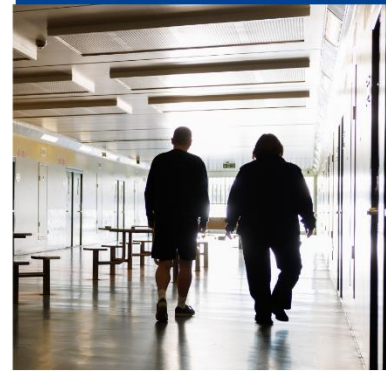


SCOTTISH PRISON SERVICE

2023

2024

Annual Report and Accounts



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SCOTTISH
PRISON SERVICE

PERFORMANCE REPORT – OVERVIEW

The purpose of this section is to provide an overview of the Scottish Prison Service, its purpose, and activities. This section also includes information on key risks and issues for the organisation as well as a high-level summary of performance in 2023-24.



CHIEF EXECUTIVE'S FOREWORD



I am pleased to present the Annual Report and Accounts for the Scottish Prison Service 2023-24.

This has proven to be another year of change, challenge yet positive progress for the SPS. There remains many pressures being experienced across the public sector, such as fiscal and workforce challenges, and our efforts across the year to overcome and respond positively as an organisation are achieving some success.

However, we are a unique organisation even within the Justice sector and many of the demands placed on us are markedly different to those being experienced elsewhere. This requires us not only to ensure those demands are fully

understood, but that we are well positioned to work collaboratively with our justice partners and other key parts of the public sector to better respond to the growing and ever more complex needs of our prison population.

Reflecting on the past year, there have been positive, and indeed transformative developments which have been delivered and build on the care we provide to all those who come into custody.

The year commenced with the opening of our innovative and bespoke women's national facility, HMP & YOI Stirling which completes the new build programme of purpose-built facilities designed for women alongside the Bella and Lillias Centres. This is delivering a transformative shift in the care and support for women in custody in Scotland. Establishing a trauma informed approach within an environment that truly lend themselves to providing inclusion, hope and a tangible sense of agency.

We welcome the continued support and investment by Scottish Government particularly to improve conditions at HMP Greenock and HMP Dumfries as well as making good progress with our two major design and build projects, HMP Glasgow and HMP Highland, both of which reached significant milestones. This will support a more sustainable and future facing prison estate which is better able to meet the needs of current and future population trends.

2023-24 has not however been without its challenges, with a rise in the demands placed on us as well as increased scrutiny of our delivery landscape.

The population in prisons rose slowly but steadily over the course of the year and, unfortunately, tipped over the 8000 mark for the first time since the pandemic, prompting a revamped strategic approach and significant realignment of resources and estate configuration to meet the rising challenge; including repurposing Ratho Hall in HMP Edinburgh and redesignating young people's accommodation for use by adult males at HMP&YOI Polmont. Achieving the strategic aims required careful planning and preparation, locally and nationally, to meet the operational objectives without causing significant disruption. The change and improvements across the estate to maximise the accommodation has been delivered successfully through effective leadership, teamwork, and strong communication. We cannot however underestimate the necessary partnerships required to affect change and we have benefited from strong collaboration with our colleagues in the NHS, JSW, Fife College and the third sector.

Logistical challenges faced with the Scottish Courts and Prisoner Escort Service (SCCPES) contract were well publicised and formed part of issues raised by Audit Scotland in their review of the Annual Accounts of 2022-23. Collaboratively and positively, SPS have worked on behalf the Multi Agency Liaison Group (MALG) partners, to help our service provider GEOAmev address the concerns raised to deliver much needed improvements which are impacting positively on their delivery, their staff and those in our care.

Public and political scrutiny continued and saw a significant increase in both Parliamentary Questions and correspondence from elected officials rising by 156% and 75% respectively based on 2022-23 figures. We welcome the continued interest in Scottish Prison Service, and we will continue to seize on any opportunity to bring context and understanding around the complex work we do to support the Vision for Justice (2022) in Scotland.

2023-24 saw the evolution of several existing key strategies that continue to shape our organisation such as the Women's Strategy and the Vision for Young People in Custody were further embedded into our practice. The publication of our Policy for the Management of Transgender People in December 2023 followed an extensive policy review and delivers a trauma informed and individualised approach to transgender people whilst in our care. We continued to make good progress on key policies related to mental health and drugs and alcohol whilst developing an organisational wide approach to trauma informed practice, leading to the creation of an SPS framework to support us in better understanding and responding to the impact of trauma.

On March 17, after several years of planning and engagement, HMP Kilmarlock transferred into public ownership under the banner of Scottish Prison Service. The first move of its kind saw us take over the operation of the first Private Prison in Scotland bringing an end to 25 years of Serco management, and I must place on the record that we have inherited an excellent staff team and an extremely well-run, prison.

My final reflection for 2023-24 is one of both pride and honour. I am immensely proud to lead and represent an organisation that has such a profound effect on people's lives. I recognise that our staff's role is often misunderstood and that their relationships with those in our care is often seen as punitive, however, it is quite the opposite. We will continue to proactively showcase the work our staff do across our corporate and external communication channels. Our staff show humility, compassion, and empathy to those they care for every day, often in challenging and difficult circumstances. They support people during some of the most difficult periods in their lives and help them prepare for a return to society. A dearly departed colleague once said, "the challenges for the people coming out of prison are, for us, almost unimaginable"; despite this however, our staff continue to show humility and empathy, often never fully realising themselves, the positive impact that they have on people and society as a whole.

Teresa Medhurst
Chief Executive, Scottish Prison Service

CHAIR OF THE ADVISORY BOARD FOREWORD

The last year has witnessed significant changes across the Service – both positive and negative. However, on our Board visits to different establishments, I continue to be impressed by the commitment shown by our people and their ambition to improve SPS, despite the multiple challenges they require to address.

Since the summer of 2023, we have witnessed a surge in prisoner numbers which is presenting the Service with unparalleled demands on its staff, budget and physical capacity given the complexity of the mix of those under our care. The Advisory Board shares the concerns articulated by our Chief Executive about the detrimental impact on the Service's resilience and the higher level of risk this presents. The Board is closely monitoring this situation and the implications of an unchecked increase in prisoner population on our strategic aims. I know these concerns are shared by our sponsors and I urge them to ensure that appropriate action is taken over the coming months that addresses both the short-term and long-term factors.

This year has witnessed a remarkably high level of public interest and media coverage in our work and inevitably there have been difficult and sensitive questions for the Service to address. The health and welfare of those under our care must be a constant priority. I believe we have shown in our response a willingness to engage constructively and openly in the debate on how our Justice system should operate in a modern progressive democracy.

During this year we recruited two new non-executive members to our Board – Billy Watson, Chief Executive of SAMH and John Evans, who has a wealth of board level experience in the private, public, and not for profit sectors. We also welcomed the appointment of our new Deputy Chief Executive, Linda Pollock and are already benefiting from her insight and experience of government. I would again wish to put on record my thanks to my fellow board members for their dedication and support over the last year.

The successful opening of HMP&YOI Stirling, the introduction of adult prisoners into HMP&YOI Polmont and the transfer of HMP Kilmarnock into the public sector represented sizeable achievements for SPS. At the time of writing, SPS has just signed the Stage 2 construction contract for HMP Highland which is welcome, and I know that there is determination by both SPS and our sponsors to ensure that we can reach a similar landmark with the HMP Glasgow project in the not-too-distant future.

As with every other public organisation we faced increasing financial pressures over the last year, particularly with the impact of rapidly escalating energy and food prices. Thankfully the inflation rate is now falling but the severe constraints on public finances, does present both an ongoing challenge in our day-to-day expenditure and increases uncertainty about our future plans over the next few years, particularly in relation to the maintenance of our estate and our ability to extend much needed rehabilitation and educational resources.

Finally, I would wish to record the Board's thanks to all in SPS for their determination to serve in the public interest.

Ann McKechin
Chair of SPS Advisory Board

WHO WE ARE AND WHAT WE DO

The Scottish Prison Service (SPS) is an Executive Agency of the Scottish Government (SG). This means it is a separate organisation to the Scottish Government but is staffed by Civil Servants and the Scottish Ministers are accountable for its services. More on our governance can be found in the Governance Statement, below. We directly employ around 4,900 staff and our organisational structure is illustrated in [Appendix 2](#).

At the end of March 2024, there were 17 establishments located across Scotland: fifteen prisons and two Community Custody Units. The locations of these can be found in [Appendix 1](#). Of these 17 establishments, SPS has directly run 14 for the entirety of the reporting year. In addition, HMP & YOI Stirling opened in June 2023, replacing HMP & YOI Cornton Vale; HMP Kilmarnock transferred from being run under a private contract to SPS operations in March 2024; HMP Addiewell is operated under a private contract.

We are responsible for those who are committed into our care by the Courts and are accountable to the Scottish Parliament for the delivery of custodial care in accordance with The Prisons and Young Offenders Institutions (Scotland) Rules 2011.

Prisons are effectively complex micro-communities that operate 24 hours a day, 7 days a week. Our operating context is dynamic and demand-led; caring for those individuals committed into custody by the courts, we are bound by a range of regulatory and legal requirements that must be met by our staff.

However, the impact of our work is also felt far beyond the prison walls. SPS works with multiple partner agencies, including third sector organisations, to keep the public safe and to support people to live crime-free lives. We operate the Victim Notification Scheme for registered victims of crime, who have the right to receive information about the progression and eventual release of people convicted of the offence against them. We also manage the contract for the Scotland-wide Court Custody and Prisoner Escorting Service for the provision of safe and secure transport for those in custody to and from courts, and appointments on behalf of multi-agency justice partners.

We deliver our work in accordance with our seven organisational values:

- **Belief** – we believe that people can change.
- **Respect** – we are inclusive, respecting the needs, rights, and voices of everyone equitably.
- **Integrity** – we have high ethical, moral, and professional standards.
- **Openness** – we work with others to achieve the best outcomes.
- **Compassion** – we care about people and believe that positive relationships are a critical enabler of change.
- **Humility** – we cannot do this on our own, we recognise that we need to work with and learn from others.
- **Innovation** – we continually find ways to improve the delivery of prison services in Scotland.

The role of Scotland's prisons is derived from two key documents: the Scottish Government's 'Vision for Justice in Scotland 2022' and the Scottish Sentencing Council's 'Purposes of Sentencing'.

The Scottish Government's [Vision for Justice](#) states:

“There will always be a need for prison where a risk of serious harm is posed and custody can provide an important opportunity for rehabilitation...imprisonment for short periods is counterproductive and our evidence consistently shows that those serving short-term sentences reoffend more often, although it should be noted that those who receive community sentences have often committed less serious crimes. The long-term aim is that people should only be held in custody where they present a risk of serious harm”.

The government's vision makes it clear that Scotland ‘must look to redefine the role of custody in the context of needing to better support individuals’ rehabilitation, by taking a trauma-informed and person-centred approach whilst also ensuring public safety.’ Our Strategic Intent, described in our Corporate Plan, and on page 29 of this report, commits us to this vision of custody.

It is important that we also set out our role – and priorities – against the purpose of sentencing in Scotland ([SSC guideline](#)):

- **Protection of the public:** Scotland's prisons protect the public while people are in our care. This plan recognises the importance of secure prison environments and pathways to release that are underpinned by effective risk management.
- **Punishment:** Prison as punishment, not for punishment. Our priority is an environment that is safe, healthy, secure, and meets our human rights obligations.
- **Rehabilitation of individuals:** Prison safety and security is paramount; this plan recognises the need to ensure health, wellbeing, and individuals’ development are managed in a person-centred and trauma-informed way.
- **Giving the individual the opportunity to make amends:** Some people in our care view prison as being more about serving a sentence than reparation. This plan recognises the key role our staff play in engaging people in a person-centred and trauma-informed way, as they prepare them for the day they return to their communities.
- **Expressing disapproval of offending behaviour:** Imprisonment does this, but it does not serve as a deterrent for many people. This plan recognises that giving people a stake in society is crucial to behavioural change.

As an executive agency of the Scottish Government, our work contributes to the delivery of the national outcomes specified in the [National Performance Framework](#). In particular, our work aligns with the following outcomes within that framework:

- We live in communities that are inclusive, empowered, resilient, and safe.
- We respect, protect, and fulfil human rights and live free from discrimination.

We also deliver actions that contribute to realising the National Strategy for Community Justice.

2023-28 Strategic Objectives

In September 2023, we published our [2023-28 Corporate Plan](#), laying out our priorities for the next 5 years. We identified 3 Strategic Objectives:

1. People in Scotland's prisons live in establishments that are safe, secure, and suitable.
2. The health, wellbeing and care of the people living in Scotland's prisons are more effectively managed, promoted and tailored to individual need.
3. People in Scotland's prisons are better supported to safely follow a progression pathway towards release, in what that prioritise public protection.

In addition, we identified a key strategic workstream of supporting and enabling our staff, described key principles that illustrate the ways in which we deliver our work, and included enablers of success that identify the things that need to be in place – and improve – to deliver well.

OUR SERVICE TODAY

As an Executive Agency of the Scottish Government, SPS operates in an environment that is complex, dynamic, and responsive to change.

Despite reported longer term reductions in crime, there has been an unwelcomed and rapid upward trend in our prison population over the past 12 months, placing additional pressures on our estate. Our population continues to be extremely complex and resource intensive, further complicated with additional health and social care requirements for many of those in our care.

Scotland's prison system pressures, resourcing and stability are all inextricably linked. The prison system can only unlock and shift resources towards rehabilitation if prison pressures are reduced, especially those populations that increase the intensity of overcrowding by virtue of the need to keep them separate, impacting on single cell occupancy rates (people on remand, people with a history of sexual offending, people involved in Serious and Organised Crime).

The increases in people coming into our care is drawing prison system capacity increasingly towards safety and security, with the focus clearly shifting more towards keeping people safe and meeting their basic needs rather than undertaking rehabilitative work which will support their reintegration on their return to their communities.

The levers that would enable Scotland's prison system to unlock and shift resources more towards rehabilitation mainly lie outside the prison system itself. SPS is therefore fully supportive of steps being taken to prevent serious crime, reduce the prison population and any use of alternatives to imprisonment, especially those on remand.

SPS is acutely aware that we cannot manage the risks and meet the needs of Scotland's prison population on our own and we welcome all efforts to reduce the rise in prison population.

LOOKING FORWARD

Over the medium and long term, the ambitions of SPS firmly remain those set out in our 2023-28 Corporate Plan: to improve health and wellbeing of those in our care; to ensure safe and secure prison environments; and to provide better pathways towards a prepared release from prison.

There is little doubt, however, that the most significant immediate short-term priority lies with managing the prison population and the impact of rising prisoner numbers (as discussed below). Although this - along with financial challenges - creates pressure on our system, we will continue to deliver improvements in our estate by progressing HMP Glasgow and HMP Highland, develop and support our staff through wellbeing provision and improved staff services and professional development, test new ways of working such as body-worn cameras, enhance how we use and

manage data, and deliver on the Scottish Government intention to move public bodies to a 35 hour working week.

OUR POPULATION

The size and nature of our population has varied over time and is determined by the level and type of crime, Government policy, legislation and policies and practice across the wider justice system.

For the reporting year 2023-24, our average daily population was 7859, compared with the reporting year 2022-23 average of 7426. This is an average increase of 433, 5.83% on previous year. On 31 March 2024, the prison population was 8,040.

The remand population has not fluctuated significantly with an average increase of 1.54%. Persons convicted under 4 years has seen the largest increase of almost 12% on previous year totals. Individuals convicted to 4 years and over continues to follow previous year on year trends, with an average increase of 4.82% on 2022-2023 totals. The daily average male population has seen an increase of around 6% during 2023-2024 with the female population increasing by almost 12%.

Our population has also become more complex as a result of the increasing proportion of those in our care who must be accommodated separately due to their legal status (remand or convicted), sex, age or offending history, for example, those with a history of sexual offending and individuals with links to Serious and Organised Crime.

Further data on our population is available in **Appendices 3 and 4**, below.

OUR PEOPLE

SPS is successful because of the performance of its people. It is the workforce who, through the delivery or enablement of frontline services, empower those in custody to change their lives and reduce reoffending. Throughout 2023-24, despite the increase in the prison population and increasingly complex demands placed upon our workforce, our staff have maintained secure and safe prison environments, where we aim to uphold the rights and entitlements of those within custody.

Despite the challenges, we remain committed to creating a healthy and respectful environment that promotes positive relationships and allows our people to learn, reflect and grow. We recognise that SPS must create the environment our staff deserve to maximise their chance of success. This begins with effective leadership and is dependent upon our leaders displaying the value-based leadership approaches that empowers our staff and allows them to flourish.

During 2023-24, we have continued to develop our collective leadership capacity and capability through the continued roll out of our leadership strategy. This has created further opportunities for those in leadership roles to access an expanding range of leadership learning and development opportunities. By way of example, over 100 middle and senior managers have now completed the Franklin Covey “7 Habits of Highly Effective People” programme and a range of other initiatives, such as SPS’ bespoke “Leading with Awareness” Programme. Opportunities for senior leaders to participate in facilitated workshops which focus on leadership, change and culture have also been delivered throughout 2023-24. Approximately 240 of our managers have engaged in some form of leadership development during the previous 18 months, which is a substantial increase from the 67 who had accessed some form of leadership development in the 18-month period to July 2022.

