

RESOURCES COMMITTEE
MINUTES OF THE MEETING HELD ON 27 MAY 2020
HELD VIA TEAMS

Present:

Members

John Logue	Deputy Crown Agent (Operational Support) (Chair)
Ian Walford	Deputy Chief Executive
Graham Kerr	Head of Business Management (Local Court)
Bill Comrie	Head of Business Management (Serious Casework)
John Cooper	Non-Executive Director
Mark Howells	Director of Finance and Procurement
Douglas Taylor	Head of Management Accounting and Planning
Marlene Anderson	Head of Finance
Jonathan Shebioba	Director of Support Services
Sarah Carter	HR Director

In attendance

Kathy Brown	Secretariat
Colette Weir	Secretariat
Richard Brown	Legal Assistant to DCA, Operational Support

Apologies

Doreen Crawford	Head of Workforce Planning & Reward
-----------------	-------------------------------------

Welcome

1. The chair welcomed everyone to the meeting which, due to the current Coronavirus outbreak, was conducted via Teams. He introduced Jonathan Shebioba who has recently joined COPFS taking on the role of Director of Support Services. He also welcomed Richard Brown who had recently taken over the role of Legal Assistance to DCA, Operational Support.

Minutes from meeting held on 30 April 2020

2. The Committee agreed the minutes as an accurate record of the meeting.

Action Log

3. The Committee agreed the following amendments to the Action Log:

Action 4: as this action will be reviewed through the normal budget monitoring process it can be closed and removed from the Yearly Planner.

Action 6 can be closed. The Finance Strategy has now been formerly presented to the Crown Agent for approval. Once approval has been received it can be published.

The Committee noted progress with the remaining actions.

HR Update

Staff Report

4. Director HR provided an updated Staff Report showing Management Information (MI) as at 30 April 2020. She highlighted that the total Headcount (Full Time Equivalent) was currently 1,819, which is the highest level to date. This is expected to rise to 1,840 by the end of June 2020. 97% of staff are on permanent contracts.
5. The number of staff leaving COPFS is reducing and it is expected this will continue, particularly as a result of COVID-19. Director of Support Services noted that half of the leavers last year were Pay Band B and asked if there was a reason for this, and in particular, in relation to COPFS career paths. HR agreed to look at the data received from Exit Interviews to see if there is a particular trend or reason and report back to the Committee.
6. The Committee found the sickness absence statistics helpful and noted that they showed some interesting patterns. HoBMs agreed to discuss the figures with their teams particularly in areas where short term absences have increased significantly.

Actions:

HR to look at Exit Interviews for Pay Band B to identify any particular trend or reason for leaving.

HoBM to discuss with their management teams.

Mental Health Absence

7. Director HR presented a paper on the Mental Health absences across COPFS but particularly focusing on the reasons why Local Court figures are the highest. She stated that the majority of these absences were from Band B, C and PFDs and highlighted that over 700 days had been lost by staff in Local Court due to bereavement. HR are working closely with HoBM in this area and are providing a lot more additional support as a result of COVID-19.
8. Director HR advised that there is no published data from Other Government Departments to compare our statistics with. However, the CIPD had produced a health and well-being at work journal in March 2020 and while the information contained within the journal is high level, it confirms that mental health and stress are the most common causes of long-term absences and that they are more prevalent in the public sector.
9. The Committee recognised that these figures represented the period from October 2019 to December 2019 and that it was difficult to gauge what impact COVID-19 will have had and will have on mental health, particular with regards to staff working from home. The Committee recognised that work related stress must continue to be monitored and analysed.
10. The Committee requested a refined analysis either by Grade or individuals to assist HOBMs to gain a better understanding of mental health absence and the impact of COVID-19.

Actions:

HR to provide HoBM with refined analysis of report either by grade or individuals.

HR to provide the Committee with an updated Mental Health Absence report on 30 October 2020

Finance Update

2019/20 Budget Position

11. The Director of Finance and Procurement (DFP) updated the Committee that the final (pre-audit) forecast outturn for 2019/20 was:

A running costs overspend of £1.35m. This compared with the forecast that had previously been discussed with the SG Finance of £1.25m. The increase was due to the security issue at the Aberdeen productions store;

A capital underspend of £3.0m. Of this:

This information about toxicology costs forms a confidential annex to the minutes

£0.078m was core IT underspend – which reflected excellent management by ISD colleagues;

£0.6m was money that had been provided for Justice Digital Strategy work but which had been delayed due to Covid-19; work that had been planned could not be undertaken due to ISD and management focus moving to managing the crisis.

12. DFP confirmed that although we cannot offset running costs overspends with capital underspends at an organisational level, SG were able to do so at their level and that they had provided a letter confirming approval of the position.
13. DCA (OS) confirmed that work is ongoing to identify and utilise lessons learned from the Aberdeen productions issue.
14. DFP highlighted that while the individual elements of the overspend had been identified very promptly as they arose, there was no scope to be complacent. He confirmed that 1 Finance Business Partner is now in post and interviews for the other 2 posts are being held next week. As they gain experience they will be able to work increasingly effectively with Function Business Management Teams. He added that as of mid-July, Sharon Davies will be returning to lead the Decision Support Team, and that she will bring significant experience and corporate knowledge to the table.
15. Marlene Anderson and Sharon Davies have prepared the COPFS and QLTR accounts, which were delivered two days in advance of the already challenging timetable. The audit is ongoing and the team have been complimented by the auditors on the quality and presentation of the underlying data. Information on Fixed assets was also submitted in advance and the audit is now complete. Finance have weekly catch ups with Audit and are dealing with queries as they arise. The audit wash-up will be held in two weeks' time and at present there is nothing to suggest

that any changes will be needed to the current figures or the existence of any major issues. The Committee expressed their thanks to the team.

