

**RESOURCES COMMITTEE
MINUTES OF THE MEETING HELD ON 28 FEBRUARY 2020
CROWN OFFICE, 25 CHAMBERS STREET, EDINBURGH**

Present:

Members

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|--------------------|---------------------------------------------------------|
| John Logue | Deputy Crown Agent (Operational Support)(Chair) |
| Ian Walford | Deputy Chief Executive |
| Douglas Taylor | Head of Management Accounting and Planning |
| Graham Kerr | Director of Support Services/HoBM Operational Support |
| Mark Howells | Director of Finance and Procurement |
| Catriona Dalrymple | Procurator Fiscal (Local Court North and East Scotland) |
| Bill Comrie | Head of Business Management (Serious Casework) |
| Sarah Carter | HR Director |
| Doreen Crawford | Head of Workforce Planning & Reward |
| John Cooper | Non-Executive Director |

In attendance

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|-------------|----------------------------------------------------------|
| Steve Scott | Specialist contractor Post Mortem and Toxicology project |
| Kathy Brown | Secretariat |

Apologies

None.

Welcome

1. The chair welcomed everyone to the meeting.

Minutes from meeting held on 28 January 2020

2. The Committee approved the minutes.

Action Log

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

Actions 4, 5 and 7 are closed and should be removed from the action log.

The Committee noted progress with the remaining actions.

HR MI Update

4. HR presented a paper proposing possible changes to the payment of the Excess Fares Allowance (EFA). The current policy shifted the liability for payment of Income Tax and Employee's National Insurance (ERNIC) from COPFS to individual employees to align more closely with Scottish Government practice. In some instances this has resulted in employees receiving less take home pay than in their previous role. The Committee discussed how COPFS' policy compares with the SG EFA policy; while the two are broadly similar, the practical implications are different, due to the nature of COPFS staff movement, which is higher and tends to be more geographically dispersed.

5. It was noted that Future Ways of Working may reduce Excess Fare costs going forward.

6. While the Committee agreed that COPFS policy should continue to be aligned to the Scottish Government's policy, it was recognised that the COPFS policy should be amended to reflect the different circumstances in COPFS. The Committee asked for a revised proposal which took into account COPFS plans for career movement and development as well as future ways of working, which didn't penalise people moving on compulsory or level transfer, but which gave a degree of flexibility to make decisions on a case by case basis.

Action: HR to produce a revised proposal taking account of plans for career development and future ways of working.

7. HR provided a detailed MI report. Headcount continues to increase with little change in age profile. Discussions were had around staff absence figures. The Corporate Health & Wellbeing Committee is working with the Heads of Business Management (HoBMs) to ensure active management in this area. HR agreed to provide the relevant data on a monthly basis to assist with this and to report back to the Committee in 4 months.

8. HR provided a verbal update on staff within the Classic Pension scheme and confirmed numbers were relatively low, although it was stressed that it is difficult to predict at what age staff will chose to retire, as they are not obliged to do so at when they reach 60 – the "normal" retirement age under the classic scheme. HR to look into the business location of staff within this group.

Actions:

HR to provide the Committee with updated sickness absence statistics at the 29 June 2020 meeting.

HR to look at location of staff who are in the Classic Pension Scheme to see if there is a potential risk to the business.

Finance Update

2019/20 Budget Position

9. The Director of Finance and Procurement (DFP) advised that the latest forecasts indicate a corporate running costs overspend of £466k. But this does not include the impact of the Employee Benefits calculation (changes to the balances of annual and flexi time leave between 1.4.19 and 31.3.20), other than the continued assumption that this would reduce the cost by £250,000.

10. The data currently recorded in the flexi-time system is of an increase of £50,000 – resulting in a pressure of £300,000.