We also realise that our staff deserve real recognition for the work that they do, and their overall reward package is important. During 2023-24, SPS delivered a 2 year pay award for all staff which is described at page 58. SPS also maintained its commitment to paying the real living wage to all staff, which has included new modern apprentices from the first day of their employment with SPS.

24% of SPS staff completed the 2023 Civil Service People Survey. Although SPS response rates are lower than many of the other Civil Service areas, the survey remains our most comprehensive source of employee feedback. Our overall Survey Engagement Index (the overall measure of the pride and attachment people feel towards their organisation) remained consistent at 56%, the same as in 2021 and 2022, and of the nine themes explored within the Survey, we saw increases in 6 areas, including “Leadership and Managing Change”, “Learning and Development”, “My Manager” and most notably within “Pay and Benefits”.

SPS measure sick absence in Average Working Days Lost (AWDL) per employee over the previous 12-month period. SPS’ AWDL figure for 2023-24 was 16.6, which represents a reduction of 0.5 days per employee when compared with the 2022 figure of 17.1.

A further area of substantial progress during 2023-24 has been the work we have undertaken to develop and test the initial components of our new digital HR infrastructure. The work carried out during 2023-24 will be crucial to realising new ways of working that improve the HR services provided across SPS to better service the organisation’s people related needs.

OUR RESOURCES

The Scottish Parliament approved the 2023-24 budget for SPS of £542m. There was a net budget decrease of £19.9m owing to re-phasing of some of the capital projects compensated by increased pay and running costs. Financial sustainability was a significant challenge in year with the impact of inflation and the cost of living increases particularly in utilities, fuel, and prisoner food supplies. These challenges are expected to continue into 2024-25 and beyond due to the current economic pressures.

A key priority for SPS is to develop a medium-term financial strategy linked to the 2023-28 corporate planning process. This will set out the longer-term financial strategy and capital investment plans for the organisation.

To deliver on this, we will:

- continue to work with colleagues in the Scottish Government on medium/longer term financial planning; and
- ensure our senior structure is in alignment with the corporate governance arrangements and capable of meeting current and future demands.

PERFORMANCE SUMMARY

As noted above, in September 2023, we published a new 5-year Corporate Plan that included 3 Strategic Objectives; the main principles underlying our work; the key enablers to delivering our strategy; and a strategic workstream focussed on staff. This Corporate Plan was accompanied by an Annual Delivery Plan for 2023-24. In the Annual Delivery Plan, we set out the high-level actions that contribute towards achieving the strategic intent of the Corporate Plan.

In the year end table below: ‘green’ denotes the activity delivered as expected or completed; ‘amber’ denotes that progress was made, but that this was less than planned for; ‘red’ denotes that progress was significantly less than expected, or no progress was made.

In total, 38 actions were included in the published Annual Delivery Plan. One additional action was added mid-year, and two actions were removed from the plan. At the end of the year, the status of the activities was:

| Corporate Plan Area | Number of ADP Elements by Status | | | |
|------------------------------------|----------------------------------|-----------|-----------|----------|
| | R | A | G | Removed |
| Obj 1 – Safe, Secure and Suitable | 0 | 5 | 4 | 0 |
| Obj 2 – Health, Wellbeing and Care | 1 | 2 | 5 | 0 |
| Obj 3 – Pathways to Release | 0 | 2 | 1 | 1 |
| Staff | 0 | 1 | 3 | 0 |
| Enablers and Principles | 1 | 4 | 8 | 1 |
| TOTAL | 2 | 14 | 21 | 2 |

Further commentary on each area is provided in the relevant section of the Corporate Plan.

Strategic Objective 1: People in Scotland's Prisons live in Establishments that are Safe, Secure and Suitable.

Central to SPS's operations is the reduction of the risk of harm; for those in our care that is about minimising harm within our prisons by keeping establishments safe; for the wider public, that is about minimising the risk of harm posed by those in our care by keeping our establishments secure. We also need to ensure our establishments are as fit-for-purpose as possible and that we are managing them in a way that recognises and takes account of the complexity of the population in our prisons.

The consistent rising prison population proved to be an emerging challenge this year, with short-term strategic decisions, including population moves, largely mitigating against any significant impact on operational stability in-year. There has, however, been rapid rises since March, which have placed significant pressure on the prison system.

The management of women in custody in Scotland was transformed, with the opening of HMP & YOI Stirling, replacing HMP & YOI Cornton Vale as a new national facility for women and complementing the Community Custody Units we opened in 2022. We also completed the review of SPS policy on the management of transgender people in custody and published the evidence base to support the policy. We continued to deliver against our Vision for Young People in Custody and are piloting non-pain-inducing control and restraint training in a number of establishments.

The population rise has limited our ability to deliver planned improvements in regimes whilst progress on two new establishments, HMP Highland and HMP Glasgow, has been slower than initially anticipated due to costing delays. Additionally, whilst the Women's Strategy has now been embedded into our practice, we have also not advanced some aspects of its principles as far as we had anticipated. All of these are reflected as 'amber' status in the table above.

Further detail on this Objective is available from page 30.

Strategic Objective 2: The Health, Wellbeing and Care of the People Living in Scotland's Prisons are More Effectively Managed, Promoted and Tailored to Individual Need.

The complexity of our prison population has brought significant challenges, including but not limited to, health and social care needs. This can be attributed in part to our aging population and the longer periods in which individuals are in our care, however it cannot be overstated that as the complexity of our population grows, so does the complexity of the needs.

The 'Independent Review of the Response to Deaths in Custody' required significant engagement and subsequent actions surrounding recommended areas for improvement. As such SPS has implemented changes such as how we communicate and engage with families following a death in custody and how concerned families and friends can raise a concern directly with an establishment. Furthermore, we have begun a revision of our Death in Prison Learning & Audit Review (DIPLAR) policy and guidance.

Several areas of policy development and/or review have been restricted by resourcing pressures which is reflected in the above table as either 'red' or 'amber' status; however, we continue to embed trauma informed practice throughout the organisation highlighting a positive shift on our understanding of trauma. We have also advanced other key strategies such as our Family and Parenting Strategy, the Mental Health Strategy and Drug & Alcohol Strategy, all of which are in line with our strategic objective.

Unfortunately, several areas of policy development or review have been restricted by resourcing pressures within the health team and resulted in an 'amber' or 'red' status in the table above.

Further detail on work within this Objective is available from page 34.

Strategic Objective 3: People in Scotland's Prisons are Better Supported to Safely Follow an Individualised Pathway to Release, in Ways which Prioritise Public Protection

It is our aim to prepare people in custody for their eventual release and return to communities as contributing citizens. We do this by assessing risks and needs and providing individuals with a range of opportunities to exercise personal responsibility and follow an individualised pathway towards release. This, however, must be done in a way that carefully manages risk and balances the safety of the public and potential victims with the human rights of those in our care.

Part of this preparation for release comes via the case management process which identifies individual needs through a multi-disciplinary approach, which aims to address offending behaviour and map out an individual's journey through custody, including participation of offender behaviour programmes which aim to prepare the individual for release. Resourcing across the case management policy team, and the impact of the rising population, has meant that process has been impacted, resulting in slower processing case management applications/tools. The above table reflects this with an 'amber' status.

The 'Progression Pathway' is another part of the preparation for release process, and it defines the criteria and minimum period of sentence that each category of offender is expected to serve in a secure establishment before being eligible for consideration by the Risk Management Team (RMT) for progression to less secure conditions.

The key areas that are relevant when considering progression are: time served, risk of reoffending and conduct in prison. In terms of risk of re-offending, an offender must demonstrate that they have taken steps to reduce their risk, and there must be sufficient evidence that the risk presented can be managed in the community before progression can be granted.

Further detail on this Objective is available from page 37.

Staff

There have been several developments in the support available to staff this year, including a new Employee Wellbeing Policy and Guidance, revisions to the Critical Incident Response and Support (CIRS) policy for staff involved in traumatic incidents, and enhanced support and guidance for staff involved in Fatal Accident Inquiries.

The SPS Leadership Strategy has been embedded this year, with training and development being rolled out and offered at a range of leadership levels. SPS has also begun to trial engagement in programmes not previously accessed (e.g the Association of Chief Officers of Scottish Voluntary Organisations (ACOSVO) Leadership Exchange).

Capacity challenges impacted on the finalisation of a unified strategy for our Organisational Development directorate (given an 'amber' status), but some progress was made.

Further details on these elements are available on page 40.

Enablers and Principles

A substantial and varied workload was delivered within our enablers and in support of our principles. HMP Kilmarnock transferred to SPS operations after being delivered under a private contract for the last 25 years; in-cell telephony was rolled out across the whole prison estate; changes were made to legislation to support new operational policies; our HR transformation programme procured new digital products to improve employee and manager experience in the future; and SPS continued to positively engage with a number of public inquiries and unprecedented levels of parliamentary scrutiny.

Net Zero planning, data strategy, the development of in-cell technology, and cyber resilience improvements have all seen more limited progress than hoped (given an 'amber' status), primarily due to the limited capacity, or absence, of the specialist staff needed to manage those areas. The development of a Medium-Term Financial Strategy is marked as 'red' in the table above for similar reasons. .

Further details on these elements are available on page 41.

Delivery against the Corporate Plan, where more limited progress has been made this year, was linked to the principal risks that SPS faced and sought to mitigate. These are detailed in the section below.

Key Performance Indicators

SPS has a number of Key Performance Indicators (KPIs) to monitor performance. Full reporting of these is included in **Appendix 9** and discussed in the Performance Analysis, below. Some significant observations from the KPIs for 2023-24 are:

- Instances of violence are up against 2022-23, returning to levels similar to 2021-22.
- Total hours of purposeful activity are up against 2022-23, although the average number of hours per prisoner per week is down against 2022-23.
- The average cost per prison place is up against 2022-23.

Risk Management

The principal risk areas (having been scored 'high' on the Corporate Risk Register during the reporting year) were as follows:

1. **The prison population** – the changing nature of the prison population can make delivering high-quality services more difficult due to the operational challenges it presents within prisons and the availability of resources to cope with increased numbers. Both the volume and complexity of the population are drivers of this risk. In terms of mitigation, extensive work has been undertaken during the year to re-distribute populations across the estate and to optimise use of the estate, a dedicated population management team was established. There was also engagement across the justice sector on the challenges and risks across the system. This risk has increased as the population has increased through the year.

Delivery of individually focussed rehabilitative services - SPS has legal duties to fulfil in providing access to rehabilitative services and progression for those in our care through their sentences. The risk to delivery on these obligations has remained high throughout the year. We have seen vacancies in our psychology service, impacting our resource to deliver some services during a period of significantly increased numbers within our population. Work has been ongoing throughout the year to review our psychology services to consider the most effective use of our services as well as to improve both the recruitment and retention of our psychologists. Throughout this a review of the case management model was initiated this year to move towards an individualised, risk-based model supporting those in our care.

2. **Delivery of the Scottish Court Custody and Prisoner Escorting Service (SCCPES) contract** - ensuring, on behalf of multi-agency justice partners, the effective delivery of the SCCPES contract has been a consistently high risk this year. The contractor has been unable to meet the needs of the contract which has caused several issues for SPS and the wider justice sector. Mitigations have included enhanced contract management controls (including issuing of formal Contractual Improvement Notices), and a contract recalibration to provide improved rates of pay to stabilise and improve the staffing position. Progress against contract continues to be closely monitored.
3. **Creating and maintaining safe and healthy prison environments** – there are several factors threatening a healthy prison environment. Both the increase in organised crime gangs and the introduction of new drugs into our prisons represent a threat to both the physical and mental health of those who live and work in our prisons.

Mitigations are already in place and have been enhanced by the use of body scanners and anti-drone technology, however the threat presented by both remains credible and high.

SPS are also piloting a revised version of control and restraint to better support safe environments when there is a need for escalated actions, improving staff safety and the care of the individual.

4. **Improving health and wellbeing** – SPS works in partnership with NHS to support the health and care needs of those in prison. There is an ageing demographic with an increase in long term conditions and social care needs; we are also experiencing an increase in those who require additional support for more complex mental health and alcohol & drug problems with a need to enhance and develop a range of support interventions and pathways to specialist in-patient support where required. The National Prison Care Network have led on the development of a Target Operating Model for healthcare delivery and SPS have appointed 2 strategic leads with subject matter expertise with collaboration at the heart of future planning and there is collaborative support across partners.
5. **Capacity of SPS workforce** – having the capacity to deliver the work expected of SPS is a risk in terms of both operational prison staff and non-operational specialist staff such as psychologists, finance, estates, and digital. Mitigations have included reviewing staffing structures of some service areas, implementing a 2-year pay deal, and developing improved and targeted recruitment campaigns.
6. **Pressures on public finances** – not having sufficient funding to staff and operate prisons would have a direct impact on service delivery. The Scottish Government's funding position is well documented, reporting a large budget deficit position, so this risk is increasing. Mitigations have included regular engagement and monitoring with Scottish Government, the setting of a five-year Corporate Plan to set out planned activities, renewed budget monitoring systems in place, and recruitment of senior key roles within the finance function.

The following risks have changed from 'high' to 'medium' scoring during the 2023-24 reporting period:

- **Unprecedented external financial volatility and pressure** - As we moved to the later part of 2023-24, this external volatility reduced, with the risk scoring being lowered, to remain closely monitored going forward.
- **Digital demand** – SPS had been reliant on existing digital systems which were out of date and built on unsupported and end-of-life technologies. Throughout 2023-24 significant work was undertaken to modernise the infrastructure which has reduced the risk and lowered the score.
- **Data and evidence for quality decision making** – SPS continues to make improvements with the creation of a Strategy and Improvement function, we now consistently capture and produce high quality products through effective information management, enabling the risk score to reduce from 'red' to 'amber'.

At the close of 2023-24 there is only one 'medium' scored risk on the Corporate Risk Register that looks like it may rise to 'high' in the near future, this is the **delivery of the HMP Addiewell prison contract**. This is due to a rise in the number of low-level violent incidents being recorded at the end of the year. SPS is currently monitoring and will take any steps necessary to support and improve the situation. There is also an emerging risk area around Information Governance.

Information on our risk management arrangements is available in the Governance Statement on Page 5454.

ESTABLISHMENT HIGHLIGHTS 2023-24

Our establishments are critical in showcasing how we provide a broad range of opportunities which deliver positive outcomes for people in our care, the wider justice system, and Scotland's communities. Below is a compilation of key highlights from our establishments in 2023-24.

HMP Addiewell

HMP Addiewell have been working to foster strong relationships between their staff and those in their care over the last year.

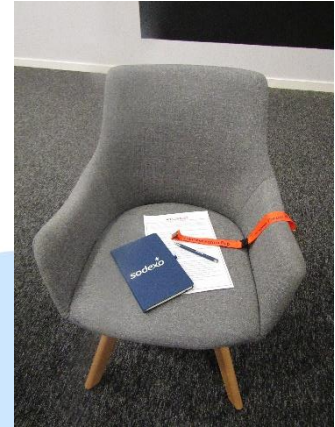
Whilst prisoner councils exist across the estate – the establishment took this one step further and implemented weekly prisoner forums, chaired by the Director and Head of Communications.

Individuals in custody were invited to apply to become a Wing Ambassador and attend forum sessions, where they can work alongside staff to make a difference to the community inside the prison.

So far, the forums have allowed for greater communication between senior management, the prisoner group, and service providers.

They have also implemented changes such as new communication boards for each wing, allowing residents to access information more easily, 'special offers' for canteen items, and more variation in dinner menus.

The introduction and re-invigoration of the prisoner forums has driven a change in behaviours and culture within the prison, whilst also improving relationships between prisoners and staff as they work together towards a common purpose.



HMP Barlinnie

Towards the end of 2023, eight men in HMP Barlinnie took part in a nine-week 'Healthy Dads Healthy Kids in Prisons' programme.

Developed by the Universities of Glasgow and Stirling, and the University of Newcastle in New South Wales, Australia, the programme forms part of a two-year study which seeks to address wider questions about ways to improve the health, wellbeing, and family relationships of men while in prison and following release.

Delivered by the prison's Physical Education Instructors, the weekly sessions comprised a 'fathers only' period which explored topics such as 'The importance of being a dad', 'Raising healthy kids' and 'Positive parenting'.

The fathers were then joined by their children for the 'activity' session focused on physical activity: positive rough and tumble play; fitness; and fundamental movement skills such as throwing, catching, bouncing, and kicking.

One participant said: "It's been great to reconnect with my son in a way you probably cannot even put it into words... It brought my attention to things, like when we talked about active listening and being present, and things that are outside that you don't really mean to overlook."

At the end of each session, the children and their fathers were able to sit and enjoy a meal as a family with their partner or other family member who had accompanied the children.

This chance to spend quality time together away from the confines of the visit room was particularly impactful with one participant saying: "I was sitting watching my wife and my son sitting and eating... You definitely forget that you are in here for that wee half an hour which is sometimes lovely."

