener: I welcome our second panel of witnesses: Chief Constable Stephen House of the police service of Scotland; Allan MacLeod, director of finances and resources at Strathclyde Police; and Vic Emery, chair of the Scottish Police Authority. I congratulate Mr House and Mr Emery on their appointments. Whether it is a baptism of fire for you when you get going is a matter that the Justice Committee will watch with interest. I know that you were sitting in the public gallery during the previous session, so we will go straight to questions from the committee.

Committee members are looking at me as though I am talking to strangers. Graeme Dey will kick off.

Roderick Campbell: It is Graeme Pearson.

The Convener: Sorry—it is Graeme Pearson. I beg your pardon. This cold has gone to my head. Do you want to follow, Rod, having rebuked me?

Roderick Campbell: I am sorry about that. No.

The Convener: In that case, Sandra White will follow Graeme Pearson. I apologise, Graeme.

Graeme Pearson: That is all right.

Good morning and welcome. My first question is for Mr Emery. You state in your written submission that your early assessment is that

“the financial work done so far remains short of what I would consider a sufficiently detailed and transparent examination of costs and potential savings to provide the Scottish Police Authority with confidence at this stage.”

You were here for the earlier session and heard the commitments and the comfort that were offered to us. You instigated a piece of work that you hoped would report yesterday, and I know that you and the chief constable are due to give a

presentation to a public conference on the issues. Can you share with the committee where you feel that you are now? What is your level of confidence and what evidence have you gathered so far that should give us some indication of where we stand?

Vic Emery (Scottish Police Authority): Thank you very much for that question. As you say, I am new in the job and am trying to pick up some of the work streams that have been going on for the past 18 months. A considerable amount of work has been done on the financial budgeting and the various options for making savings. However, for me, the stark point is the cost of policing now. I know what budget has been allocated to it, but I do not know what the cost is right now.

You heard this morning from some of my colleagues that there is an underspend this year. You also heard that there is a £36 million reserve, which is being divvied up. None of that is applicable to the budget going forward. However, that reserve has an accrual rate as it is being built up, and a considerable sum of money has been accumulated this year.

We must start by asking what the cost of policing is right now; how much that can be reduced through the contribution to the reserve that is being made year on year; and what that contribution is this year. We can then look at the various options for bridging the gap between where we are and where we need to be. I have asked the chief constable, Mr House, to prepare some documents that will expose some of that, but I have not yet received those. We had a meeting yesterday and I know that the information is now available, but I have not yet had the opportunity to go through it in detail. I hope to do that in the next week or two.

Graeme Pearson: Can Mr House help us in that regard?

Chief Constable Stephen House (Police Service of Scotland): I certainly can. I echo everything that Mr Emery has said. I have the benefit of having been involved in the reform work that bit longer, although I have not worked on it full time. I have seen a lot of the work that is being done.

As Kevin Smith said, a number of decisions have been made in the past couple of weeks that are starting to shape some of the figures and statistics to give us a clearer view. I am confident that, within the next three or four working days, I will be able to sit down with my chair and discuss exactly what he wants to know, which is perfectly relevant—what the cost of policing is, taking out the reserve and the money that is not being spent on policing, to establish what the gap is.

Having said that, I do not wish to diminish in any way the debate that has been had so far on the reform totals and so on. Being in post and having the job, my mind is focused on one figure, which is the gap between what we believe we are getting in funding and what we believe we need. Mr Emery and I agree that we need to identify precisely what that gap is. We estimate that it is about £69 million or £70 million for next year and that it will probably be about the same the following year.

All the effort—much of the questioning in the previous session related to this—was based on how to identify methods of filling that gap at the same time as maintaining and improving the level of service that people get from the police in Scotland. I take no issue with what has been said in that regard. I have been aware of the figures for longer, so I have a bit more confidence in them. However, it is true that if we generate savings over a number of years—the £35 million is not just for one year but will be accrued over a number of years—we will not know exactly what policing costs. We therefore need to understand what it costs in order to identify what the actual gap is.

Graeme Pearson: Thanks for that. I presume that by the end of this week you will have a clearer picture in your minds of the gap and can begin working on how to fill it.

I come back to Mr Emery in that regard. You have experience with the SPSA and, prior to that, of the Edinburgh trams project, unfortunately. I know from other sources of the commitment and effort that you put into the work at the SPSA, but that organisation was hardly a great success in delivering on behalf of the service.

Without debating the rights or wrongs of that summary, my key question to you is: as the convener of the new Police Authority and given the important role that you will play, what lessons do you think you have learned from your previous experiences that will influence the demands that you will make over the next six months in setting priorities and getting the organisation's culture right?

Vic Emery: First, I will just backtrack, because you would not expect me to let your comment on the SPSA just go away. As the chair, or convener, of the SPSA, I believe that it has been a success and that we have demonstrated and can demonstrate that we have taken cost out and improved service at the same time. I believe that the SPSA was not well set up in the beginning, so it has taken a few years to get to the position where it can be relied on.

The interesting point about the SPSA is that in the past year alone we have taken 11 per cent out of the budget and got the service as good as it was previously, if not better. In the SPA, we are

looking at taking out 11 per cent over five years rather than in a single year, which gives me a level of confidence that that can be achieved.

Sorry—what was your other question?

Graeme Pearson: I note the SPSA savings that you mentioned. My question was: what key lessons did you learn from your previous experience that you will bring into the new SPA environment?