20/21 Budget

16. DFP reported the following as a result of the Covid outbreak:

Running Costs: The economic impact of COVID-19 will be very significant and the core budget could be re-opened. At present there is no suggestion of any changes to this year's funding and indeed the Lord Advocate had a positive bilateral meeting with the Cabinet Secretary for Finance and reinforced COPFS' requirement for the current funding level. He also advised that additional funding would be required for the Lockerbie appeal, the Sheku Beyoh Public Inquiry and also to cover Covid related deaths investigations in Care Homes. However, the risk remains;

Capital: SG had recognised that a number of high value capital projects will not be delivered in 2019-20 and departments have been asked to identify opportunities to utilise this money. COPFS has submitted a bid for some £12m of additional funding.

17. Given the uncertainty around our running costs expenditure and the above uncertainties around running costs funding, the paper recommended that budgets should not be delegated to the functions until there is significantly less uncertainty around the COVID position.
18. It was also noted that given the potential scale of funding cuts, COPFS will need to prepare a contingency plan.
19. Following on from this, taking account of how the justice system has moved radically, innovative ways of delivering justice and ongoing pilots on future ways of work and capital investment, there is an opportunity for longer term planning. A 3/5 year financial plan would be beneficial which could be adjusted as required.

Action: Finance to start preparation of a Contingency Plan and, as the situation becomes clearer, a longer term financial plan.

20. The 2020/21 pay increase has been processed. This has been badged as an interim settlement with further pay negotiations with the Trade Unions to follow once face to face meetings are possible. However, the cost of the interim settlement has left COPFS with no additional money left for additional flexibilities.
21. Pay coherence is currently with the SG. HR will follow up with SG and feed back to the Committee over the next few days. Clarity is required and COPFS will need to manage expectations.

Action: HR to follow up with SG and feed back to the Committee.

Covid 19 Expenditure

22. COPFS are required to record all expenditure due to the Covid crisis. At present the accounting systems show minimal values attributed to Covid, however, anecdotal information indicates that approximately £160k has already been spent. Current work between the business and CPT indicates this will increase. A Covid code is available within the Finance systems and we need to ensure that staff are aware of this and code expenditure appropriately. This will impact our budget, however, we don't know if COPFS will have to bear these costs or whether it will be possible to recover this expenditure from the SG.
23. Costs include lost productivity. This includes time off due to child-care/caring responsibilities but also non-productive time where for instance, Band B staff who normally spend 10% to 15% of their time scanning, cannot do so in the current environment. This needs to be quantified and included in the costs. The main thrust of this is to satisfy SG that we're recording Covid related costs. HR noted that there have been few overtime claims to date, but this may be a timing issue.

Actions: Finance to prepare and distribute a communication to all staff advising of the Covid code and need to correctly identify all expenditure relating to Covid.

Actions: HR to ensure that all Covid related staff cost including non-productivity are recorded.

Risk Management

24. The Deputy Chief Executive (DCE) updated the Committee that the Corporate Risk Register (CRR) was due to be fundamentally reviewed this summer but that this has been put on hold due to the Covid outbreak. However, the CRR has been augmented by a Covid specific risk register – which has been appended to the CRR. This will cover risks identified over the next 8, 9, 12 months and discussions are ongoing at present. There are some specific risks undergoing scrutiny at present, in particular in relation to Finance and HR. The DCE invited comments and contributions and advised that the Corporate Risk Register (including the Covid annex) will be reviewed at every other RC meeting.
25. A change to the wording for Risk 3 in the Annex was proposed. Local Court is developing a Risk Register at present and will match this to the Corporate Risk Register.

Actions: Corporate Risk Register is to be added to the RC Agenda at every second meeting.

Actions: DCE and NXD to liaise to reword Risk 3 in the Corporate Risk Register Covid Annex.

Estates Update

26. The Director of Support Services provided the Committee with an update on the current position in relation to Estates. He advised that the move to the new Inverness Justice Centre was now scheduled for mid-July when COPFS has to vacate Great Glen House. The next step was for the IT infrastructure to be fitted, with the rest of the move taking place by the end of June.
27. As a result of COVID-19 a review of all COPFS office layouts (on the basis of social distancing) is underway with the architects to determine possible occupancy levels. Signage, Desk Instructions, PPE and protocols for staff moving between areas within offices are in place. As a precautionary measure Atalian Servest and a specialist supplier will undertake water sampling across the COPFS (and SCTS) estate.
28. At the present time the Estates capital budget for 2020/21 is £1.6 million. However, £700k of this is ring fenced for the Bio City project. A bid for an increased Capital budget - £10million has recently been sent to the Scottish Government (see earlier discussions above). The Estates team have already identified priority projects for 2020/21.
29. DCE advised that one of the Capital bids was in relation to the current fleet of vehicles. Head of Support Services is currently looking at this area, taking into account Future ways of Working. The Committee asked if the HoSS could work with Head of Finance to produce a vehicle strategy and present this at the next meeting.

Actions: HoSS to work with Head of Finance to produce a vehicle strategy and present this at meeting on 29 June 2020.

AOB

30. No other Business was raised.

Date of next meeting: 29th June 2020