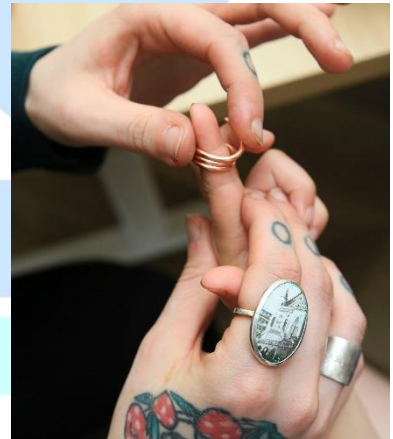
Such is the success of the first programme, the staff team involved at HMP Barlinnie have been recognised with a Governor's Award for their efforts.

The Bella Centre

Women at the Bella Centre have been learning how to make jewellery in regular classes with one of our community partners this year.

The classes, run by Stephanie Graham, a professional jewellery designer and the CEO and founder of Dundee Community Craft, teach participants new skills whilst also promoting recovery and supporting their mental health and wellbeing.

The sessions are designed in line with Medicated Assisted Treatment (MAT) Standard 6, which offers the women low level intervention to help them deal with trauma and recovery through craft and mindfulness.



Stephanie said: "Getting to work in the Bella Centre, and within SPS walls, has been one of the most eye-opening experiences in my life - the Bella centre is beautiful.

"I'm at Bella to teach the women skills and encourage creativity, but through the hours of engagement I get with them, they teach me so much too."

One of the participants said: "I have found skills that I never knew I had. I think it's therapeutic and helps my mental health."

HMP Castle Huntly (Open Estate)



In September 2023, HMP Castle Huntly welcomed council representatives, local stakeholders and SPS partners to an art exhibition which showcased the artistic talents of those in their care.

The four-day exhibition fell in line with the establishment's annual Macmillan Coffee Morning, so the artists proposed to donate their work as part of the fundraiser, raising a fantastic £770.50 for Macmillan Cancer Support.

One of the artists, Jamie, who had never painted before coming to prison, spoke of how he discovered his talent while looking for a productive way to pass time in the evenings. He told attendees of his hopes to hold his own event in the community once he was released.

Jamie's hopes have since been realised, as he opened his first public exhibition in East Kilbride earlier this year. Most of the canvases on display have been painted using acrylic during his time in prison and hold special meaning to him. He is now hoping to use his new-found skill to help him build a legitimate future.

HMP Castle Huntly's Head of Offender Outcomes, Marcus Whitehead, was invited to visit alongside Fife College art tutor Suzzie Swan, Fife College team leader Karen Hibell, and representatives from the Hardman Trust, who supported Jamie whilst he was in custody.

HMP Dumfries



HMP Dumfries has been growing relationships with those in custody, staff, and their local community over the last year.

The establishment's wellbeing garden has flourished, with its reach expanding ever further into the community.

The five-acre former wasteland area was transformed into a wellbeing haven by officer Greg Van Nuil and his enthusiastic team of individuals in custody, equipped with a pond, polytunnels, wildlife and wandering paths.

Greg was a worthy winner of a prestigious Butler Trust commendation for his work on the project and received his award in a ceremony with HRH Princess Anne in March.

So far, the garden has welcomed visitors from local care homes, dementia support groups, recovery groups and four-legged Therapets to enjoy the space.

Community-focused work has also been underway in the establishment's joinery workshed, with individuals in custody and staff working together to create play equipment for a local primary school.

With the support of Joiner Instructor Davie McKie, those working in the shed crafted a large pirate ship to be placed in the school's playground.

The ship has been a massive hit in the playground, and the lucky children were even kind enough to send a handmade thank you card once they'd had a chance to try it out.

HMP Edinburgh

HMP Edinburgh officially opened 'The Hive', a new community and wellbeing space, in March 2024.

It became clear that the establishment had a growing need to provide a space for events, activities, and courses for all.

The space identified was operating as a traditional work party called the 'tool shed'. Within this party, individuals in our care would repair and repurpose a range of gardening tools. It was decided to move this so that it sat beside the other industrial style work parties. And so, the transformation began.



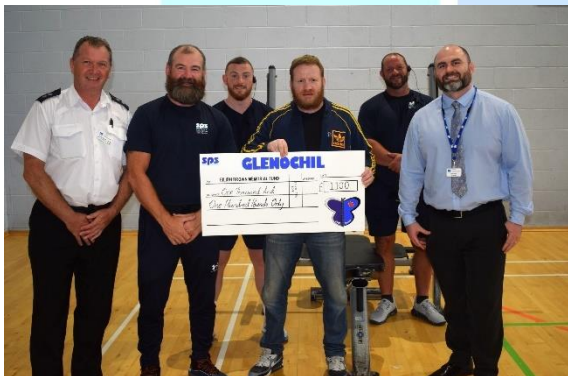
The brief was to create a welcoming, relaxed community space, with a flexible layout to allow for a diverse range of activities to take place, all focussing on improving wellbeing and behaviours.

The paintwork, entirely the work of those in our care, gives an 'outside-in' feel along with suspended ceiling shapes and a modular room layout. Items and furniture have been repurposed and donations gratefully received to create this fantastic new facility.

A full programme of classes is being developed with a range of partner organisations getting involved. So far this includes weekly art therapy, breathing yoga, Therapets, occupational health sessions, an over 50s group, and Prison Fellowship Scotland's 'Sycamore Tree' course.

The Hive will also host a range of events including author visits, art exhibitions and music performances, aimed at supporting the mental health and wellbeing of those in our care.

HMP Glenochil



This year, staff and individuals in our care at HMP Glenochil have been working hard to raise funds for important charitable causes – raising almost £2000.

In 2023, Physical Education Instructors teamed up with those in custody in a bench press challenge to raise money for the Eilidh Brown Memorial Fund – a charity set up in memory of 15-year-old Eilidh, who sadly passed away following a battle with cancer.

The challenge set the bar of 1 million kilogrammes to be lifted in a single day. After an incredible effort and a few sore arms, a total of 1,543,575kg was lifted - far exceeding the target that was set!

Thanks to the generosity of everyone involved, a total of £1100 was raised for the charity, and Eilidh's father, Gordon, visited the prison in September for a cheque presentation and met some of the team involved.

The fundraising didn't stop there however, as throughout March, a group of 52 staff and individuals in our care took part in Cancer Research UK's '62-mile challenge'.

Everyone involved either walked or ran a total of 62 miles, with some even completing the challenge in just one week!

This group raised £829 for the charity – bringing the establishment's fundraising total to a fantastic £1929.

HMP Grampian

HMP Grampian’s pilot Greene King Training Academy has been going from strength to strength since its’ first cohort graduated in December 2023.



The partnership between prison, pub company and brewer Greene King, and Aberdeen City Council seeks to improve people’s chances of successfully reintegrating into their communities upon leaving prison, reduce reoffending rates, and help mitigate recruitment challenges for the hospitality sector.

Participants undergo a 12-week academy programme, where they are trained to work in a replica Greene King kitchen, by the company’s professional chefs.

Through a mix of classroom learning and practical sessions, students learn about food safety practices, kitchen hygiene and maintenance, allergens and Natasha’s Law, and the importance of time management and teamwork.

Those who complete the course are offered employment in a Greene King establishment following their release, and for some, this will be their first chance of achieving meaningful and sustained employment.

The training academy is the first time an external employer has provided prison-based training for direct recruitment of those at HMP Grampian, and, following the initial success of the pilot, the course was extended for a further 12 months.

It is anticipated that in its first year, the training academy may see up to 20 individuals graduate into employment on their release.

HMP Greenock



HMP Greenock were delighted to get the ‘Sycamore Tree’ course up and running this year, after it was paused during the Covid pandemic.

‘Sycamore Tree’ is a volunteer-led victim awareness programme that teaches the principles of restorative justice. The course is run by Prison Fellowship Scotland and invites individuals to explore the effects of crime on victims and the wider community, how to take responsibility for past actions and identifying active steps to take to avoid future offending.

Seven individuals completed the first course to resume and were presented with certificates by the Governor, Morag Stirling.

One attendee said: “This course has been a game changer; I have learned sympathy and empathy and the long-term effect of my behaviour on my victims known and unknown. I will be forever grateful.”

Prison Fellowship Scotland has a long-standing partnership with the SPS and currently work in every prison in Scotland. In addition to the Sycamore Tree course, they run weekly fellowship groups where they use music, real-life stories, drama and arts as methods and means to give the men and women in prison the opportunity to explore faith and the bible.

HMP Inverness

Individuals in custody and staff at HMP Inverness undertook a mammoth 463-mile cycle in aid of cancer charity Maggie's to mark world cancer day in February 2024, raising funds that will go towards providing vital support for those in the Highlands.



The 'Miles for Maggie's' event saw 30 residents mount static bikes in the prison and cycle the distance between all Maggie's Centres in Scotland, with donations collected for the charity.

Results from a survey issued to all residents within HMP Inverness highlighted Maggie's as a charity they would like to raise awareness for, with some noting that their friends or family had used the service.

Maggie's provides those living with cancer and their families with professional support, for anything from treatment side effects to money worries.

The charity's first support centre opened in Edinburgh in 1996, and they now have a network of 24 centres in UK including one in Inverness, with a further three abroad.

Scott Watson, Governor in Charge at HMP Inverness, said: "This was a fantastic effort by all at HMP Inverness to raise money and increase awareness of Maggie's. "

"The generosity of staff and those in our care is so impressive. I am proud of all who helped organise the event and took part in the challenge."

HMP Kilmarnock

This year HMP Kilmarnock became the latest addition to the public prison estate, after being operated by Serco on behalf of Kilmarnock Prison Services Ltd (KPSL) for the past 25 years.

We were delighted to welcome the prison and its staff into the Scottish Prison Service, as responsibility for its operation officially transferred to us from Serco on 17 March 2024.

Whilst important work is still underway to harmonise staff at the establishment to align with other SPS establishments, the initial phase of the transition was a momentous occasion for all involved, as it is the first time a privately operated prison in Scotland has transferred to the public sector.



For many years, HMP Kilmarnock has been widely regarded as a safe, secure, and well-run prison, and we have been grateful to Serco for this lasting legacy.

The prison's strong community links, and relationships between staff, partners, and those in its care, are key to efforts to reduce the risk of reoffending, and support our communities, our justice partners, and Scotland as a whole.

We are committed to continuing the good work that has been done by the Serco team, and building on it where there are opportunities to do so.

Thank you to all who have worked hard on making this transition a success for staff, those in our care, their families, and the local community.

The Liliac Centre



Women in our care at The Liliac Centre have been learning about entrepreneurship and innovation this year.

A six-week course delivered by WEvolution helped the women discover their entrepreneurial capacity, learn how to build their emotional and financial resilience, and become happier and healthier versions of themselves.

The charity, which is supported by the Scottish Government, provides a bespoke inclusion programme for women involved in the criminal justice system, and for those who have experience of domestic abuse.

Throughout the course the women were offered the opportunity to explore different industries. They made tote bags, tea towels and other garments, as an example of easy to make items with good resale value, that could form part of a successful business.

They support such women to explore their skills, overcome economic and social barriers, and show how to use their skills to create a viable business to allow them to become financially independent on release.

One of the women who took part, said: "I realised it has always been my ambition to start a business. This course has given me the confidence and skills to make a dream a reality".

HMP Low Moss

The BBC Scottish Symphony Orchestra perform all over the world, but, for the first time ever, they held events in one of Scotland's prisons.

HMP Low Moss hosted the Orchestra, with three family music sessions delivered within the establishment's Visitor's Centre at the end of 2023.

Using songs, rhymes and stories across the themes of 'Under the sea', 'On the farm' and 'Into space', the music sessions offered a unique way for families to spend time together with their loved ones in custody and create meaningful memories.



After the performance, the musicians spent time interacting with the audience, giving them an opportunity to ask questions about their role in the orchestra and the instrument they play.

In 2024, the orchestra returned to perform a concert to 55 people in our care, as well as staff, playing a range of classical and contemporary music.

Each piece of music played was introduced and the style and background explained, giving an insight to genres most had never experienced before.

The concert was a great success and has even generated some new classical music fans with one attendee saying “I really enjoyed a different experience. I have learned that I really enjoy classical music!”

HMP Perth

For six months of the year, fathers in HMP Perth took part in a “groundbreaking” theatre project aimed at fostering family relationships.

‘Beside Me’ saw dads and their children working together every Friday afternoon for six months, learning new theatre skills and building their connection through creativity.

The project, delivered by Dundee Rep Theatre with support of the Scottish Prison Service and Families Outside, sought to strengthen the family bonds that are challenged by a prison sentence and provide a space for dads and their children to create positive memories together.



One of the project facilitators showed the men the importance of such projects, as he openly discussed his lived experience of time in prison, and the opportunities he had created for himself after he was released.

To mark the end of their sessions, an area within the prison was transformed into a working theatre, where a special performance of song, dance and stand-up was shared with an audience of family and invited guests from the community.

One participant said: “Breaking someone’s spirit in prison will only lead to a worse outcome when they get out. This can help people see there’s more to life than crime. It [was] the best thing I’ve ever done with my son.”

HMP & YOI Polmont

In March 2024, Barclay Tierney, Vocational First Line Manager at HMP & YOI Polmont, was awarded a prestigious Butler Trust commendation for his work with the establishment's women and young people.

Barclay was recognised for his tireless work motivating and improving outcomes for those in custody who attend the establishment's activities area. He ensures that those who would benefit from alternative learning methods or have additional needs, receive the same opportunities that better meet their needs.



Recognising the importance of ensuring people learn the right skills for the current job market, Barclay continues to build relationships with partner agencies and stakeholders who assist with identifying opportunities, sourcing funding, and providing training for those in custody.

By redesigning the approach to vocational training and filling the gaps that often impact on the most vulnerable, Barclay has led his team to make a significant impact in the lives of those looking for a second chance at life after prison.

His nomination detailed feedback from one individual who has since left custody, testifying to the impact Barclay's work has had, noting that he has since achieved sustained full-time employment and believes that this was due to the support he received in the activities area.

HMP Shotts

As part of Hidden Heroes Day on 29 September 2023, HMP Shotts officially opened 'The Sanctuary' - a dedicated safe space developed by staff, for staff.

The idea came from several individuals who had been involved in supporting their colleagues through challenges inside and outside of work.

It was identified that a dedicated space was needed where staff were able to take a short timeout to refocus and calm their minds, especially if they have been involved in, or witness to, any difficult events.



The establishment's Industries and Estates teams stepped up to help bring the vision for the room to life, with its calming decoration and furniture being created in-house.

The Sanctuary now, not only acts as a space for respite, but also contains information directing staff to various well-being resources, both telephone and online.

It has also opened the door for conversations around other support systems that can be introduced to support those who work there, in addition to what is already provided.

Since opening last year, The Sanctuary has become an invaluable tool for HMP Shotts' objective of enhancing and promoting the importance of staff wellbeing, in what can be a challenging work environment.

HMP & YOI Stirling



Scotland's new national facility for women, HMP & YOI Stirling, officially opened in June 2023, replacing HMP & YOI Cornton Vale.

Recommendations set by Lady Elish Angiolini in the 2012 Commission for Women Offenders Report inspired a new Strategy for Women in Custody; one which takes full account of their likely experience of trauma and adversity and supports them towards a more constructive and positive path in life.

Designing and implementing this transformative new vision was a long road. However, the completion and opening of HMP & YOI Stirling marked a step change in the way we, and Scotland as a whole, manage women who are sent to prison.

The building's world-leading facilities and interior makes it an exemplary custodial setting, designed to be trauma-informed, and meet the specific needs of women for rehabilitation and reducing reoffending.

This new approach has been a significant change for both women in custody, and the staff who work with them, and both were supported to make those adjustments in the transitional period.

The relationships forged between our staff, partners, and individuals in our care, have been key in the transition to this new facility, and in the adoption of the principles of the Strategy for Women in Custody.