Vic Emery: Some of that was discussed this morning. First, we are bringing several different groups of people together, so there needs to be a common thread that binds them all together. We need to have a common culture. You might argue that the police have a culture at the moment, but I do not think that it is a common culture, and we need a common culture that runs through the police. We also need a uniform set of terms and conditions for police staff and some job evaluation.

We therefore need all the things that were done in the SPSA—they were quite painful, but they were achieved at the end of the day. The job evaluation and the harmonisation, as I would call it, were done at neutral cost. Most people will say that there is a cost to be added to a harmonisation. However, that is not always the case, and harmonisation can be done without adding cost.

Another lesson that must be learned is the need to look at all the options that are available. We have heard again this morning about the crude measure of assigning numbers of people to budget reductions, which is not a good way to go forward. We need to look at a best-value case.

11:30

Not all police staff are backroom staff. There must be a good mixture of police and staff—we have heard a bit about that this morning. Some front-line policing is done by police staff, and the situation is not as black and white as some people portray it to be.

There are a number of lessons, which start with getting the business case sorted out properly. What is the business case for each thing that we want to do? What are the benefits of doing what we are doing? What will the damage be and what mitigation needs to be put in place?

At a higher level, we have a cost of policing that we need to understand, although we do not know what it is yet. We have a budget that we need to achieve. We need to understand the gap. The job for the chief constable and me is to understand what action plan is needed to deal with the gap between the cost and the budget.

Graeme Pearson: My next question is for Mr House, but others might want to respond, too. In deciding how to deal with the gap, how do you balance the needs of local policing with national demands?

Chief Constable House: We use experience and we talk to the various stakeholders. As people know, we will get strategic priorities from the Scottish Government, which will convert into a strategic policing plan that the authority will create, with input from me. I will then create an annual policing plan. Every council area will have its own policing plan, which we will ensure meshes with the other plans.

In the local plans for every local authority, I would expect to see strong representation of the public's local concerns. That expectation is not unfair, because that is how Scottish policing works at the moment. Local communities are consulted on and help to create the local policing plan, which goes upwards. The strategic priorities come downwards.

That arrangement raises the question of how that is worked out, but it is the only way to guarantee that we cover local concerns and key strategic issues, which we would not expect communities to come up with. I have never seen—and I am sure that Graeme Pearson did not see in his policing time—a community have as its number 1 priority dealing with organised crime; that is not on the radar, although it might seriously damage a community. Communities are far more concerned about road safety, antisocial behaviour, drinking, violence and drug taking.

The approach will bring together the two aspects—the strategic necessity and the local necessity—to ensure that the organisation represents the desires of the whole of Scotland, so that people have a quality of life and so that we take care of the bigger issues, which might not be on people's agenda but which will impact on people if we do not take care of them.

Graeme Pearson: In talking about going forward with the new Police Authority, Mr Emery mentioned crude numbers. Would you welcome the opportunity in the future to discuss the need to have 17,234 as a sacrosanct number that you must consider in allocating your budget?

Vic Emery: As we progress, the 17,234 figure will be under constant review. However, it is a given. It was a part of the territory that we entered, and it is a minimum. A key issue is that we do not go below that number.

Sandra White: Good morning—I think that it is still morning—to you all. I was interested in what Mr House and Mr Emery said about not knowing how much the cost of policing is now. Obviously, we cannot see what it might be in the future. I

have a couple of questions. First, do you think that the proposed budget for 2013-14 is adequate going forward, and do you have any information on which to base that assessment? Secondly, Mr House talked about a £36 million reserve. Will you be looking for some of that reserve—I think that Mr Cross said at least half of it—to go to the new Police Authority to enable it to carry on with its work?

My third question—

The Convener: Can we get answers to the first two questions first?

Sandra White: Sorry.

The Convener: You get to ask questions all the time, Sandra. I do not stop members. Some members feel that they have to ask everything at once, in case I stop them in their tracks, but I do not do that. We will get answers to your first two questions and then you can ask your third question.

Vic Emery: The £36 million, which is an accrued reserve, is being split between the local authorities and the Government. None of that will go to the police. However, there is also an underspend this year, and the plea that you heard this morning was for that money to go to the police. If we could secure that, that would be brilliant—I would love to get that money. For me, that underspend indicates that the cost of policing is below what people believe that it is at the moment. Therefore, we need to understand what the cost of policing is—that is the start of our journey.

Sandra White: I would like to follow that up. Perhaps Stephen House will be able to answer my question. Do you think that the budget that you have received for 2013-14 is sufficient for you to go forward without topping it up with any money from the reserve in future years?

Vic Emery: I will let Mr House answer that. You heard from Chief Constable Smith this morning that the target for the first year is eminently achievable—in fact, it will be exceeded. So, the straight answer to your question is that, yes, it is sufficient.

Chief Constable House: My championing of the single service goes back a few years and was never based on its being more cost effective; it was based on its being a better way of providing a better service for the public in Scotland. However, financial events overtook us and we spend a huge amount of our time talking about budget gaps.

Let me be clear. I believe that the budget is doable in 2013-14, as does my chairman. He bases his view on his experiences and I base my view on my experiences. In the past few years, Strathclyde Police has achieved significant

improvements in performance and has reduced its budget at the same time. I believe that the budget is doable because a lot of good work has been done by the reform team, led by Kevin Smith. It has done good groundwork and we have a series of options to consider. In the next couple of weeks, I will put those options to the chairman to see what we want to try to turn into reality to bridge the gap.