11. In order to ensure that this figure is reduced to the required level, HR agreed to send an instruction to HoBM specifically highlighting all individuals who have balances in excess of the 7 day maximum. Heads of Business Management were tasked with speaking to the individuals concerned and to work with them to reduce their annual leave carry over to 7 days. It was stressed that all planned leave must be input into the Mitrefinch flexi system. HR will also publish an all staff article on PFEye. The Committee asked for a further update on 6 March 2020. DFP confirmed that achieving the required further movement of £300,000 would be a challenge.

12. The discussion about ongoing legal action forms a confidential annex to the minutes.

13. JL thanked all involved for their hard work in this area over the last few weeks.

Actions: HR to work with HOBMs to reduce annual leave overspend and report back to Committee on 6 March 2020.

DFP to raise formal overspend to SG once final estimates are provided to him.

2020/21 Budget

14. DFP confirmed the budget for 2020/21 has increased by £11.5 with a further £3.2m having been promised in-year. He stressed that while this is a significant increase, nearly all of the money was needed merely to consolidate the 2019-20 position eg because the additional funding would have to cover pressures such as:

£3.8m for the increase in employer's pension contributions – which, while funded in 2019-20, had not been base-lined;

£4.0m for the 2020-21 pay settlement;

£4.0m for removal of the staff vacancy assumption of 5%;

£1.0m for post mortems toxicology cost increases;

£2.0m to replace one-off funding streams in 19/20 viz refund from GU,

on-going reduction in post mortem/toxicology costs, employee benefits, etc.

As yet unquantified increases in other non-staff costs.

15. The Committee agreed with the proposals set out in Paragraph 25 particularly with regard to further analysis on Non-staff expenditure, consideration of additional staff and AD requirements as well as the scope to reduce numbers, through natural turnover, where digitisation reduces the need for manual processing.

16. HoBM Specialist case work group highlighted the dependency on delivery of the planned digitalisation work to enable reductions in staff numbers. It was recognised that this could not be left to ISD to deliver and that successful implementation would only be achievable if function staff worked with ISD colleagues.

Action: DFP to carry out proposals in paragraph 25 and prepare a detailed budget proposal for the Executive Board on 18th March.

Budget monitoring arrangements for 2020/21

17. The Committee was asked to consider the proposed changes to the process in budget monitoring arrangements for 2020-21. To bring consistency and transparency to the staffing forecasts, it is proposed that staff data is based on the spreadsheets that are currently maintained by the Functions but with a standard reporting tab added which will provide summary information in an identical format to allow easy collation into one summary report. The addition of cost information will allow budget monitoring to be based on the most up to date information (functions would be responsible for and would have a vested interest in maintaining up to date data and this will be used to ensure that the information contained in the HR system was consistent with the spreadsheets) – providing a single version of the truth at any given time.

18. There is no intention to change the current approach used to monitor non-staff expenditure, however it was proposed to move the budget responsibility for Stationery, Postage and Courier Services to the Functions. DFP stressed the need to use the P2P system for all non-staff expenditure.

19. As the changes would produce a more streamlined approach the Committee agreed with the proposals.

Action: DFP to proceed to implement the proposed changes to processes in budget monitoring arrangements for 2020-21.

Corporate Risk Register

20. The Corporate Risk register was provided to the Committee for information. The Committee noted the intention to update this now that the updated COPFS strategic plan was nearing finalisation.

Estates Updates (MI)

21. Director of Support Services/HBM (DSS) updated the Committee on the current position within Estates. He advised that the new move-in date for the Inverness Justice Centre was 28th/29th March and that a CCTV system has been installed within the Production Room at Hamilton PFO to pilot the benefit of similar systems being installed in all COPFS' Production Rooms. The Committee noted the content of the report.

Pathology & Mortuary Update

22. The Specialist contractor for the Post Mortem and Toxicology project joined the meeting to provide the Committee with an update on the project.

23. The discussion about ongoing toxicology forms a confidential annex to the minutes.

AOB

24. No other business was raised.

Date of next meeting: 27 March 2020