SCOTTISH
PRISON SERVICE

PERFORMANCE REPORT – PERFORMANCE ANALYSIS

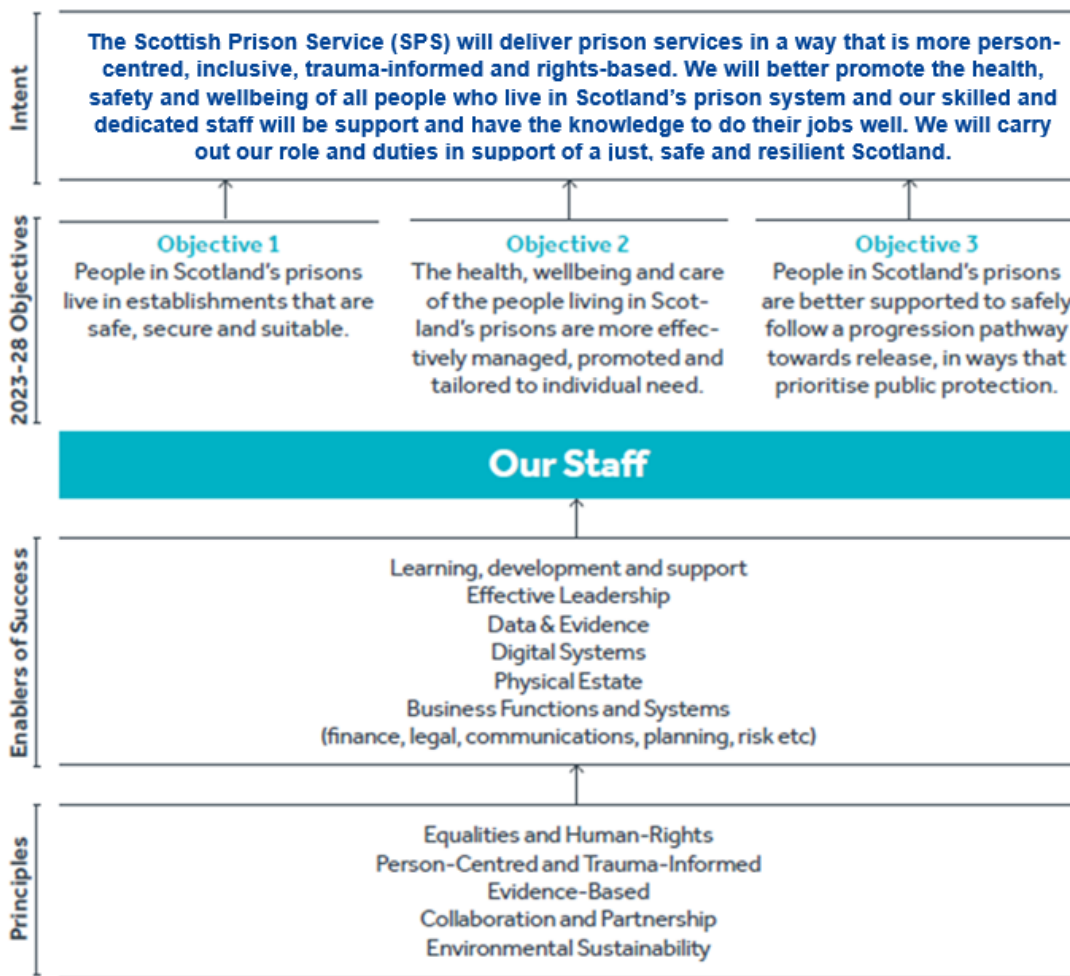
The purpose of this section is to provide a detailed analysis of the development and performance of the organisation in 2023-24.



PERFORMANCE ANALYSIS 2023-24

This year was the first in the SPS’s new Corporate Plan 2023-28. The Corporate Plan articulated a renewed strategic intent for the organisation: *“The Scottish Prison Service (SPS) will deliver prison services in a way that is focussed on being person-centred, inclusive, trauma-informed, and rights-based. We will better promote the health, safety, and wellbeing of all people who live in Scotland’s prison system. Our skilled and dedicated staff will be supported and have the knowledge to do their jobs well. We will carry out our role and duties in support of a just, safe, and resilient Scotland.”*

To support the delivery of this intent, Strategic Objectives (what we want to achieve), enablers (what needs to be in place to deliver the objectives), and principles (the ways in which we want to deliver our work) were identified:



Each year, an Annual Delivery Plan (ADP) is produced detailing the key actions and activities that SPS will undertake to make progress towards realising the strategic intent.

Below, reporting on the delivery of these actions from the Annual Delivery Plan is combined with information about the risks SPS faces and discussion of our KPIs. These are aligned to the headings from our Corporate Plan. Further trend information for KPIs is provided in [Appendix 9](#), below.

In the year end status for ADP items given below: 'green' denotes the activity was delivered as expected or completed; 'amber' denotes that progress was made, but that this was less than planned; 'red' denotes that progress was significantly less than expected, or no progress was made.

Lead Directorates are identified against actions: Fin = Finance; OCE = Office of the Chief Executive; Ops = Operations; OrgDev = Organisational Development; S&SE = Strategy and Stakeholder Engagement.

Strategic Objective 1: People in Scotland's Prisons live in Establishments that are Safe, Secure and Suitable

Central to SPS's operations is the reduction of the risk of harm; for those in our care that is about minimising harm within our prisons by keeping establishments safe; for the wider public, that is about minimising the risk of harm posed by those in our care by keeping our establishments secure. We also need to make sure that our establishments are as fit-for-purpose as possible and that we are managing them in a way that recognises the complexity of the population in our prisons.

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|---|------------------|-----------------|
| 1.1 Develop a short-term population management strategy | Ops | G |
| 1.2 Operationalise the new HMP Stirling | Ops | A |
| 1.3 Complete the pre-construction phase for, and move to construction of, HMP Highland | Ops | A |
| 1.4 Complete the pre-construction phase for, and move to construction of, HMP Glasgow | Ops | A |
| 1.5 Complete the review of, publish, and implement the SPS Gender Identity Policy | S&SE | G |
| 1.6 Continue to embed the Women's Strategy across the SPS estate | S&SE | A |
| 1.7 Continue to deliver the Vision for Young People in custody, incorporating the findings of The Promise | S&SE | G |
| 1.8 Begin to implement a revised Control & Restraint approach, including training | S&SE | G |
| 1.9 Continue to re-establish sustainable regimes across SPS establishments | Ops | A |

Focusing on the management of the **population** (action 1.1) emerged as an increasing priority throughout the year. As documented elsewhere in this report (and below, in the summary risk areas for this Objective), the Scottish prison population saw a significant rise during the year. The challenge this presents is compounded by the increasing complexity of the population. A short-term strategy was established to deal with immediate in-year pressures and several key actions were identified as mitigations to this rise, including but not limited to population moves to maximise the use of the estate.

HMP Edinburgh and HMP&YOI Polmont were key areas in this process, and both undertook significant change in order to maximise their use, including changes in demographics. These changes were supported locally and via a newly established population team at HQ which created

oversight of the estate and provided direction to local establishments as required in order to maximise their use of available spaces.

During this period, engagement with Scottish Government and justice sector partners was critical and ensured a shared understanding of the risks associated in the rise in population, and by the sharing of information such as a weekly risk monitoring matrix and other data, we were able to work closely with our SG partners across the justice system, to mitigate where possible this rise. It is clear that Population management will continue to be a key focus for the 2024-25 year.

HMP&YOI Stirling (action 1.2) opened in June 2023, representing a step change in how women in custody are supported and managed. This new establishment complements the Bella and Lillas Community Custody Units, opened in 2022, with all three being managed by a single Governor. There have been challenges to the optimisation of operations at the establishment related to staffing levels and noise levels from the prison have impacted local communities.

Even though the **SPS Strategy for Women in Custody 2021-25** (action 1.6) is now embedded, elements of its progress have been limited due to redeployment of resources within the estate. Despite this however, evaluation of the current strategy has begun, and a steering group has been set up as a precursor for a strategy review in 2025.

The delivery of the **Vision for Young People in Custody** (action 1.7) was evident throughout the reporting year, including providing evidence to support the provisions of the Children (Care & Justice) (Scotland) Bill which will end the placement of children in custody. Evidence was gleaned by SG committees and secure care providers from colleagues and those in our care at HMP&YOI Polmont as they shared practices and planning provisions which will support the impending changes in youth justice.

HMP Shotts' use of a self-evaluation tool called 'How Good is our Care of Young People', will further support our understanding of young people's transition from the youth estate into the adult one with a view to improving this transition process and further supporting out vision.

Youth specific training continues to be delivered by our staff within the youth estate, including Mental Health First Aid which positively compliments a trauma informed approach by responding to mental health and well-being. Furthermore, preparation is now underway to undertake the Child Rights and Wellbeing Assessments (CRWIAs) for decisions of strategic nature which are deemed to impact children's wellbeing either directly or indirectly, a requirement when duties in the United Nations Convention on the Rights of the Child (UNCRC) Act come into force in July 2024.

UNCRC further influenced SPS policy with the introduction of a pilot of non-pain inducing restraint via a **Revised Control and Restraint Approach** (action 1.8) and described below.

HMP Highland (action 1.3) and **HMP Glasgow** (action 1.4) are new establishments that are both designed and planned to replace HMP Inverness and HMP Barlinnie respectively. The construction contract for HMP Highland was signed on the 5 April 2024, with construction expected to conclude in 2026. Plans for HMP Glasgow, are being progressed. An Advance Works contract to commence ground works on HMP Glasgow was agreed in August 2023. SPS had hoped that HMP Glasgow would have moved to construction phase, however this has been impacted by budgeting delays.

On the 5 December 2023, the SPS **Policy for the Management of Transgender People in Custody** (action 1.5) was published, following an extensive policy review that has been subject to significant scrutiny. The policy sets out an individualised approach which ensures that any transgender woman with a history of violence against women and girls (VAWG), who presents a risk to women and girls, will not be placed in the women's estate. It is an approach which supports the rights of transgender people, and the welfare of others in custody, as well as SPS staff. The policy became live on the 26 February 2024, when operational guidance and an evidence summary

were also published and a programme of support to establishments to implement the policy was delivered prior to the policy going live.

A revised approach to **Control & Restraint** (action 1.8), designed to reduce the risk of injury to staff who engage in the use of restraint to manage an individual and reduce the risk of injury to the people being restrained, is now live in five establishments. Further roll-out will be considered for future years once the evaluation of the pilots is concluded.

The rising population has made dedicated work on re-establishing **sustainable regimes** (action 1.9) post-COVID challenging. The rise in the population, and the increased complexity, has impacted on the delivery of activities within the prison day which become difficult to achieve and manage safely. A regime mapping exercise has been undertaken, however, to provide a solid understanding of the current regimes in operation across establishments and how these have shifted since the pandemic. This exercise has resulted in several recommendations for operational consideration.

KPIs related to Strategic Objective 1:

The KPIs around escapes, absconds and failure to return are indicators of the security of our prisons. SPS records two types of escapes:

1. Extreme risk escapes are when a prisoner deemed to be an extreme risk escapes from secure custody.
2. Escapes at other supervision level are when any prisoners deemed to be high, medium, or low risk escape from secure custody.

The operational indicators absconds and failures to return have now been escalated to KPI status. Absconds are when a low-risk prisoner leaves non-secure custody without permission, and a failure to return is when an individual temporarily released on licence fails to return to custody at their designated time.

Extreme risk escapes:

There were **no** extreme risk escapes in 2023-24, as in previous years.

Escapes at other supervision level:

There was **1** escape at other supervision levels, the same as in the previous year.

Absconds:

There was **1** abscond in 2023-24. This is 1 more than 2022-23, but in line with 2021-22.

Incidences of failure to return:

There were **no** incidences of failure to return in 2023-24. This is 1 less than 2022-23 and 6 less than 2021-22.

The KPIs around all types of assault are indicators of the safety of our prisons. Assaults are recorded by severity – serious or minor – and whether they involve only prisoners or involve prisoners assaulting staff members. A serious assault is when one or more individuals involved in the incident receive an injury that requires significant medical attention while a minor or no injury assault is an incident where one or more individuals involved require minor or no treatment for injuries received.

Serious prisoner on staff assaults:

There were **9** serious prisoner on staff assaults in 2023-24, up from the previous year (5) and in line with 2021-22 (9).

Serious prisoner on prisoner assaults:

There were **114** serious prisoner on prisoner assaults, up from the previous year (91) and also from 2021-22 (108).

Minor or no injury prisoner on staff assaults:

There were **309** minor prisoner on staff assaults, up from the previous year (259) but down from 2021-22 (323).

Minor or no injury prisoner on prisoner assaults:

There were **1,681** minor prisoner on prisoner assaults in 2023-24, up from the previous year (1,409) but down from 2021-22 (1,723).

Instances of violence have returned to levels of 2021-22, after an especially low rate of 2022-23. Our rising prisoner population and ongoing challenge with introduction and use of illicit substances have presented a challenging year for our staff to operate within. SPS continues to develop and invest in its resources to help make prisons safe and secure environments.

The KPIs around cell occupancy and overcrowding are indicators of the suitability of our prisons. They indicate whether house people in a dignified way, and whether our estate is suffering from overcrowding. These are both new indicators for 2023-24, with no previous comparative information available.

Average % of population housed in single cells:

On average, across 2023-24, **64.9%** of the custodial population were housed in single occupancy cells.

Average number of single cells used as double cells:

On average in 2023-24, **888** single cells were being used to house two individuals at any given time; therefore, based on available data, with an average population of 7862 in 2023-24, this accounted for around 22.6% of the population.

Major risk areas related to Strategic Objective 1 were:

- (i) **The prison population** – this risk is the most significant risk faced as it has negatively impacted progress on a number of deliverables throughout the year. There are two elements to this risk: (1) the increasing volume of the individuals coming into custody, which means almost all prisons now operating above their design and temporary operating (contingency) capacities. This is against a backdrop of an aging prison estate which was already struggling. (2) the complexity of the population is ever increasing due to serious organised crime gang groups, increasing sexual offence population, increase in social care needs, increase in aged population, high remand population, increase in sentence length. In terms of mitigation, extensive work has been done during the year to re-configure the population (including the movement of individuals between establishments) and make best use of physical spaces. A dedicated population management team has been established to work solely on this issue. This year has also seen the SPS data team produce a central population dashboard using powerful software which shows trends and makes future projections. Discussions have taken place with criminal justice partners on the wider collaborative and systematic approach that must be taken to address the pressures.

- (ii) **Delivery of the Scottish Court Custody and Prisoner Escorting Service (SCCPES) contract** - ensuring, on behalf of multi-agency justice partners, the effective delivery of the SCCPES contract has been a significant risk for SPS this year. It has remained a consistently high risk. The contractor has been unable to meet the needs of the contract which has caused several issues for SPS and the wider justice system such as late court appearances, missed hospital appointments, inability to transfer individuals between establishments, funeral escorts being cancelled and SPS staff being used in place to mitigate these, as well as covering hospital bed watches for extended periods of time. This has caused distress to those in our care and had significant financial impact on SPS in terms of staffing resource. Mitigations have included enhanced contract management (including issuing of formal Contractual Improvement Notices), attendance at the monthly multi agency liaison group and, most significantly, the contract being recalibrated to enable pay increases, which was believed to be the driving factor of their recruitment and retention problems. Progress against contract continues to be closely monitored.

Strategic Objective 2: The Health, Wellbeing and Care of the People Living in Scotland's Prisons are More Effectively Managed, Promoted and Tailored to Individual Need

The health and social care needs of our prison population are becoming greater and more challenging to meet. This is in part due to the aging prison population and the increased proportion of people serving lengthier sentences. In recent years, there has been considerable focus from scrutiny and inspection bodies on the importance of good quality health and social care within prisons and this has resulted in a significant number of recommendations for improvement.

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|---|------------------|-----------------|
| 2.1 Continue to develop a new Health & Wellbeing Framework for SPS | S&SE | R |
| 2.2 Continue to design and deliver responses to the Death in Custody Review | S&SE | G |
| 2.3 Finalise revised Mental Health and Drug & Alcohol strategies | S&SE | G |
| 2.4 Review 'Talk to Me', 'Management of Offender at Risk' (MORS), and Self Harm policies | S&SE | A |
| 2.5 Finalise, and begin to embed, a new Family Strategy | S&SE | G |
| 2.6 Create an organisational framework for moving SPS towards becoming a trauma-informed organisation | S&SE | G |
| 2.7 Continue to roll out programme of senior leader trauma-awareness training | S&SE | G |
| 2.8 Develop improved strategic partnership and governance structures with health services | S&SE | A |

As part of the response to the 'Independent Review of the Response to **Deaths in Custody**', (action 2.2) SPS has made a number of improvements to how it communicates and supports families of those in custody; this has included a new family support booklet and a dedicated phonenumber to raise a concern. We have also undertaken a review of the Death in Prison Learning & Audit Review (DIPLAR) and implemented a revised policy and guidance.

A new **Family and Parenting Strategy** (action 2.5) was also finalised during the year and will launch in early 2024-25. The strategy adopts a broad approach to families including wider, or extended family network identified by those in our care as meaningful positive relationships in their lives, aims to support important connections, and support parents.

Good progress on our **Mental Health Strategy and Alcohol & Drug Strategy** (action 2.3) was made through the year. Implementation planning will take place to enable them to be rolled out in 2024-25, subject to securing the required resourcing. Work on a wider **Health & Wellbeing Framework** (action 2.1) was significantly limited by resourcing within the SPS health team. The first stage of the **Talk to Me review** (action 2.4) is now complete, with a literature review, user voice interviews, staff focus groups, and NHS survey and workshop with families having been undertaken. This work will continue in to 2024-25, but reviews of the other policies have not progressed as planned due to capacity.

Our ambition to better embed an **awareness of trauma** (actions 2.6 and 2.7) in our work took positive steps forward. In partnership with NES/NHS Scotland, a series of courses designed to enhance understanding and ability to support those impacted by trauma were introduced and were made available to all SPS staff via MyLO, SPS's staffing training and learning platform. A series of senior leader training workshops were delivered across all functions within the organisation, and plans are now being made for how to introduce this within management teams in establishments.

Work to improve our **strategic relationships with health services** (action 2.8) took the form of engagement with responsible leads within individual health boards and strategic data improvement work with Public Health Scotland. The Memorandum of Understanding between SPS and the NHS was also revisited. This work did not progress as much as originally planned due to capacity restrictions.