Everybody knows that money is tight in the public sector, and, as ACPOS said in its written submission, it is only appropriate that the police service takes part in that. I believe that the budget is doable. If there is extra money available from the money that we are now generating, it would be appropriate for us to get some of that money so long as it is spent effectively, as it certainly could be.

I fully accept that, as I have said, we need to understand the cost of policing, which is not the same as the budget that we are given in any one year. If we make savings and have a reserve, we are obviously delivering the service for less than the budget. It is clear to me that, the political decision having been made, over the past six months individual police chiefs and police authorities have made decisions to increase the amount of savings.

A large number of police staff posts across Scotland are vacant at the moment, which is generating a lot of those savings. The question that the chair rightly raises is whether those are posts that we can do without temporarily but will need to reinstate or whether they are posts that we do not need in order to provide the service to the public, meaning that we can keep that saving. I do not think that we know the answer to that question yet. It takes us back to the issue of how much it costs to provide the business of policing now.

Sandra White: Thank you very much.

The Convener: Do you have a third question?

Sandra White: No, it is all right, convener. I will not hog the questioning—I will let somebody else in.

The Convener: Oh, heavens! That is how to do it.

Alison McInnes: We spent a long time with the previous panel considering the impact of the budget cuts—I do not apologise for doing that, because the issue is important. We particularly considered the balance between civilian and police staff. I agree that there is an artificial argument, but we are forced to consider the issue, because of the insistence on ring fencing police numbers.

Will the wholesale decivilianisation of the police set us back? Do you regard it as a short-term

move to deal with budget cuts, before civilian staff are reinstated, or do you envisage a different form of policing?

Chief Constable House: For the next few years, there will be a financial necessity to take the benefits that accrue from rationalising the forces, which will mean fewer police staff.

I have said to the committee in the past that I am a firm believer in a balanced workforce, and I think that every witness has said much the same. There are jobs that police officers do, because police powers are required, and there are jobs that police officers traditionally did but which we now understand that police staff can do. Such jobs include working in control rooms—dispatching officers to jobs—dealing with prisoners in custody centres and certainly all the forensics. Forensics used to be a police-dominated business but is now completely civilianised in the SPSA.

Workforce profiles have changed over the years and it is inevitable that further changes will come along. We can see that happening in England, where a different model is emerging—I am not suggesting for a minute that it is a desirable model—and many forces are talking about outsourcing a lot of functions. We are not doing that in this country. In case anyone wants to follow that point up, I should say that I am not a huge fan of outsourcing unless we can be absolutely certain that there is a good business case for doing so. It is not about following fashion; it is about proving that there is a good business case in every case.

The balance of the workforce will change during the next few years, because we will see a reduction in support staff. However, the long-term future is a balanced workforce. I associate myself with some of Mr Pearson's comments, in that the big increase in support staff numbers in Scotland comes from a relatively low base. I think that there are other jobs that could be civilianised in future.

Let me add a caveat. The push for civilianisation originated in the 1980s in England and Wales and was largely driven by Audit Commission reports. The Audit Commission was heavily into policing at the time and had pointed out that for every police officer that we employed we could afford to employ three support staff. Such a ratio has long gone. The nearer that support staff are to the operational end of business, the smaller the differential in salaries and pay. We can employ a member of police staff in an admin office at a commercial rate, which is a long way below the starting pay of a police constable in Scotland, but when we start putting support staff into control rooms or custody areas we add a big element for shift working—up to 20 per cent—and a number of other elements, which means that the salary differential is relatively low. The issue then comes

down to whether we want cops or civilians to do the job, which is to do with flexibility.

There is a moveable feast. I will finish where I started: we need a balanced workforce. We need professional police officers doing their job and we need support staff doing their job, which they do to a high standard throughout Scotland.

The need to reduce support staff is driven by two things: the rationalisation of eight or 10 organisations into one, and the need to look to support staff for a proportion of our savings. However, we are looking in that direction second; the first place that we are looking for savings is all non-staff costs. Every pound that we can save in non-staff expenses and costs is a pound that we do not have to take out of support staff. The approach protects jobs. Our order of priorities is, clearly, dealing with non-staff savings first and then moving to support staff, where that becomes necessary.

Alison McInnes: Is it not the case that you are starting your new job with your hands tied behind your back? You have said that you need a balanced workforce, but a disproportionate share of the savings will come from the civilian staff because of political commitments. What discussions have you had with the justice secretary about that?

Chief Constable House: None.

Alison McInnes: None at all—so you have not made any representations on that issue.

11:45

Chief Constable House: No, that is not my role. The Government is in power and has said that it will have 17,234 police officers or more. I am happy to work with a high number of police officers. When I was at Strathclyde Police, we worked to increase the number of additional police officers beyond our share of the extra 1,000 officers. The public want to see police officers on the street, so we need a high number of police officers. I will not fight against that, but I believe in having a balanced workforce, and I would like to see as many support staff as possible doing jobs for which police skills and abilities—and powers of arrest—are not needed.

However, I will not say to the cabinet secretary that the commitment on the number of police officers needs to be relaxed. That is a Government decision, which is accepted by the chair of the authority and by the authority. It is a boundary within which I work. I work within other boundaries, such as the budget. The easiest thing to do would be to increase the amount of money in the budget, but we are dealing with public money and every extra pound that we get means that a pound is

taken away from another area. I know that I speak for the chair of the authority when I say that we want to ensure that we spend all the money that we have wisely. If we do, we will balance the budget; if we do not, I am sure that, at some point in the future, we will come forward together and say, "We have done our very best, but we may need more money."

Jenny Marra: In a similar vein, I think that there is a bit of confusion about what is happening with the balance between the number of police officers and the number of civilian posts. The First Minister denies that, increasingly, police officers are doing civilian jobs, but the cabinet secretary's police reform sub-group's plans make it clear that cuts to police staff will be delivered by police officers performing basic administrative duties. Do you share the First Minister's view or the view of the cabinet secretary's sub-group?

Chief Constable House: To answer your question directly—earlier, Mr Pearson commented on the honesty and directness that were evident—I share the First Minister's view. I will expand on that by saying that there is no plan or strategy for reform that I am in charge of that is predicated on backfilling. It was cleared up in the earlier session that no one regards backfilling by police officers as a good or desirable thing; it is a bad thing that should be avoided.

Jenny Marra: Indeed—and it was concluded in the first session that it was happening.

Chief Constable House: It may be happening in isolated individual cases, but I am not aware of it being used as a set strategy anywhere in Scotland, and it is not something that I would support at this moment in time.

Jenny Marra: Okay.

On the process, when were you first made aware of the working group's proposal that civilian jobs would go for cost savings?

Chief Constable House: I need to be clear about what you are asking me. I am quite prepared to accept that there are proposals that civilian staff will have to go to make savings, because I think that we all agree that a level of that is inevitable. However, I would not be supportive of a policy of getting rid of a whole section of civilian staff under voluntary redundancy and backfilling those posts with police officers. At present, that is not something that I believe that we need to do.

The reason for that is that, as earlier witnesses said, we do not yet know what situation we will face. Soon, we hope to go through a voluntary redundancy policy that will mean that any member of the police service support staff can put up their hand and say that they would like to go. That does

not mean that we will let them go. What we will do—this is the experience across all the forces; it is certainly the experience in the force that I led until recently—is say to people who are working in control rooms, "I'm sorry. I know you'd like to go, but we can't afford to lose you, because if you went, we'd have to use a police officer to backfill your post and we won't do that." Instead, we will look to let people go who are working in other support functions that we can do without. Alternatively, becoming more efficient in some way might allow us to let people go. In some instances, we may redeploy a member of support staff from one job to another to let someone go, but there is no strategy to backfill with police officers.

Jenny Marra: So you have not seen the document that Kevin Smith and I discussed, which contains the cabinet secretary's sub-group's proposals for savings.

Chief Constable House: I see a lot of documents. I am not sure whether I have seen that one, but I reiterate that I do not support any policy that is based purely on letting civilian staff go and wholesale backfilling with police officers.

Jenny Marra: I think that the first panel was generally in agreement that, at a time when we are trying to save, it is more expensive to have police officers backfilling civilian roles. Do you agree?

Chief Constable House: Actually, Allan MacLeod and I had a muttered debate about that as the discussion was going on. It is an interesting point. This might appear to be semantics, but I do not know that backfilling is more expensive, although, as Doug Cross said, it is certainly a lot less efficient. The budget exists and we already have those police officers, so we are not buying anything extra and no expense is involved. However, I agree that using police officers in those jobs is certainly a less efficient way of providing a public service.

Jenny Marra: So you do not support major-scale backfilling.

Chief Constable House: No, I do not support major-scale backfilling in those terms.

Jenny Marra: Can I move on to something else, convener?

The Convener: Before you do, I want to ask something. Chief Constable House made the interesting point that some people whom you do not want to leave might apply for voluntary redundancy. In those circumstances, will there come a time when compulsory redundancies will be necessary because the wrong people, as it were, will volunteer and you cannot replace them with people from another section? One would want to know that.

Chief Constable House: That is a good question, because it exposes the difficulty of voluntary redundancy. As we have found out in recent years in the service, one problem with the term “voluntary redundancy” is that the very title can give the impression to the individuals who put up their hands to go that, because they are volunteering, they will go. We must be clear in our communications that it does not work that way. Often, with the people who want to go, we cannot let them go because they are in jobs that are absolutely essential, such as control room or custody staff, because we would have to backfill. The answer is, “I am sorry, but we cannot let you go—either you stay or we let you go, but only if we find another member of support staff to do the job.”

In Strathclyde, we did the latter, because we had a large number of people who wanted to work in control rooms, and we had a number of administrative roles that were disappearing and which we could afford to lose. We therefore took people in administrative roles who wanted to continue to work for the force and retrained them to work in control rooms. That approach is perfectly acceptable and valid. It lets somebody go who wants to go; it guarantees a job for somebody who wants a job; and it does not involve backfilling. At present, I do not see that we will need compulsory redundancies.

The Convener: Sorry, but can I just hear that last bit again?

Chief Constable House: At the moment, I do not think that we will get to a situation in which we will need compulsory redundancies, because I think that there will be quite an uptake of voluntary redundancies, although of course that depends on the design of the package that is offered. In the past few years, a number of packages have been offered throughout the country that have proven to be attractive and cost effective. We have one of those packages. In fact, I gave a paper to Mr Emery yesterday afternoon about that proposal.