Major risk areas related to Objective 2 were:

- (i) **Creating and maintaining safe and healthy prison environments** – There have been challenges throughout the year due to new types of drugs being introduced into prisons. This directly impacts on levels of violence and self-harm as well as adverse physical and mental health of those in our care, as is the case in wider society. An increase in serious organised crime gang (SOCG) nominals within our prisons has also increased the risk of serious violence and potential for corruption. The use of drones to introduce drugs, weapons and phones has provided further challenges. The population pressure is directly contributing to problems, as well as the difficulties with being unable to have individuals transferred to establishments which meet their specific needs. All these factors make prisons a less safe environment for those who live and work in them, and the resource spent on dealing with the incidents results in resource being diverted from work on our key deliverables. Mitigations in place include photocopying of mail before it is issued as this was a route for liquid psychoactive substances, as well as significant investment in body scanning equipment for each prison and the piloting of anti-drone technology. A revised version of the control and restraint model used by prison officers has been piloted in several establishments during this year to make for a safer prison environment. In addition, plans are in place to pilot body worn cameras to be introduced from April 2024.

- (ii) **Improving health and wellbeing** – SPS works in partnership with the NHS to support the health and care needs of those in Scotland’s prisons. There is a risk that SPS does not meet its duty of care in this respect. This is made more difficult as the needs of our prison population ages and the need for health and social care services increases. To mitigate, work has taken place on a target operating model for healthcare delivery. SPS has appointed a substantive Head of Health and work has been progressed on several health and wellbeing strategies to support those in our care and following successful recruitment for both mental health and alcohol and drugs leads, we will now be able to publish these strategies.

KPIs related to Objective 2:

All indicators in this section are **new** for 2023-24, with no or limited previous comparative information available. Deaths in custody figures reflect all individuals who were in custody when they died, although the location of their death may have been a hospice or hospital.

Deaths in custody:

There were **58** deaths in custody in the 2023-24 reporting year. There were 39 deaths in custody in 2022-23.

There were 44% more deaths by suicide (13, up from 9) or by suspected overdose (13, up from 9), and 52% more deaths from natural causes (32, up from 21) in 2023-24, compared to 2022-23.

Talk To Me is the SPS’s suicide prevention programme which involves regular observations and agreed support. The next two measures allow SPS to assess how many people in our care are identified as requiring substantial mental health support from our staff.

Individuals placed on Talk to Me:

There were **3,747 incidents** of someone being placed on Talk to Me (TTM) across the 2023-24 period, which covered **2,626 individuals**, some of whom were placed on TTM more than once. In any given month, at least 270 people were placed on TTM.

Self-harm incidents - % of the population:

On average across 2023-24, **1%** of the population were recorded as having self-harmed. This accounted for **899 total incidents**, or **478 individuals**, some of whom will have recorded multiple incidents.

Complaints lodged - % of the population:

On average in 2023-24, **9.9%** of the population lodged a complaint with SPS, an average of around **776** complaints per month.

Strategic Objective 3: People in Scotland's Prisons are Better Supported to Safely Follow an Individualised Pathway to Release, in Ways which Prioritise Public Protection.

One of the core responsibilities of the SPS is to prepare those in our care for release and return to their communities. This must be done in a way that carefully manages risk and balances the safety of the public and potential victims with the human rights of those in our care. Case management – identifying, planning, and providing support to those in our care based on their individual needs – is the central part of this process. We also have specific legal duties around release pathways and the process called 'progression', in which a series of controlled stages can be used to prepare someone for release.

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|---|------------------|-----------------|
| 3.1 Put in place preparations for the Bail and Release from Custody (Scotland) Bill | S&SE | A |
| 3.2 Develop an Education, Skills and Employability Strategy | S&SE | G |
| 3.3 Begin to develop a new model of throughcare – De-scoped | S&SE | N/A |
| 3.4 Begin to review our case management models | S&SE | A |

The **Bail and Release from Custody** (Scotland) Bill (action 3.1) became an Act in August 2023. It makes provisions around decisions about granting bail to people accused of a crime and arrangements for the release of some prisoners and the support that is provided to those who leave prison. Throughout the reporting year SPS was preparing to study on the impact of the Act on operations and resourcing, however, owing to other pressures, this work was not as fully developed as hoped.

This is also true for the **review of case management** (action 3.4). Work on developing data collection processes were progressed through the year, along with planning for what a longer-term case would involve.

The **Education, Skills, and Employability Strategy** (action 3.2), however, reached final draft stage during the year and has been developed with input from Education Scotland. It will inform the procurement of education services in future years.

The **throughcare model action** (action 3.3) was de-scoped from the plan mid-year. This was due to the changes of timeline to the commissioning of voluntary throughcare and mentoring services, which is undertaken by Community Justice Scotland.

KPIs related to Objective 3:

The occupancy rate of the open estate is a new KPI with no previous comparative information available. Individuals in custody serving long-term sentences move to the open estate towards the end of their sentence when they have demonstrated reduced risk and adequate progression; this KPI measures whether SPS are able to progress individuals and use the capacity of the open estate to its fullest.

Average occupancy rate of the open estate (% of design capacity):

On average in 2023-24, **56.6%** of the open estate (by design capacity) was occupied at any given time.

Purposeful activity is the time formally recorded being spent on work and work-related employability, learning and education provided by our learning provider, training interventions, such as vocational training and other positive prison-based activities such as access to physical education, spiritual and pastoral care or attendance at rehabilitative programmes. Typically, most purposeful activity is carried out by convicted prisoners, although remand prisoners may participate in some activities. There is a requirement under Rule 80 of the Prison and Young Offenders Institutions (Scotland) Rules 2011, which states that every convicted prisoner is required to work.

Total hours of purposeful activity:

5,387,430 hours of purposeful activity were recorded in 2023-24, up from 4,766,653 the year before.

Average hours of purposeful activity per week, per convicted individual:

In 2023-24, the average hours of purposeful activity per convicted prisoner per week was calculated to be **18**, down from the previous year by 1 hour.

The total custodial population was higher in 2023-24 as well as there being a greater proportion of convicted prisoners in custody following the courts recovery programme, and these factors lead to the average being lower than the previous year, while the total number of hours was higher.

The next measures relate to case conference. Case conferences bring together the prisoner, key internal and external staff, and where appropriate the family, to examine the prisoner's progress through custody. The case conference also examines the prisoner's assessed risk of reoffending and risk of harm.

% of case conferences held within relevant timescales:

This is a previously recorded operational indicator, now escalated to KPI status. **92.1%** of all case conferences were held within the relevant timescale. This is up from 88.9% the previous year.

% of case conferences with Criminal Justice Social Work (CJSW) in attendance:

This is an indicator which measure the success of collaborative work which take place between Local Authority Criminal Justice Social Work departments in the area the establishment is located and/or the area the person resides in and is relevant for those serving sentences that are subject to enhanced Integrated Case Management (ICM). This process is central to supporting people's progress, preparation for release and community reintegration. **95.5%** of case conference had CJSW in attendance in 2023-24, up slightly from 95.3% the previous year.

% of case conferences with family in attendance:

This is a previously recorded operational indicator, now escalated to KPI status. **20.4%** of case conferences were held with family in attendance in 2023-24, up from 17.1% the previous year. Family members may be invited but choose not to attend.

Compliance with parole timescales:

This is a previously recorded operational indicator, now escalated to KPI status. **69.7%** of parole cases complied with the relevant timescales in 2023-24, down from 73.9% the previous year.

% of individuals leaving custody having secured accommodation or housing provider referral:

This is a previously recorded operational indicator, now escalated to KPI status. 85.6% of people leaving custody in 2023-24 had either secured accommodation or been referred to a housing provider upon release, down from 86.8% the previous year.

Average number of people on Home Detention Curfew (HDC):

This is a **new indicator** for 2023-24, with no previous comparative information available. On average, **63** people were on Home Detention Curfew at the end of any given month.

The following KPIs relating to education are under review as we progress the development of our new learning strategy but are currently reported on the same basis as in previous years.

% of education classes spent delivering literacy skills:

40.9% of education classes were recorded as being literacy-related in 2023-24, up from 39.8% in 2022-23.

% of education classes spent delivering numeracy skills:

26.9% of education classes were recorded as being numeracy-related in 2023-24, up from 26.1% in 2022-23.

Vocational and employment related qualifications:

19,135 vocational qualifications were completed in 2023-24, down slightly from 19,391 in 2022-23.

Vocational and employment related qualifications at Scottish Credit & Qualifications Framework (SCQF) level 5 or above:

995 qualifications at SCQF level 5 and above were achieved in 2023-24, up from 926 the year before.

Major risk areas related to Objective 3 were:

- (i) **Delivery of individually focussed rehabilitative services** - SPS has legal duties to fulfil in providing access to rehabilitative services and progression for those in our care through their sentences. The risk to delivery on these obligations has remained high throughout the year, we have seen vacancies in our psychology service, impacting our resource to deliver some services during a period of significantly increased numbers within our population. Additionally, prison population pressure can negatively impact on the delivery of purposeful activity and offer quality, person-centred case management delivery. In terms of mitigation, work has been ongoing throughout the year in terms of prison regime recovery following the pandemic, ensuring establishments are offering as full a range of services as is possible. A HDC hub was established at Headquarters to centralise and streamline the HDC process, identifying individuals who are eligible and processing to maximise use of this progression resource. Work on the Education, Skills and Employability Strategy also support the mitigations in place for this risk. Work has been ongoing throughout the year to review our psychology services to consider the most effective use of our psychology services as well as to improve both the recruitment and retention of our psychologists. Throughout this a review of the case management model was initiated this year to move towards an individualised, risk-based model supporting those in our care.

Staff

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|---|------------------|-----------------|
| 4.1 Continue to develop and provide support through our Employee Health & Wellbeing activity plan | OrgDev | G |
| 4.2 Begin to develop a programme of Organisational Development strategies | OrgDev | A |
| 4.3 Publish and begin to implement a revised Leadership Strategy, including training | OrgDev | G |
| 4.4 Deliver required Prison Officer recruitment and training | OrgDev | G |

A number of improvement activities took place during the year in relation to **employee health and wellbeing** (action 4.1). A new employee wellbeing policy was published, which aims to promote employee wellbeing, reduce discrimination, and ensure that all employees have fair and equitable access to wellbeing activities and resources. The revised policy includes new sections on: Financial wellbeing; Domestic violence; Bereavement support; Fatal Accident Inquiries (FAI); Violence and aggression at work. The Critical Incident Response and Support (CIRS) policy for staff involved in traumatic incidents was also revised and wellbeing-related awareness raising days were promoted throughout the year.

Significant work was undertaken during the year on **prison officer recruitment** (action 4.4). 581 appointments to Operations and Residential Prison Officer roles were made during 2023-24 to support ongoing service delivery, which represents a 16.7% increase on 2022-23. Staffing levels across operational uniformed grades averaged 3% below complement (circa. 90 FTE across the prison estate) across the year, with plans in place to recruit up to 780 Prison Officers in 2024-25. As the population in our prisons changes, workforce planning will continue to be a priority.

Our staff's leadership skills were enhanced this year through the implementation of a revised **Leadership Strategy** (action 4.3). A round of facilitated senior leadership workshops took place as well as a number of training and development programmes and courses, involving staff at various levels across the organisation: '7 Habits of Highly Effective People'; 'Leading with Awareness'; 'Understanding Ourselves and Connecting with Others'; First Line Manager development programme. SPS staff also become involved in the Association of Chief Officers of Scottish Voluntary Organisations (ACOSVO) Leadership Exchange Programme for this first time.

Good progress was made overall on the development of an overarching **strategy for our Organisational Development functions** (action 4.2), but at year end, this had not been finalised. This is expected to take place in 2024-25 year.

Major risk areas related to staff were:

- (i) **Capacity of the SPS workforce** - having the capacity to deliver the work expected of SPS is a risk in terms of both operational prison staff and non-operational specialist staff such as psychologists, finance, estates, and digital. Mitigations have included reviewing staffing structures of some service areas, implementing a 2-year pay deal, and developing new and targeted recruitment campaigns.

Enablers and Principles

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|--|------------------|-----------------|
| 5.1 Transition of HMP Kilmarnock into SPS operations | Ops | G |
| 5.2 Undertake work to update the Prison Rules, as required by any new operational policies | Ops | G |
| 5.3 Respond to on-going public inquiries (Scottish Child Abuse Inquiry; Covid-19 Inquiry) | OCE | G |
| 5.4 Implement in-cell telephony across the SPS estate | Ops | G |
| 5.5 Begin to specify in-cell technology provision across the estate | Ops | A |
| 5.6 Create a Net Zero Plan and monitoring arrangements | Fin | A |
| 5.7 Begin to design new HR digital products, in support of our HR Transformation programme | OrgDev | G |
| 5.8 Continue activity to mainstream equalities and human rights and deliver SPS' Equalities Outcomes | OrgDev | G |
| 5.9 Develop an organisational data strategy | DCE | A |
| 5.10 Develop a corporate communications strategy | OCE | G |
| 5.11 Deliver a programme of new digital service design – de-scoped | DCE | n/a |
| 5.12 Improve the cyber resilience of SPS, including staff knowledge and awareness | DCE | A |
| 5.13 Deliver improvements in digital operations and infrastructure | DCE | G |
| 5.14 Publish a medium-term financial strategy | Fin | R |

On 17 March 2024, **HMP Kilmarnock** (action 5.1) transferred to SPS public operations, bringing a 25-year private contract to an end. This transition required a significant amount of work from across SPS functions to ensure smooth operations were maintained. During 2024-25 there will be a period of harmonisation, during which employment terms and conditions will be brought in line with those of SPS.

To support the implementation of the SPS Policy for the Management of Transgender People, SPS worked with Scottish Government colleagues on an amendment to the **Scottish Prison Rules** (action 5.2) via a Scottish Statutory Instrument (SSI 2023/366). This action was originally published in the Annual Delivery Plan as “Begin a review of the prison rules” but was revised mid-year to reflect available capacity and prioritisation of activity.

Representatives from SPS supplied written evidence and gave oral evidence at **public inquiries** (action 5.3) this year: the Chief Executive at the Scottish Child Abuse Inquiry and the Interim Director of Operations at the Scottish COVID-19 Inquiry. A **corporate Communications Strategy** (action 5.10) was developed during the year, and a new public website was also launched, improving access to information about SPS and prisons in Scotland.

Following physical installation of cabling, **in-cell telephony** successfully went live across the estate this year (action 5.4). These landline phones replace the prison-issued mobile phones, which were introduced as a temporary measure during the pandemic. The hard-wired phones are subject to the same robust security which has governed the use of mobile phones and phones available in halls. In the future, the cabling used for in-cell telephony will support the development of **in-cell technology** (action 5.5). Work on the specification of this technology was slower than anticipated, owing to capacity and resourcing pressures driven by operational demands. A series of focus groups within establishments did take place, however, and the overall project began to establish appropriate governance arrangements. New **digital service design** (action 5.11) was removed from the Annual Delivery Plan during the year because the work was captured in action 5.5.

Creation of a **Net Zero Plan** (action 5.6), the organisational **data strategy** (action 5.9) and the **Medium-Term Financial Strategy** (action 5.14) were all impacted by shortages in resources, though to different extents. On Net Zero, the creation of a dedicated team has been approved, awaiting recruitment. SPS continued, though to meet its statutory duties in relation to Climate Change and Biodiversity reporting (see below 'Environmental Matters' for further). Significant progress was made on the data strategy, with a data strategy project being formally created, work being undertaken on a data warehousing pilot, and SPS becoming engaged in the Scottish Government Data Maturity Assessment process. Resourcing this work with the specialist staff it requires is a challenge, however. The Medium-Term Financial Strategy was not in the published Annual Delivery Plan 2023-24, it was however added mid-year. Difficulty with staffing levels within the Finance function (see reference in the Governance Statement also) meant that progress on this was very limited.

SPS **HR Transformation Programme** (action 5.7) aims to enhance employee experience through the provision of effective and efficient digitally enabled HR services. The digital products design planned for this year saw the successful completion of the procurement exercise for an integrated digital HR system and payroll services.

There have been developments in our digital **cyber resilience** (action 5.12) and **infrastructure** (action 5.13). On infrastructure, there have been upgrades to the internet provision within establishments, commissioning work for HMP&YOI Stirling and work to support the transfer of HMP Kilmarnock. For cyber resilience, testing has taken place, and a staff awareness campaign has been rolled out during the year. There are a number of areas that would benefit from further development over the coming years, although recruitment of specialist staff is challenging in this area. Activity 5.12 was originally published as "undertake activity to enhance the digital skills of SPS" but was re-scoped during the year to focus on staff awareness of cyber security, and cyber security more widely as this emerged as a priority area.