The Convener: So your position on voluntary redundancies is that they have to be acceptable to the employer, too. Obviously, you want to employ people who want to stay. If people have applied for redundancy, you can say that they are not going, although you can also offer to retrain other people. Your experience is that if you want people out of a certain job but you still want them, they can apply their skills elsewhere if they are given the opportunity. You are content that that approach should manage the situation.

Chief Constable House: Yes. Strathclyde Police and a number of other forces have operated a redeployment pool. People whose jobs were going but who wanted to stay could sit in that pool. We provided them with extra training or

retraining and put them into another job on probation to see whether they enjoyed it and whether they were up to the job and had the appropriate skills. If they did, that became a permanent redeployment. That meant that people who wanted to stay in the organisation stayed, but they moved roles. It also allowed people from key roles, such as control room workers or custody staff, to leave if they wanted to.

The Convener: Thank you for clarifying that.

Jenny Marra: The cabinet secretary’s police reform sub-group proposes a 20 per cent reduction in the service’s overall estate footprint. Can you give the committee an assurance that that will not result in the closure of local police stations?

Chief Constable House: We are talking about a number of options rather than plans. To be clear, there are no plans in existence emanating from me or from the Police Authority—because it has not met yet—to reduce the police estate throughout Scotland. There are a number of options, but as I have already said we are looking at non-staff savings first.

One of the options is to look at reducing the police estate, but, as I said in an interview recently in response to a question from one of Jenny Marra’s colleagues, we will prioritise—with the authority’s support—non-operational buildings. Where we have an administration centre that we do not need any more, for example, and we can save money by leasing it or selling it off, we will move to rationalise there. We will not seek in the first instance to close police stations because that is an issue of huge public confidence. Any senior officer knows—as you all know—that, if we wanted to cause disruption and dismay in the local community, we would talk about closing a police station. It is a toxic thing to do, and it is not on the agenda at this moment in time.

However, I cannot give an absolute assurance on that. There are throughout Scotland at present eight chief constables in charge of eight forces, and one of those forces may—with the complete agreement of local politicians and the local community—be doing something about a very small police station that has not been used for years. Those things happen, and the estate is vast: it covers about 500,000m² across Scotland. There are proposals to reduce that quite significantly, but with a focus on the administrative side.

To state the obvious—Kevin Smith said it earlier—we are moving from eight chiefs to one, and we will no longer need eight headquarters. We need to look at the functions that we keep in those buildings and consider whether we can

relocate staff and offload buildings that are very expensive.

Jenny Marra: My understanding is that you will prioritise non-operational buildings, but you cannot give us a cast-iron guarantee that police stations will not close.

Chief Constable House: I can give you a guarantee that we will try to avoid any police station closures. It would be the last thing that we would want to do, but there have been occasions in the past five years when we have closed police stations with public acceptance and support.

Jenny Marra: I will put one last point to you on the terms and conditions for police officers and police staff.

The Cabinet Secretary for Justice told the country at his conference in Perth last weekend that there would be no attack on the terms and conditions under which police officers serve. However, I have a document—to which you probably heard me refer in our first evidence session—that proposes that there will be a potential buyout of terms and conditions for police officers. Can you give me any indication of what is likely to happen, either from the cabinet secretary's point of view or based on the proposals in the document that I have?

Chief Constable House: I was starting to smile, because you have more documents than I have.

Any proposals would come about through open and honest negotiation with the relevant staff association or union. It is a fairly obvious place to go in many respects, because we are living within the 17,234 commitment, so police officers are a massive part—something like 69 or 70 per cent—of the total police budget. The numbers are fixed, so we are bound to ask whether we can do anything to bridge a budget gap that would in some way reduce money in that 70 per cent rather than squeeze the 30 per cent, most of which is support staff costs.

However, we would do nothing without negotiating with the Scottish Police Federation or ASPS, or indeed with ACPOS while it exists. Again, there are a number of options and possibilities, and those will be graded in due course. They may not be in the report that you have, but a later iteration will grade them on how quickly we can make a saving, and on whether we can do certain things ourselves or whether they will require negotiation, which would mean that they would potentially take longer and may fail. We are trying to be realistic about these things.

Jenny Marra: If it is an obvious place to go, the Cabinet Secretary for Justice's assurance that there will be no attack on police terms and conditions is unrealistic.

Chief Constable House: I would not call a negotiation with a staff association that is open and which is being freely discussed in this forum—I imagine that the association's members are sitting behind me, unless they have gone—an attack. It is a discussion, not an attack. I imagine that the association will agree to terms and conditions that it sees as beneficial to its members. It will not agree to anything that it sees as detrimental to its members. I would not expect it to do that, as it is pretty good at its job.

Jenny Marra: Thank you.

12:00

Roderick Campbell: Good morning, chief constable. You have been reported in the press as saying that you believe that there could be up to 3,000 redundancies, but that you thought that that was a worst-case scenario. Can you say anything else about that?

Chief Constable House: I certainly can. As well as being a worst-case scenario, it is something that we have seen illustrated here a couple of times this morning. The Unison representative talked about the imposition of VAT on the police service of Scotland being equal to 800 jobs. He is quite obviously doing his job, and it is exactly the same debate.

The 3,000 figure has come about from a very simple method: somebody has looked at the gap between the budget and the cost—the gap to which I have referred in the past—but they have looked at it over a number of years, so that it is as big as it can possibly be. They have divided that by £26,000, which is the average on cost of a member of support staff, and come up with a figure of just over 3,000. It is a way of quantifying that quite understandably makes a budget gap look very stark. I have already said to the committee that we are prioritising all non-staff costs first, to identify where we can make savings that will not affect people's jobs. After that, we will look at a voluntary redundancy policy, which will, in effect, tell people who want to go that we will let them go. We will be left with asking what else we can do to make the savings.

I did not put the 3,000 figure out there; it was suggested by someone else. I was asked to comment on whether that was the absolute upper limit. Technically, yes, it is the absolute upper limit. Do I think that it is a realistic figure? Not really.

Something very similar happened a few years ago in Strathclyde, where we had a budget gap. The same thing happened—the gap was illustrated as representing hundreds and hundreds of support staff. At the end of that process, when we balanced the budget, we worked very positively with the unions to develop a voluntary

redundancy policy that was very popular. People who wanted to go and do something else went and did something else. We had balanced the books, performance was the best it had ever been in the organisation's history, and everyone looked back and thought, "That was fine."

If we have the same positive attitude when we go forward with the unions—we have already started doing that, in a meeting chaired by Mr Emery—I genuinely believe that we will have exactly the same situation. We will get through this together and we will deal with everybody fairly.

Roderick Campbell: For the record, when I raised the question of the VAT exemption and the increase in the reported number of job losses from 600 to 800, the figure seemed to go back to Kevin Smith. I am not sure that we can place much meaning on the figures, but thank you for your comments on them.

The police central Government budget is approximately £116 million in the draft budget. Can you outline where you anticipate that that money will be spent?

Chief Constable House: Is that the money that the Government is retaining at the centre?

Roderick Campbell: Yes.

Chief Constable House: We think that that is quite appropriate, in many ways, because it is for things such as the provision of an infrastructure for Airwave, which is our radio system that covers the whole of Scotland. It is hugely expensive, as you would expect. It is not something that we can do an awful lot about, so the Government is keeping that. It is also retaining some of the £116 million for Gartcosh costings. We would be concerned only if money was being retained for something that we were responsible for or could influence and I do not think that that is the case.

Roderick Campbell: Do you think that £116 million is an adequate figure for what is involved?

Chief Constable House: I cannot comment on that, because it is money that the Government has retained and it is its responsibility. You would have to ask the cabinet secretary about that, and I am sure that you will.

Roderick Campbell: Thank you.

David McLetchie: The process of police reform has led to significant changes in how moneys for policing are set out in the draft budget. However, the figures in the budget appear to indicate that the proposed police budget for 2013-14 is more or less the same as that in the plans for that year that were set out in the 2011 spending review, once one takes into account transfers from local government. Is that correct?

Chief Constable House: The draft budget figures are broadly as we expected, by which I mean that the local authority transfer of funding is pretty much what we expected and that there was a planned—and therefore expected—grant-in-aid cut for the SPSA. We think that the funding for the police central grant, a significant amount of which has come across to the police budget, is a little bit light by £3 million or £4 million. Civil servants have effectively taken the opportunity to pass over all the responsibility while assuming that we will be making some efficiency savings in that respect.

In those terms, there are not a huge number of surprises. However, as I move forward with leading the organisation, I am looking at the gap between the budget and what we think it will cost to run the organisation. At the moment, the gap is about £70 million. That will be a challenge but, as I and my chairman have said, we think that we will meet it.

David McLetchie: Is the proposed budget for 2013-14 adequate? On what information do you base your assessment?

Chief Constable House: Yes, it is adequate. Do I believe that we will balance the books? The chairman has already said—indeed, he has made it clear in his written evidence—that he accepts the budget, as I do. Actually, I think that the legislation gives me little choice but to accept it. To be correct—and I am sure that the chair will say something about this—I point out that the budget is his, and he gives it to me. As a result, I do not think that I will necessarily have a say in whether the budget is or is not adequate. I am simply grateful for what I am given.

However, as a highly paid public servant, I am obviously going to say that the budget is tight and that I would rather have more money. However, to reiterate, I think that it is livable with.

Vic Emery: As I said in my first response to Graeme Pearson, I believe that the budget can be achieved. The SPSA has already achieved significant budget cuts, and I have no reason to believe that this cannot be achieved.

David McLetchie: Finally, has anything changed since publication of the 2011 spending review that might be expected to place additional pressures on the policing budget?

Chief Constable House: We have seen the re-emergence of pay inflation. I know that Mr Swinney's comments related to Government employees, but we expect the 1 per cent pay increase almost certainly to apply to policing, which will have an impact over the next few years. In all honesty, I think that most observers assumed that that would happen and people were beginning to be prudent and make plans for it. I certainly know that Mr MacLeod was, because he

told me that it would probably come into play in due course. That aside, I do not think that there have been an awful lot of changes since the start of the spending review period.

The Convener: I will now say the fateful words, “Graeme Pearson will ask the final question.”

Graeme Pearson: How kind of you, convener. My question has two parts. [*Laughter.*] It might well be Mr Emery who will have to put his mind to it, although the chief constable might want to make a supplementary comment.

With regard to information technology costs—I should declare an interest, in that on occasion the private sector asks me for advice on IT matters, particularly with regard to intelligence management—the SPSA minutes from April contained an acknowledgement that there were neither the skills nor the right resources to deliver on the IT requirements for Gartcosh, in particular, but also the new police service. Where do you stand in that respect? After all, IT will have a big impact on whether the chief constable can deliver. Do you feel secure in the knowledge that you now have the resources, the people and the skills?