Major risks related to our enablers and principles were:

- (i) **Pressures on public finances** – since 2022-23 financial year SPS has not had certainty of the required funding necessary to maintain service delivery at the start of the financial period, instead having to rely on further Scottish Government funding to be provided in the last quarter of the financial period through the Spring budget review process. The Scottish Government's funding position is well documented reporting a large budget deficit position, so this risk is increasing. This is concerning also with some of our multi-year major projects ongoing such as the building of HMP Glasgow and HMP Highland. Mitigations have included regular engagement with SG in terms of finance, the setting of a five-year Corporate Plan to set out planned activities, budget monitoring systems in place to efficiently manage current funds, and recruitment of senior key roles within the finance function to enhance planning and governance. In 2024-25 work will include producing a medium-term financial strategy to further strengthen planning, however the risk remains high to SPS, regardless of planning and efficiencies, of SG being unable to sustain funding needs under the current model.
- (ii) **Unprecedented external financial volatility and pressure** - SPS annual budget and financial mapping does not account for extraordinary inflation including increased food, fuel, and utility costs, increases in the Retail Price Index (RPI) and Consumer Price Index (CPI) indexes, increases in employers and employee national insurance costs, Bank of England interest rate rises, significant increases in material and replacement costs. Due to global financial conditions over recent years this was being acutely felt and had become a high risk to SPS. As we moved to the later part of 2023-24 this external volatility reduced, with the risk scoring being lowered, to remain closely monitored going forward.
- (iii) **Digital demand** - SPS had been reliant on existing digital systems which were out of date and built on unsupported and end-of-life technologies. Throughout 2023-24 significant work was undertaken to modernise the infrastructure of the SPIN network, and there was a migration to Office365 and cloud hosting for all business systems. This means data is now securely stored in the cloud, removing the risk posed by many hardware storage locations at various sites. This has reduced the risk and allowed the score to be lowered appropriately through the year.
- (iv) **Data and evidence for quality decision making** - ensuring there is high-quality information for effective management is crucial for SPS as a public service. There has been a range of work undertaken to progress this following the creation of a skilled data team within the Strategy & Improvement Branch. This continues to evolve as a dedicated resource of analytical support to organisation and has produced organisation-wide dashboards for population and KPI trends which is available to all senior leaders. Proof of concept work is being undertaken to take forward improvements required to better support data warehousing. As well as this, work has been ongoing during 2023-24 to streamline the Improvement Framework reporting. These improvements have allowed the risk score to change from 'high' to 'medium' during the year.

FINANCIAL PERFORMANCE AND RESULTS FOR THE YEAR

Financial performance is monitored throughout the year and reported to the Advisory Board on a routine basis. As an Executive Agency of the Scottish Government, SPS' expenditure forms a section within the Scottish Government Justice Portfolio and the results will be recorded in the Scottish Government Consolidated Accounts for 2023-24.

The Scottish Parliament approves funds to the Scottish Government (SG) and related bodies at the start of the year and variations to these via the Autumn Budget Revision (ABR) in October and a Spring Budget Revision (SBR) in January. The Scottish Parliament approved a budget for SPS of £541,948k, details of which are contained in the Budget (Scotland) Bill 2023-24 Supporting Document. Details of the [ABR](#) and [SBR](#) budget revisions made by SPS can be found at:

ABR: <https://www.gov.scot/publications/autumn-budget-revision-2023-24-supporting-document/documents/>

SBR: <https://www.gov.scot/publications/spring-budget-revision-2023-24/documents/>

At ABR, SPS returned £600k of Departmental Expenditure Limit (DEL) funding as result of forecast underspend in general expenditure and £614k was received to fund for leased assets depreciation under IFRS16. IFRS16 introduces a single lease accounting model that requires a lessee to recognise assets and liabilities for all leases, with some exemptions.

At SBR, £40,990k of capital DEL was surrendered to the SG relating to the re-phasing of the development of the prison estate. SPS received an additional £22,856k of resource DEL for cost pressures primarily relating to the 2023/24 pay award and the impact of high inflation on general and running costs. £1,568k was also received to provide for the forecast impact of Annually Managed Expenditure (AME) and DEL provisions, impairments, and Private Finance Initiative (PFI) assets depreciation adjustments. A further total of £3,343k was surrendered in relation to depreciation on SPS assets.

A comparison of the SPS final outturn with the SBR for 2023-24 is detailed below. The table does not include notional charges of £117k (Note 18 in the Notes to the Accounts).

| | Actual Outturn £000 | Revised Budget £000 | Over/ (Underspend) £000 |
|---|---------------------------|---------------------------|-------------------------------|
| Total Departmental Expenditure Limit (DEL) ¹ | 428,167 | 429,436 | (1,269) |
| Total Outside DEL Expenditure ² | 95,926 | 92,453 | 3,473 |
| Annually Managed Expenditure (AME) | 19,571 | 164 | 19,407 |
| Total Expenditure | 543,664 | 522,053 | 21,611 |

Total expenditure for the year was £543,664k against the SBR budget position of £522,053k.

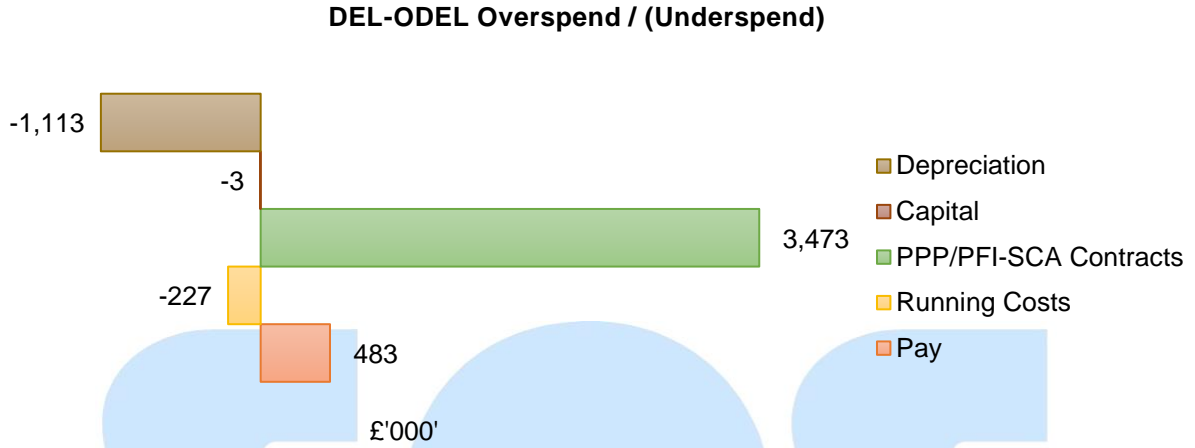
The DEL underspend of £1,269k is primarily attributable to underspend in non-AME impairment including depreciation of £1,113k. Resource overspends in staff costs (£483k) and other current expenditure (£1,782k) is compensated by underspend in running costs (£2,009k). Outside

¹ DEL budget limits are set in the Annual Budget.

² Outside DEL expenditure includes costs associated with PPP/PFI contracts for HMP Addiewell and HMP Kilmarnock and the Court Custody and Prisoner Escort Service Contract.

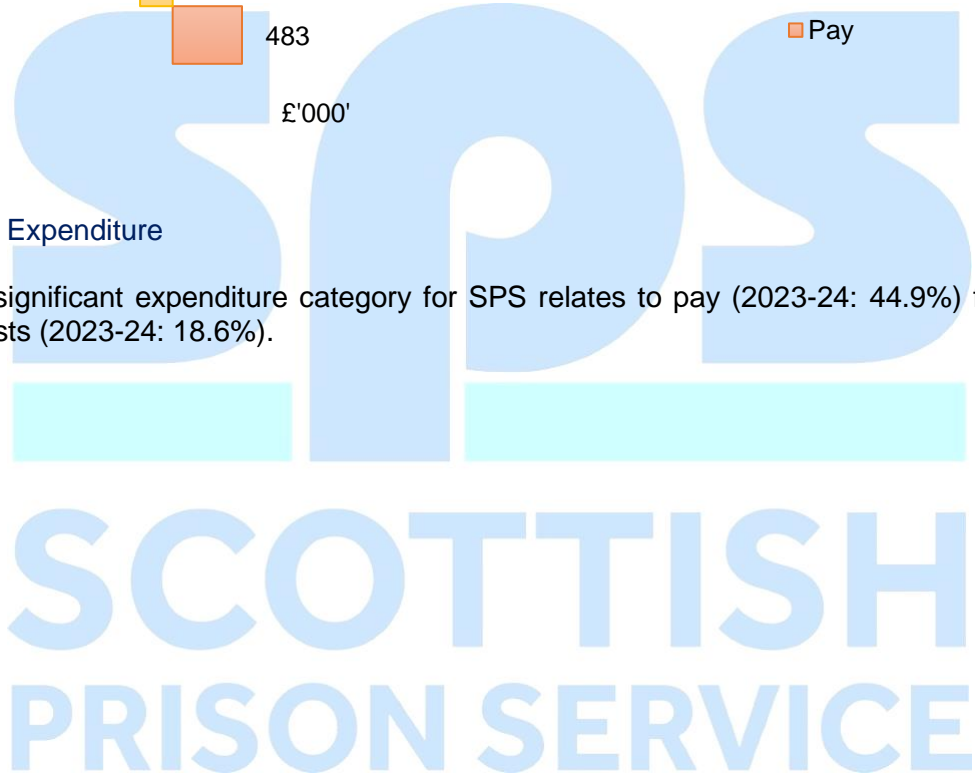
Departmental Expenditure Limit (ODEL) overspend is a result of liability remeasurement as required by the changes in PFI accounting under IFRS16 (£3,473k). The overspend in AME largely relates to a downward valuation of HMP Stirling to the extent of £19,355k.

The net DEL-ODEL overspend / underspend is summarised by expenditure type below:

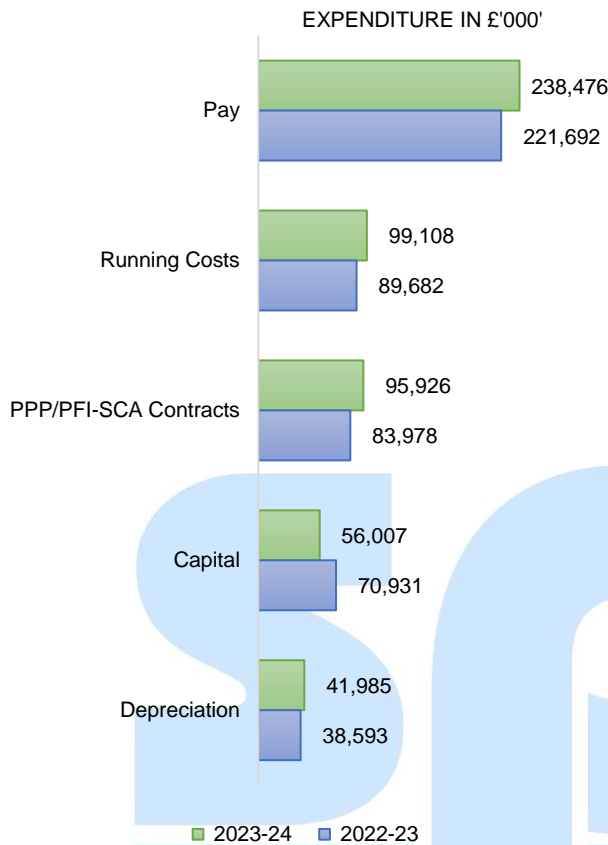


Analysis of Expenditure

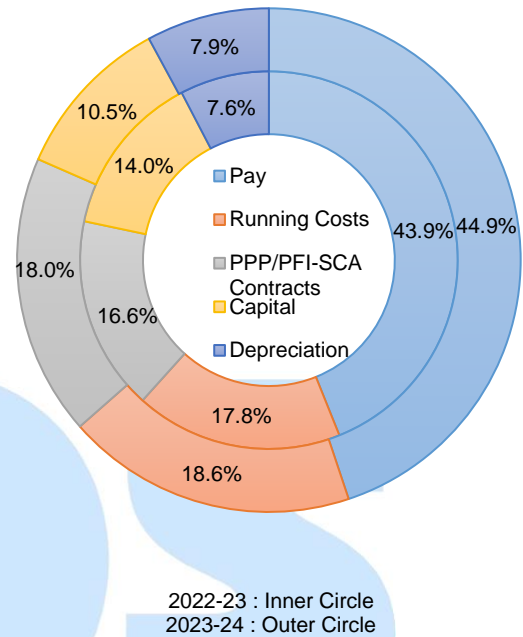
The most significant expenditure category for SPS relates to pay (2023-24: 44.9%) followed by running costs (2023-24: 18.6%).



Expenditure by Category



Ratio of Expenditure



Net Expenditure for the Year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 85. SPS has reported net expenditure for the year of £487,774k (2022-23: £428,101k). This is an increase of 12.23% from 2022-23 and is largely attributed to finance expenses as result of IFRS16 and impairment on assets.

The following table shows the reconciliation between the actual outturn and the net operating costs reported in the SoCNE. The reconciliation takes account of non-cash charges and HM Treasury Consolidated Budgeting Guidance.

| | £000 |
|---|----------------|
| Total expenditure | 543,664 |
| Add: Notional charges (Note 18) | 117 |
| | 543,781 |
| Less: Capital expenditure (Note 4, 5 & 6) | 56,007 |
| Net expenditure for the year (SoCNE) | 487,774 |

Statement of Financial Position

The Statement of Financial Position in on page 86.

Changes in Property, Plant and Equipment and Intangible Assets

As at 31 March 2024, SPS property, plant and equipment, right of use assets and intangible assets have a net book value of £1,455,836k (2022-23 £1,323,469k). This represents an overall 10% increase in value from 2022-23. The increase in value of £132,367k mainly relates to £56,007k of capital purchases, £123,590k of net upward revaluation adjustments against land and buildings, offset by a £47,176k depreciation charge.

As part of the five-year rolling programme, on site valuations were carried out by a professionally qualified RICS accredited firm at the following locations: HMP Addiewell, HMP Barlinnie, HMP Castle Huntly, HMP Dumfries, HMP Greenock, HMP Inverness, HMP Kilmarnock, HMP Perth, HMP & YOI Polmont, HMP Shotts, HMP & YOI Stirling, CCU Bella, CCU Liliias, Fauldhouse Training Facility and Central Stores and garages in Edinburgh, Glenochil, Shotts and Stirling. In addition, desktop valuations were carried out for remaining buildings as at 31 March 2024.

As at 31 March 2024, SPS Land and Buildings have a net book value of £1,352,662k (2022-23 £1,183,250k), which represents a 14.3% increase in value from 2022-23. This increase in value is reflective of the impact of the revalued land and buildings in year. A £141,712k net upward revaluation was recognised through the revaluation reserve, offset by a net £18,122k loss (including £1,585k impairment reversal for Bella and Liliias Centres) on revaluation recognised in the SoCNE. Most of this loss related to the HMP Stirling which became operational in 2023-24, due to the valued amount of the establishment being £19,355k less than the total cost to build. There were further reductions of £352k in the value of land for Barlinnie and Greenock, and Central Stores building beyond the available revaluation reserve.

Trade and Other Payables

Included within payables is an amount of £110,778k (2022-23 £73,044k) representing the imputed finance lease for properties at HMP Addiewell and for vehicles used in the Scottish Court Custody and Prisoner Escort Contract. Of the total payables, £45,933k relates to liability remeasurement for increased payments linked to indexation as per IFRS16.

Payment of Creditors

SPS' policy is to pay all invoices, not in dispute, in 30 days or the agreed contractual terms if otherwise specified. SPS aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, on time in these terms.

During the year ended 31st March 2024, SPS paid 97.2% (2022-23 98%) of all invoices received within the terms of its payment policy. The payment delays in some of the invoices are attributed to incomplete reports/backups on review and lack of human resources at times.

SPS has sought to achieve the Scottish Government's aspiration to pay suppliers within 10 days. Payment performance on this basis was 88.2% (2022-23 89%).

Environmental Matters

The global climate emergency is a strategic national priority, recognised by the Scottish Government and public bodies across Scotland. In 2019 the Scottish Government declared “A Climate Emergency” which led to the introduction of The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. The SPS has a statutory duty to support the Scottish Government’s committed aim to tackle climate change.

As required by the Wildlife and Natural Environment (Scotland) Act 2011, SPS produces a publicly available report on compliance with the Biodiversity Duty. The most recent report, covering 2022-23, is available here: [Biodiversity Report](#)

SPS is also required to report annually on compliance with climate change duties in accordance with the Climate Change (Duties of Public Bodies Reporting Requirements) (Scotland) Order 2015. The most recent report, covering 2022-23, is available here: [Climate Change Report](#)

Teresa Medhurst
Chief Executive



ACCOUNTABILITY REPORT – CORPORATE GOVERNANCE

The purpose of this section is to explain the composition and organisation of SPS' governance structures and how they support the achievement of our objectives.



DIRECTORS' REPORT

List of Board and Senior Leadership Team:

Chief Executive Officer and Board Members:

Chair: Ann McKechin

Chief Executive Officer and Accountable Officer: Teresa Medhurst

Deputy Chief Executive Officer: Linda Pollock (*joined 28th August 2023*)
Jim Kerr (*Interim, until 23rd October 2023*)

Executive Board Members: Gerry O'Donnell, Director of Finance
Allister Purdie, Director of Operations (*Interim*)
Sue Brookes, Director of Strategy & Stakeholder Engagement (*Interim*)
Adam Jobson, Director of Organisational Development (*Interim*)

Non-Executive Board Members: Lynne Clow
John Evans (*from January 2024*)
Ian Harley (Chair of Risk Monitoring and Audit Committee)
Gill Stillie
Stephen Uphill
Billy Watson (*from January 2024*)

The Chief Executive and Executive Board

The Chief Executive establishes the strategic direction of the SPS in conjunction with the Scottish Government; ensures public accountability; assures probity/integrity; allocates resources and monitors performance; reviews and manages risks facing the SPS; and develops capability and performance while ensuring sound corporate governance.