Vic Emery: First of all, I share your view that a key enabler in delivering this reform is a good ICT structure that not only runs through everything but is common to everyone, to ensure that a person can sit at any terminal and be familiar with what they need to do. In the previous session, there was some talk about duplication with regard to people; there is a lot of duplication in the ICT world and a lot of money can be taken out by reducing it.

As for the SPSA board minute, we have resolved the matter in question by bringing in six or seven Government-funded IT specialists to plug the gap in the resource and skill mix for delivering the ICT. I also note that the Gartcosh element is only one of a number of priorities that are being levelled at the ICT fraternity; we moved it up in importance and as a result it was funded from the ICT budget. There is no problem with putting the basic infrastructure into Gartcosh. An issue might arise when the building is populated, and we need to do another piece of work to understand exactly what that will be. However, the basic infrastructure and architecture are being catered for.

Graeme Pearson: Finally, given your involvement in the process up to now, are you able to offer the committee any view about a requirement or otherwise for democratic oversight of the police service and the relationships between the Government, the Police Authority and the chief constable?

Vic Emery: There is no inhibition in that respect. SPA board meetings are public and, in any case, I as an individual operate transparent and open communication. That is my way of doing

business and, from a democratic point of view, I think that such an approach satisfies what needs to be done. Clearly issues of national security, for example, will need to be discussed in a more closed forum but by and large we should be open, honest and democratic in the way we do things.

The Convener: Is there anything we ought to have asked that we did not ask? Please do not feel obliged to say yes.

Chief Constable House: No.

Vic Emery: No.

The Convener: Thank you very much for your evidence. I suspend the meeting for two minutes. I ask members not to move from the table.

12:13

Meeting suspended.

12:14

On resuming—

Subordinate Legislation

Criminal Justice and Licensing (Scotland) Act 2010 (Incidental Provisions) Order 2012 [Draft]

The Convener: Item 3 is consideration of an affirmative Scottish statutory instrument. We have the opportunity to take evidence from the Minister for Community Safety and Legal Affairs and her officials on the order before formally debating the motion to approve it under the next item. The Subordinate Legislation Committee has not drawn the Parliament's attention to the order on any grounds that are within its remit.

I welcome to the meeting Roseanna Cunningham, the Minister for Community Safety and Legal Affairs, and Peter Reid, from the criminal law and licensing division of the Scottish Government. Cabinet secretary, I invite you to make an opening statement, if you wish.

The Minister for Community Safety and Legal Affairs (Roseanna Cunningham): Thank you for the promotion, convener, but—

The Convener: Oh! I am not having a good day, minister. I have also had Graeme Pearson being Graeme Dey. I will have to keep taking the pills.

Roseanna Cunningham: Thank you anyway, and thank you to the committee for inviting me to speak about the draft order that has been laid for Parliament's approval. The order is made under section 204 of the Criminal Justice and Licensing (Scotland) Act 2010, which allows for such ancillary amendments to be made. However, any such amendments are subject to the affirmative procedure, hence my appearance before the committee today.

The order amends section 179 of the 2010 act to update the definition of "disabled person". When the act was passed in the Scottish Parliament, it made use of the definition of "disabled person" that was provided by the Disability Discrimination Act 1995. However, after the 2010 act gained royal assent—this is a bit confusing—the Disability Discrimination Act 1995, on which we had based our drafting of the 2010 act, was repealed. This order therefore makes use of the definition that was subsequently provided by section 6 of the Equality Act 2010, which is of course not in our original legislation.

The order will allow the Scottish Government to proceed to commence section 179 of the Criminal Justice and Licensing (Scotland) Act 2010 on

alcohol licensing, which will introduce a requirement for applicants for a new premises licence to provide a disabled access and facilities statement. That provision was proposed by a private individual, Mark Cooper, and by Capability Scotland, and it was introduced into the Criminal Justice and Licensing (Scotland) Bill at stage 3 by a previous member of the Scottish Parliament, George Foulkes, with support from across the chamber. Therefore, this is not in the slightest bit controversial from a political point of view. It really is just a technicality, because we got caught between the repeal of one piece of Westminster legislation and the enactment of a new piece of Westminster legislation, which meant that we were stuck with a definition from the repealed legislation.

I recommend that the committee support the instrument and recommend to the Parliament that it should vote to approve it.

The Convener: What changed in the definition of "disabled person"? Was it a significant change?

Peter Reid (Scottish Government): It is just that the reference, which was originally to "disabled person" as defined in the Disability Discrimination Act 1995, has changed to a reference to the Equality Act 2010.

The Convener: So there is no change to the definition.

Roseanna Cunningham: The definition of disability has not changed; it is just that the phraseology that we have to use has to change.

The Convener: It is just the reference that must change—I understand.

Roseanna Cunningham: It is just a technicality. Our legislation provided that this kind of thing would have to come back as an affirmative instrument, but it is of course not particularly controversial or problematic.

The Convener: I am just clarifying that there is no change in the definition of "disabled person" but there is a change in the reference to legislation.

Roseanna Cunningham: Yes.

The Convener: Thank you. I invite the minister—not cabinet secretary yet, but who knows?—formally to move the motion.