During the year, a permanent Deputy Chief Executive was appointed, replacing the interim arrangements that had been in place. The other three interim Directorships were advertised as permanent positions in January 2024 and appointments made in May 2024.

SPS Advisory Board

The SPS Advisory Board's role is to support the Chief Executive in providing leadership and in directing and controlling the organisation in the public interest.

The Advisory Board is chaired by Non-Executive Director Ann McKechin, who took up the role in January 2022. The Advisory Board comprises SPS Executive Directors and Non-Executive Directors, who collectively act in an advisory capacity. Minutes of these meetings are published on the SPS website [Publications | Scottish Prison Service \(sps.gov.uk\)](https://www.sps.gov.uk/publications)

A Register of Interests of Advisory Board members is held by the SPS and is reviewed twice a year. The register is also published on our website at [Registration of Interests Publication 2024.pdf \(sps.gov.uk\)](https://www.sps.gov.uk/registration-of-interests-publication-2024.pdf)

Risk Monitoring and Audit Committee (RMAC)

RMAC is a sub-committee of the Advisory Board and is chaired by an Independent Member. The committee is chaired by Ian Harley, Non-Executive Director. Other members of the RMAC consist of non-executive members (Lynne Clow and Stephen Uphill).

The role of the RMAC is to support the Accountable Officer in his or her responsibilities for issues of risk management, control, governance, and associated sources of assurance, consistent with the expectations of the Scottish Public Finance Manual (SPFM) and the Scottish Government's Audit Committee Handbook.

Information Security

At Board level, is the responsibility of the Senior Information Risk Owner, a role fulfilled by the Deputy Chief Executive. An Information Governance forum meets throughout the year.

There is an Information Security Unit based in HQ and a network of trained Information Security Officers throughout SPS. SPS staff undertake the compulsory e-learning course on protecting information. No incidents were reported to the Information Commissioner's Office during the reporting period.

Appointed Auditors

The accounts are audited by our auditors appointed by the Auditor General for Scotland. Under section 21 of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General has determined that Audit Scotland be the appointed auditor for SPS for the financial years 2022-23 to 2026-27.

Audit Scotland carried out the audit of SPS' accounts for the financial year ending 31 March 2024. Audit Scotland determined that the notional fee for this service was £117,020 (2022-23 £110,460).

STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

Under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 the Scottish Ministers have directed the Scottish Prison Service to prepare for each financial year a statement of accounts in the form and, on the basis, set out in the Accounts Direction on page 117. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the SPS and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis; and

- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer of the Scottish Government has appointed the Chief Executive as Accountable Officer of the SPS. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the SPS' assets, are set out in Scottish Public Finance Manual.

Statement of the Disclosure of Information to Auditors

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Scottish Prison Service auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

As the Accountable Officer, I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

GOVERNANCE STATEMENT

Scope of Responsibilities

As Chief Executive, I am also the Accountable Officer (AO) for the agency, with responsibility for maintaining a sound system of internal control that supports achievement of the Scottish Prison Service's (SPS) policies, aims and objectives set by Scottish Ministers. It is my responsibility to ensure that the systems have been in place for the year under review and up to the date of approval of the annual report and accounts whilst safeguarding the public funds and departmental assets for which I am personally responsible in accordance with the responsibilities assigned to me.

The AO is accountable to Scottish Ministers for the operation of the SPS, for providing advice and evidence on delivery to inform policy, for the management of SPS, and for planning its future development.

Governance Framework

The SPS is an Executive Agency of the Scottish Government and is required to comply with the guidance set out in the Scottish Public Finance Manual. The SPS Framework Document (last produced in March 2016) sets out the policy and resources within which SPS operates, including delegated financial limits. The Framework Document underwent a full review during the reporting year and has now been approved and can be found here: <https://www.sps.gov.uk/about-us/transparency/publications>

Advisory Board

The Advisory Board role and function is consistent with the remit detailed in the existing Framework Document. Non-Executive and Executive Directors form the Advisory Board to enable the Chief Executive to effectively lead the organisation and ensure implementation of the policies and priorities of Ministers and the Scottish Government. As a management advisory board, the Advisory Board provides advice, support and challenge to the Chief Executive and the senior leadership team on strategy and key operational issues, value for money and overall governance, and to support the Chief Executive in the delivery of strategic objectives of the SPS. The Advisory

Board cannot direct the Chief Executive and does not have a formal role in holding the Chief Executive to account for the performance of SPS.

During the reporting year, the Advisory Board met on six occasions and is chaired by non-executive Director Ann McKechin.

In January 2024, two new Non-Executive Directors (Billy Watson and John Evans) were appointed to the Advisory Board.

Risk Monitoring and Audit Committee (RMAC)

RMAC, chaired by Non-Executive Director Ian Harley, supports the Advisory Board in its work. RMAC's role is to act as an independent scrutiny body, without executive powers, to support and advise the Accountable Officer and the Advisory Board in matters related to risk, control, and governance through a process of constructive challenge. During the reporting year, RMAC reviewed and revised its Terms of Reference, with consideration given to the Audit and Assurance Committee Handbook. The Terms of Reference were approved in March 2024.

RMAC met on **5** occasions during 2023-24.

I attended the meetings as Accountable Officer along with other SPS Directors and representatives from their Directorates and both internal and external auditors.

Executive Management Group (EMG)

The EMG is chaired by the Chief Executive and brings together the Chief Executive, Deputy Chief Executive and Functional Directors to advise the Chief Executive in discharging their duties both as Chief Executive and Accountable Officer. The EMG meets fortnightly and covers both operational business and strategic direction. This includes consideration of the management of key risk, reviewing organisational performance and scrutinising organisational policy and strategy development.

Major Projects Management Group (MPMG)

MPMG is the governance board that oversees the portfolio of major projects within the SPS and the Portfolio Management Office (PMO). Major projects are those that: meet the Scottish Public Finance Manual definition of a major investment; or are required to be supported by the SG Independent Assurance Review process; or will incur a one-off project cost of £2m (ex VAT) or more; or will bring an ongoing cost to SPS exceeding £1m per annum; or are assessed by MPMG as high risk for SPS. MPMG has a strategic role in agreeing priorities for the portfolio, agreeing the allocation of funding to projects, and setting the parameters for individual major projects.

MPMG is chaired by the Chief Executive and membership includes a Non-Executive Director (Stephen Uphill until February 2024, then John Evans from March).

MPMG met on **12** occasions during 2023-24.

Strategic Delivery Group (SDG)

In February 2023, the Strategic Delivery Group (SDG) was established to oversee projects and pieces of work that are strategically and/or organisationally significant (excluding those that fall under the remit of the Major Projects Management Group (MPMG)) and ensure this work is connected to delivery across SPS and progresses the objectives of the 2023-28 Corporate Plan.

The group is chaired by the Deputy Chief Executive and membership is made up of senior staff from across the organisation and a Non-Executive Director.

The SDG met on **3** occasions during the year before being paused, subject to an ongoing review by the new Deputy Chief Executive.

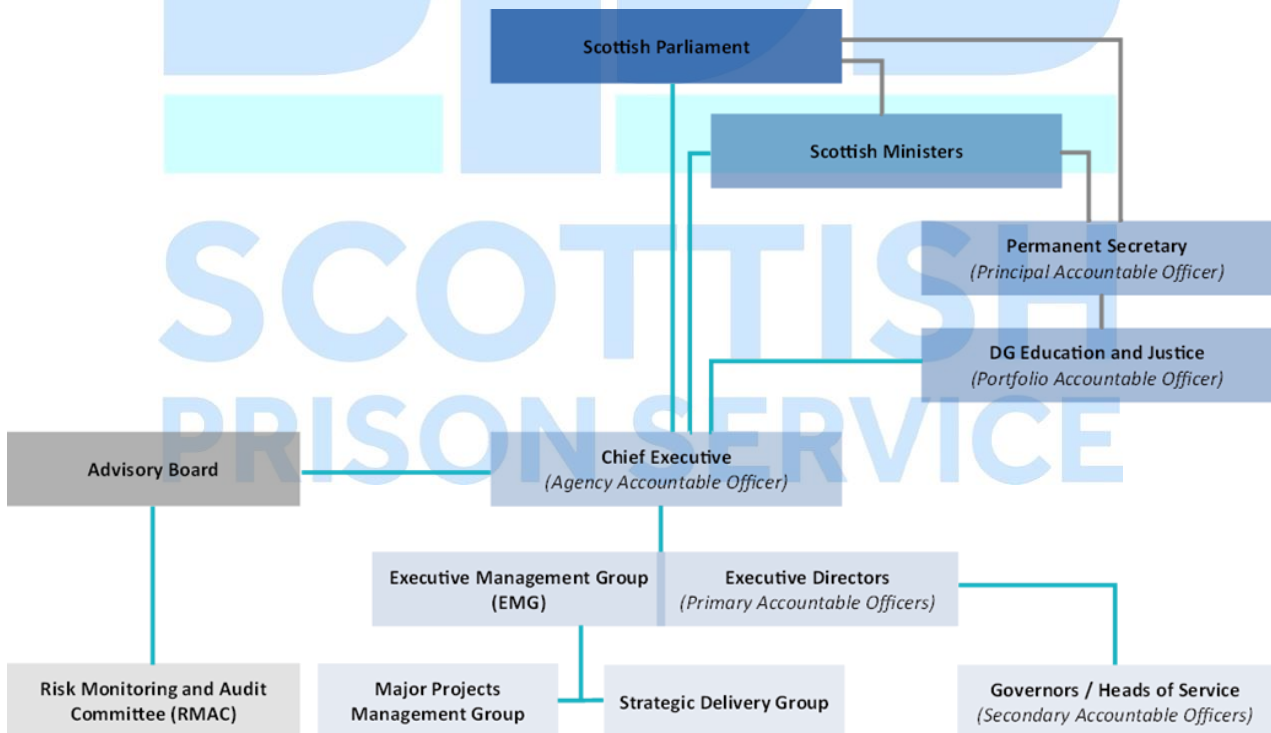
Equalities and Human Rights Oversight Board (EHROB)

In April 2023, the existing SPS Equality & Diversity Steering Group was disbanded and replaced with an Equalities and Human Rights Oversight Board (EHROB). The purpose of the EHROB is to enable a strategic, integrated approach to the delivery of equalities and human rights across the organisation and driving forward equalities and human rights as a corporate priority. It does this by aligning equalities and human rights with SPS business priorities, scrutinising and providing assurance of performance and risk related to equalities and human rights and gathering strategic intelligence and insight on equalities and human rights related issues.

The EHROB is chaired by the Chief Executive and the membership is made up of relevant senior staff and staff with expertise in equalities and human rights.

The EHROB met on **5** occasions during 2023-24.

SPS' overarching governance and accountability framework is illustrated below:



Risk Management

The SPS operates a governance framework that includes a structured risk management approach. The risk approach employed by SPS is compliant with the Scottish Public Finance Manual requirements and relevant guidance issued by Scottish Ministers. Following internal audit reviews,

there have been a number of measures and developments planned and progressed. New risk management guidance and templates were issued across the organisation at the start of the reporting year and risk management support and feedback has been made available to business areas.

The corporate risk position is monitored through dedicated risk papers at EMG and RMAC and through quarterly performance reports at EMG and the Advisory Board. These arrangements are complemented by a biannual review of the corporate risk register by risk sub-owners.

Business areas across the organisation also maintain their own risk registers and monitor and review these through business meetings. Risks can be escalated through a process that is outlined in the risk management guidance.

Internal Audit

SPS is supported by the Scottish Government Directorate for Internal Audit and Assurance to provide an overall annual assurance opinion level to me, RMAC and the Advisory Board. During the year there has been a gradual improvement on the risk control and governance framework within SPS and the rating has been maintained at reasonable. Seven audit reviews were carried out during the year:

- Estates Strategy & Management – Reasonable Assurance
- Information Governance – Reasonable Assurance
- Organisational Culture – Reasonable Assurance
- Stakeholder Engagement – Reasonable Assurance
- Business Continuity and Service Resilience – Reasonable Assurance
- Business Planning and Change Management – Reasonable Assurance
- Organisational Learning and Development – Reasonable Assurance

SPS also has an Operational Audit and Assurance team, which forms assurance to me as CEO, on compliance with delivery standards at an operational level. They carried out **24** local establishment audits during 2023-24 covering:

- Operational Readiness (4 establishments)
- Searching (3 establishments)
- Management of Offenders at Risk due to any Substance (follow up audits at 2 establishments)
- Case Management (2 establishments)
- Prevention of Suicide in Prisons Strategy (4 establishments)
- Removal from Association (Rule 95) (3 establishments)
- Use of Force (3 establishments)
- Security (3 establishments)

Following the identification of weakness in controls around ex-gratia payments by Audit Scotland during the 2022-23 audit, SPS Operational Audit and Assurance also carried out an estate-wide audit of ex-gratia processes and management. This will be complemented by a review by Internal Audit in 2024-25.

Review of Effectiveness

As Accountable Officer, I have the responsibility for reviewing the effectiveness of the systems of internal control and corporate governance. The review is informed by:

- The work of Internal Audit, which provided an overall reasonable annual assurance opinion.
- The work of the SPS Operational Audit and Assurance team.
- Meetings of the Advisory Board within the financial year.
- Meetings of the Executive Management Group to deal with operational and other issues.
- Monitoring and reporting of performance against key performance indicators.
- The Statements of Assurance process.
- Reports and assurance to EMG, the Advisory Board and RMAC regarding Risk Management.
- Annual report to the SPS Advisory Board from the Chair of the RMAC concerning the corporate governance and the control environment.
- Attendance of the Chair of the RMAC at Advisory Board meetings, where a verbal update of RMAC business is provided.
- Reports from internal assurance providers (i.e. Head of Health and Safety, Head of Fire Safety and Divisional Head of Operational Support) on the adequacy and effectiveness of the arrangements, together with recommendations for improvements and the action management proposes taking to implement these.
- External Audit who reports to the RMAC on SPS controls through reports and updates.
- Progression of management action from internal and external audit reports.
- Quarterly performance reporting (the SPS 'Improvement Framework' report) and monitoring at EMG and the Advisory Board.
- Measures in place to ensure information security and standardise and enhance the management of information risk.
- Information from the internal process for reporting and investigating information security and personal data related incidents.
- Cyber resilience developmental work.
- The use of Project Management structures and a Major Project Management Group in addition to SG Justice Governance on capital projects. The support and scrutiny of gateway review processes for major projects.
- The Fraud Response Group (FRG) is chaired by the Director of Organisational Development and attended by a Non-Executive Director focusing on fraudulent activity within the organisation at an early stage. This group reviews lessons learnt, promotes awareness of fraudulent activity and influences policy development. The Fraud Response Group met on three occasions during 2023-24.
- The SPS Financial Policy Guidance Manual provides standard authority for establishments, SPS College, Central Stores and Headquarters Directorates. Compliance with its contents is mandatory and maintains propriety in the control of Government expenditure and income. It ensures assets are properly safeguarded, that proper accounting records are maintained and ensures compliance with current legislation and Government financial procedures.

As part of our ongoing work and as part of the assurance process we continue to identify areas for improvement in our governance and internal control frameworks. I am content that the review, informed by all the items detailed above, has provided me with a clear understanding of the specific areas requiring action. These areas are ones which I have in place actions to ensure we move to a position of improved assurance of the effectiveness of the systems of governance and internal control within the SPS.

On the basis of these assurances, I confirm that **reasonable** systems of governance, risk management and internal control, consistent with the SPFM, have been developed and were operational over the year ended 31 March 2024 and up to the date of approval of the Annual Report and Accounts.

External Audit

This is the second year of external audit by Audit Scotland, who were appointed as SPS's external auditors by the Auditor General for Scotland until 2026-27.

Following the 2022/23 annual audit process, a 'Section 22' report was prepared by the Auditor General. The report drew particular attention to the following issues:

- The risks posed to, and impact on, the whole Scottish justice system due to ongoing poor performance of the delivery of services under the Scottish Courts Custody Prisoner Escorting Services (SCCPES) contract, which is managed by SPS.
- The challenges presented by a prison population that is increasing in volume and complexity.
- The level of investment required to make improvements to the Scottish prison estate, including the rising costs for the construction of HMP Glasgow and HMP Highland.

Personal Data Related Incidents:

During 2023-24, there were **no** personal data related incidents, and therefore nothing was reported to the Information Commissioner's Office (ICO). There were no personal data related incidents in the previous year (2022/23).