Motion moved,

That the Justice Committee recommends that the Criminal Justice and Licensing (Scotland) Act 2010 (Incidental Provisions) Order 2012 [draft] be approved.—
[Roseanna Cunningham.]

Motion agreed to.

The Convener: As usual, the committee is required to report to the Parliament on the affirmative instrument. Are members content to

delegate authority to me for the final wording of the brief report?

Members *indicated agreement.*

European Union Issues

12:20

The Convener: Item 5 is consideration of EU issues. Members should look at paper 3, which provides an update on developments relating to the committee's agreed EU priorities and other EU issues. I invite the committee to agree a report to the European and External Relations Committee on our EU engagement over the past year. I ask Rod Campbell, as the committee's European reporter, to comment on the paper.

Roderick Campbell: The paper is self-explanatory. Paragraph 10 proposes that we seek a further update from the Government on the victims and witnesses bill and whether there are any implications for its provisions arising from the EU initiative. That seems sensible to me.

A similar proposal to seek clarification from the Government is made in relation to alternative dispute resolution.

As far as the jurisdiction in matrimonial matters is concerned, although it is likely to be some time before anything happens in Europe on that, I cannot see the harm in asking the Government for an update.

Perhaps more important is Theresa May's announcement last week that the United Kingdom Government is thinking of opting out of all pre-Lisbon police and criminal justice measures. There was no reference in *Hansard* to any indication of consultation with the Scottish Government about that, although it will clearly be a matter of democratic debate and subject to review by the House of Lords. It seems appropriate to ask the Scottish Government for its views on her announcement.

The Convener: Thank you for the thorough paper and for being our European reporter. Does the committee agree to seek a further update from the Scottish Government on whether the forthcoming victims and witnesses bill will contain any provisions arising from the EU initiative?

Members *indicated agreement.*

The Convener: Does the committee agree to ask the Government whether it is content that the proposal on alternative dispute resolution in business-to-business cases will be compliant with the principles of subsidiarity?

Members *indicated agreement.*

The Convener: Does the committee agree to ask the Government to provide an update on the outcome of European Community law and to say whether the specified regulation will have any effect on domestic law?

Members indicated agreement.

The Convener: Does the committee agree to ask the Scottish Government for its views on the UK Government's announcement that it is thinking of opting out of police and criminal justice measures, which would impact on Scottish law? In fact, we should ask it whether it knew that that announcement was coming.

Members indicated agreement.

Roderick Campbell: I do not know whether there is a procedural flaw in our report to the European and External Relations Committee, but perhaps Joanne Clinton can comment.

Joanne Clinton (Clerk): It is a purely factual report on the committee's engagement over the past year that requires to be signed off.

The Convener: Do members agree to sign off the report?

Members indicated agreement.

The Convener: We have ticked off all the items in paper 3 and completed that item. That was good; I am feeling better now. We will now move into private session.

Graeme Pearson: Before we do, I want to make two points for the record. First—there was no opportunity to ask the panels about this earlier—I was disappointed that the Convention of Scottish Local Authorities failed to give us any evidence in the lead-up to our discussion. Given that Stephen House, the incoming chief constable, has talked about the need for strong representation in developing local plans and Kevin Smith has said that strong local policing will be a priority for the new police service, the absence of advice from COSLA is regrettable. I would have thought that COSLA would want to come forward.

The Convener: I am looking at COSLA's response, which I want to put on the record. It states:

"COSLA is declining to attend the Justice Committee's panel following a decision within COSLA to handle settlement issues on a corporate basis."

Graeme Pearson: Yes, I read that.

The Convener: We are back to the issue of COSLA not wanting to have negotiations in front of the Justice Committee. I understand that, but I take your point.

Graeme Pearson: I do not know what "corporate basis" means.

The Convener: You will need to write to COSLA to find out.

Graeme Pearson: I wanted to make the point for the record.

Secondly, we reviewed a £1 billion organisation in less than two hours this morning, which gave each member only about three minutes on average to ask questions and receive responses from the panels. That does not accord with proper scrutiny, good governance and democratic accountability.

I want it on the record that we seemed to have a spirit of seeking proper oversight of the developments, and I hope that the Parliament will take the responsibility for that in due course. I understand that it is not for the cabinet secretary to deliver this work any longer—it is for the Parliament—so I am flagging up a reminder to those of us who are interested in such matters.

The Convener: I have been saying that for 13 years. Members who have been in Parliament for 13 years—whoever has been in government—have always felt that the timetable for the scrutiny of budgets has been far too short. That is not in our hands. My understanding is that, to some extent, it is not even in the Government's hands because it depends on settlements from Westminster.

I take your point and I agree with it—the timetable is not good enough to deal with the budget, which is why the committee decided appropriately to focus on one particular issue, rather than taking a scatter-gun approach, which has never been effective. Your point is on the record, and let us hope that parliamentary procedures will change at some point.

Graeme Pearson: The approach taken also points towards the discussions that we had last year about the need to have either a police commission or a committee to oversee the development of a new police service. We have never had a national police service before.

The Convener: You have aired that point previously and I understand it.

Graeme Pearson: Thank you.

The Convener: It is always open to the Justice Committee to call to account any agency or party that is involved in delivering justice in Scotland—that includes the Scottish Police Authority and the chief constable. The committee can do that without the need to establish another body.

You have had your debate on the issue, so we will move on to item 6.

12:26

Meeting continued in public until 12:27.

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