Significant Governance and Risk Issues:

There have been a number of significant issues identified during the year in relation to risk and governance. These were:

i) Population Management

On the 1 April 2023, the prison population was 7,507. By the 31 March 2024, it had risen to 8,040. Since March, it has also continued to increase rapidly. This rise in population has placed considerable pressure on the Scottish prison system. Working at levels above the capacity for which prisons were designed or are ordinary run can make day-to-day safe operation of prisons more difficult, cause increased numbers of people to have to share cells, and reduce the resources available to provide support and services to prisoners, including rehabilitative interventions. The challenge of managing the prison population is, however, more than just about volume; complexity has a compounding impact. The Scottish prison population is increasingly being made up of individuals who have complex management and support needs. This may be due to the nature of their offences, connections with serious organised crime and gangs, and health and social care needs. The management of both these volume and complexity elements has been a priority for this year and will continue to be in to 2024/25. Further details on how SPS manages population is available above (p.30).

ii) Financial Sustainability

The Scottish Parliament approved the 2023-24 budget for SPS of £541.948m. During the year, changes to the budget were made at the budget revision stages (detailed in page 44); SPS decreased funding requirement by £19.895m at the autumn and spring budget revision. The decrease was primarily due to slippage in planned capital projects (£40.990m) while there were increased staff costs (£10.624m), cost of living increases, increase in prisoner population and inflation. There was also increased cost approved as part of the recalibration of the Scottish Court and Prisoner Escort Service contract.

The construction of HMP Glasgow and HMP Highland feature in the Scottish Government's Investment Infrastructure Plan 2021-26. Estimated capital investment for HMP Highland was, at that time, £98-£110m and £400m for HMP Glasgow. In April 2024, the construction contract was agreed for HMP Highland, at a cost of £209m. The price for the HMP Glasgow construction contract is expected mid-2024.

iii) 2023-2025 Pay Deal

SPS reached agreement with constituent Trade Unions in December 2023 on a pay outcome for all staff for 2023-24 – 2024-25. The accepted offer included 7% consolidated increase for staff in pay bands B to G, 6.5% for band H, and 6% for band I from 1 April 2023. From 1 April 2024, there is a consolidated increase of £1,500 for band B to C and 3% increased for bands D to I.

Other commitments also formed part of the pay award, including a reduction in contractual full-time equivalent working hours from 37 and 35 hours without reduction in pay, changes to rates for on-call allowance and ex-gratia, and no compulsory redundancies for the duration of the pay award.

iv) New Governance and Leadership Structures

Further progress was made this year towards improved stability within our senior leadership team. In August 2023, the post of Deputy Chief Executive was filled on a permanent basis, ending the interim arrangements that had been in place for that role. Three other Director positions remained as interim appointments for the year (Strategy & Stakeholder Engagement; Organisational Development; Operations), but these were all advertised as substantive posts in January 2024. The Operations and Organisational Development Directorates have remained the same and what was Director of Strategy & Stakeholder Engagement was advertised as Director of Policy.

As noted above, two new non-executive Directors joined SPS during the year and the Equalities and Human Rights Oversight Board was established.

v) Availability of Professional and Technical Staff

SPS's ability to recruit and retain professional and technical staff puts at risk its ability to deliver on a number of legal obligations and necessary improvements. The need for qualified finance staff and psychologists has been particularly acute this year, but procurement and estates are also affected. These areas have had activity limited due to staffing challenges, and the lack of psychologists has meant that aspects of rehabilitative and case management processes have been negatively impacted. A review of HQ finance structures was conducted during the year to identify how best to use resources available, and an independent review of psychological services also began in Q4.

vi) GEOAmey – Scottish Courts Custody Prisoner Escort Service (SCCPES) Contract

SPS manages the SCCPES contract on behalf of the Justice Multi Agency Liaison Group (MALG). The contract covers: the safe transport of prisoners and those in custody between prisons, courts, hospitals, and police custody; accompanied escorts (to, for example, funerals); bed watches, and when prisoners are receiving medical treatment. During and after COVID, the needs of the contract changed significantly, leading to GEOAmey reporting that the contract had been made financially unsustainable. Levels of GEOAmey staffing have also had a major impact on service delivery.

Due to overall poor performance, three separate contractual Improvement Notices (IN) were served on GEOAmey during 2022/23. During this reporting year, a further Improvement Notice was served, in relation to court service delivery. In October 2023, the contract underwent a recalibration, including an increase in pay grades and a reduction in contract KPI targets for the start of 2024, which was accompanied by a timetable of expected improvements in all contract

metrics through a Contract Improvement Plan. Q4 of 2023-24 saw increases in performance of the contract across all key service performance areas.

vii) HMP Kilmarnock

On the 17 March 2024, a 25-year contract for the private operation of HMP Kilmarnock came to an end and the establishment was transferred to SPS operations. The transition was managed as an SPS major project with formal governance arrangements in place to ensure the asset is in its contractually expected condition at expiry, that staff transfer was successfully retained (including TUPE regulation impact), that the operation transferred smoothly, and that any contractual issues were resolved. The prison transferred to the public sector as planned, with only minor teething issues that were quickly rectified. Phase 2 of the project includes the harmonisation of the transferred staff to SPS terms and conditions. SPS committed to the harmonisation of the HMP Kilmarnock staffing group within one year of transition. In collaboration with Trade Union partners, the 1 December 2024 have now been agreed as the planned date. Some challenges have been raised with SPS in respect of trade union recognition rights, current pay and other benefit arrangements. SPS is working closely with Trade Union Colleagues on these issues.

viii) Management of Transgender People in Custody

From 29 January 2023, precautionary measures were put in place that meant:

- No transgender person already in custody with any history of violence against women will be moved from the male to the female estate.
- No newly convicted or remanded transgender prisoner with any history of violence against women will be placed in the female estate. Violence against women includes sexual offences against women.

The SPS policy for the Management of Transgender People in Custody was published on 5 December 2023 and became operational in establishment on the 26 February 2024. Operational guidance, and the accompanying policy review evidence base, was also published in February. The policy sets out an individualised approach which ensures that any transgender woman with a history of violence against women and girls (VAWG), who presents a risk to women and girls, will not be placed in the women's estate. It is an approach which supports the rights of transgender people, and the welfare of others in custody, as well as SPS staff.

ix) HMP Stirling

Furthering the ambitions of the SPS Strategy for Women in Custody, HMP & YOI Stirling opened in June 2023, replacing HMP & YOI Cornton Vale as Scotland's new national facility for women. It is designed as a step change to the way women in prison are managed and supported, taking full account of their likely experience of adversity and trauma. It operates alongside the Bella and Lilies Community Custody Units, with all three managed by one Governor-in-Charge. Since opening, there have been issues with noise levels impacting the local community. This has attracted parliamentary scrutiny. SPS has met with local residents to discuss their concerns and agreed a set of operational and physical improvement actions, progress against which is updated on the SPS website.

x) HMP Addiewell

HMP Addiewell is operated under a private contract. Continuing a trend from the previous year, increases in violence and disruption led to mitigations from the contract being put in place to support and better manage prisoners in the establishment. Overall, improvements in the levels of more serious violence were evident in the second half of the year, though an increase in low-level violence was experienced towards the end of the year. A new Violence Reduction Manager joined

the establishment in January 2024. The mitigations were still in place at the end of the reporting year, and close monitoring of performance continues.

xi) Information Management

Weaknesses in our Information Management arrangements across the organisation have been identified this year. In particular, a number of business areas have reported staff falling out of compliance with training in this area. Additional resourcing has been added to the team in order to support the implementation of new systems and improve compliance and awareness.



ACCOUNTABILITY REPORT – REMUNERATION AND STAFF REPORT

The purpose of this section is to provide information on the remuneration and pension arrangements of SPS' Advisory Board members. It also provides information on staff numbers and related costs for the year.



REMUNERATION REPORT

Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk.

Remuneration Policy

The remuneration of senior civil servants is set in accordance with the Civil Service Management Code available at www.gov.uk/government/organisations/civil-service and with independent advice from the Senior Salaries Review Body (SSRB).

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities.
- regional/local variations in labour markets and their effects on the recruitment and retention of staff.
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services.
- the funds available to departments as set out in the Government's departmental expenditure limits.
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at www.gov.uk/government/organisations/office-of-manpower-economics.

The remuneration of the Advisory Board members is determined under the Civil Service Management Code. The remuneration of Non-Executive Board members is agreed with them on appointment.

Remuneration (including salary) and Pension Entitlements (audited)

The following sections provide details of the remuneration and pension interests of the SPS Senior Officials.

Accrued pension benefits for Directors are not included in this table for 2023/24 due to the exceptional delay in the calculation of these figures following the application of the public service pension remedy.

Remuneration (Salary and Pensions)

| Single figure of remuneration | Salary (£'000) | | Benefits in kind (to nearest £100) | | Pension benefits (to nearest £1000) ³ | | Total (£'000) | |
|--|--|---|------------------------------------|---------|--|---------|---------------|--|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| T Medhurst <i>Chief Executive</i> | 125-130 | 120-125 | | | N/A | 183 | N/A | 305-310 |
| L Pollock⁴ <i>Deputy Chief Executive</i> | 55-60 <i>Full time equivalent 100-105</i> | - | | | N/A | - | N/A | - |
| J Kerr <i>Deputy Chief Executive</i> | 45-50 <i>Plus Acting Up Allowance 0-5 Full time equivalent 60-65 plus Acting Up 0-5</i> | 90-95 <i>plus Acting Up Allowance 0-5</i> | | | N/A | -6 | N/A | 85-90 |
| G O'Donnell <i>Director of Finance</i> | 95-100 | 85-90 | | | N/A | 34 | N/A | 120-125 |
| A Purdie <i>Interim Director of Operations</i> | 85-90 <i>Plus Acting Up Allowance 0-5 plus RRA⁵ 5-10</i> | 80-85 <i>plus Acting Up Allowance 0-5 plus RRA 5-10</i> | | | N/A | -9 | N/A | 80-85 |
| S Brookes <i>Interim Director of Strategy & Stakeholder Engagement</i> | 85-90 <i>plus Acting Up Allowance 0-5 plus RRA 5-10</i> | 80-85 <i>plus Acting Up Allowance 0-5 plus RRA 5-10</i> | | | N/A | -5 | N/A | 85-90 |
| A Jobson <i>Interim Director of Organisational Development</i> | 85-90 <i>Plus Acting Up Allowance 10-15</i> | 50-55 <i>plus Acting Up Allowance 0-5 (90-95 Full Year Equivalent)</i> | | | N/A | 29 | N/A | 85-90 <i>(120-125 Full Year Equivalent)</i> |

³ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

⁴ L Pollock joined the SPS on 28 August 2023

⁵ RRA – Recruitment & Retention Allowance

| | | | | | | | | |
|--|------|---|--|--|--|----|------|---|
| C Johnston⁶ <i>Interim Director of Corporate Services</i> | - | 25-30 Plus RRA 0-5 (90-95 Full Year Equivalent) | | | | 12 | | 45-50 (100-105 Full Year Equivalent) |
| G Stillie <i>Non-Exec Director</i> | 5-10 | 10-15 | | | | | 5-10 | 10-15 |
| A McKechin <i>Non-Exec Director</i> | 5-10 | 5-10 | | | | | 5-10 | 5-10 |
| I Harley <i>Non-Exec Director</i> | 0-5 | 0-5 | | | | | 0-5 | 0-5 |
| L Clow <i>Non-Exec Director</i> | 5-10 | 0-5 | | | | | 5-10 | 0-5 |
| S Uphill <i>Non-Exec Director</i> | 0-5 | 0-5 | | | | | 0-5 | 0-5 |
| B Watson⁷ <i>Non-Exec Director</i> | - | - | | | | | - | - |
| J Evans⁸ <i>Non-Exec Director</i> | - | - | | | | | - | - |
| K Hampton⁹ <i>Non-Exec Director</i> | - | 0-5 | | | | | - | 0-5 |

Salary

'Salary' includes gross salary; overtime; recruitment and retention allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the SPS and thus recorded in these accounts. This total remuneration, as well as the allowances to which they are entitled, is paid by the SPS, and is therefore shown in full in the figures above.

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the SPS and treated by HM Revenue and Customs as a taxable emolument. There were no benefits in kind paid during 2023-24 (2022-23 – nil).

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonuses paid during the year (2022-23 – nil).

⁶ C Johnston outward secondment to Scottish Government from 9 August 2022; Salary costs fully met by Scottish Government from this point forward.

⁷ B Watson joined the SPS on 22/01/2024, but received no remuneration up to and including 31 March 2024

⁸ J Evans joined the SPS on 22/01/2024, but received no remuneration up to and including 31 March 2024

⁹ K Hampton left the SPS on 30 September 2022

Pay Multiples

The highest paid Director had banded remuneration of £125,000-£130,000 in 2023-24 (2022-23 £120,000-£125,000). This is an increase of 4.1% from the previous financial year.

In the same reporting year, the average remuneration in respect of the employees taken as a whole was £36,870 (2022-23 £34,969¹⁰). This is a 5.4% increase over the previous financial year.

The range of remuneration in SPS in the financial year 2023-24 was £20,000-£25,000 to £125,000-£130,000 (2022-23, £20,000-£25,000 to £120,000-£125,000). These remuneration figures exclude pension benefits. In 2023-24, less than 5 employees received remuneration in excess of the highest paid director. Remuneration ranged up to £140,000 to £145,000.

The pay ratio information is shown in the table below:

| | 2023-24 | 2022-23 |
|--|---------|---------|
| Highest Paid Director Salary Component | 127,500 | 122,500 |
| Highest Paid Director Total Pay and Benefits | 127,500 | 122,500 |
| 25 th Percentile Salary Component | 30,700 | 28,491 |
| 25 th Percentile Total Pay and Benefits | 30,700 | 28,491 |
| 25 th Percentile Ratio | 4.15:1 | 4.3:1 |
| 50 th Percentile Salary Component | 39,659 | 37,063 |
| 50 th Percentile Total Pay and Benefits | 39,659 | 37,063 |
| 50 th Percentile Ratio | 3.21:1 | 3.31:1 |
| 75 th Percentile Salary Component | 39,659 | 37,063 |
| 75 th Percentile Total Pay and Benefits | 39,659 | 37,063 |
| 75 th Percentile Ratio | 3.21:1 | 3.31:1 |

The median pay ratio is consistent with Scottish Government (SG) pay policy. Excluding Directors, the pay ranges for staff are directly linked to the annual pay award in line with SG pay policy. The SPS Chief Executive and Directors are Senior Civil Servants (SCS) and their remuneration is set by the SG. This is because SCS pay arrangements are reserved to the UK Government and SG decide how to implement those arrangements for the SCS across the Scottish Administration. Non-Executive Directors are appointed by SPS with daily rate salaries set in accordance with SG pay policy.

Pension Benefits (audited)

As noted above, accrued pension benefits for directors are not included in this table for 2023/24 due to exceptional delay in the calculation of these figures following the application of the public service pension remedy.

¹⁰ Restated from £37,342

| Officials | Accrued pension at age 65 as at 31/3/24. £000 | Real increase in pension at age 65 £000 | CETV at 31/3/24 £000 | CETV at 31/3/23 £000 | Real increase in CETV £000 | Employer contribution to partnership pension account £000 |
|--|---|---|----------------------|----------------------|----------------------------|---|
| T Medhurst <i>Chief Executive</i> | N/A | N/A | N/A | 1,381 | N/A | - |
| L Pollock <i>Deputy Chief Executive</i> | N/A | N/A | N/A | - | N/A | - |
| J Kerr <i>Deputy Chief Executive</i> | N/A | N/A | N/A | 926 | N/A | - |
| G O'Donnell <i>Director of Finance</i> | N/A | N/A | N/A | 43 | N/A | - |
| A Purdie <i>Interim Director of Operations</i> | N/A | N/A | N/A | 961 | N/A | - |
| S Brookes <i>Interim Director of Strategy & Stakeholder Engagement</i> | N/A | N/A | N/A | 985 | N/A | - |
| A Jobson <i>Interim Director of Organisational Development</i> | N/A | N/A | N/A | 446 | N/A | - |
| C Johnston <i>Interim Director of Corporate Services</i> | N/A | N/A | N/A | 361 | N/A | - |
| G Stillie <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |
| A McKechin <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |
| I Harley <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |
| L Clow <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |
| S Uphill <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |
| B Watson <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |
| J Evans <i>Non-Exec Director</i> | No Pension Entitlement | | | | | |

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into **alpha** sometime between 1 June 2015 and 1 February 2022.

Following the 2015 Remedy (McCloud) legislation coming into effect on 1 October 2023 and the steps that are being taken to address the historical pension reforms that were introduced in 2015 for some members, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below).

All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for Loss of Office

There were no SPS Senior Officials that left on Voluntary Exit, Voluntary Redundancy or Compulsory Redundancy terms.

Spending on Consultancy and Temporary Staff (audited)

The table below shows the total costs on temporary staff and consultancy for the year ended 31 March 2024 along with the prior year comparisons.

| | 2023-24 £000 | 2022-23 £000 |
|-----------------|-----------------|-----------------|
| Temporary staff | 3,562 | 3,373 |
| Consultancy | 50 | 136 |

Off-payroll Appointments (audited)

Highly paid off-payroll worker engagements as at 31 March, earning £245 per day or greater.

| | 2023-24 | 2022-23 |
|--|---------|---------|
| No. of existing engagements as of 31 March | 5 | 7 |
| <i>Of which, no. that existed:</i> | | |
| less than 1 year | 3 | 5 |
| for between 1 and 2 years | 1 | 0 |
| for between 2 and 3 years | 0 | 0 |
| for between 3 and 4 years | 0 | 1 |
| for 4 or more years | 1 | 1 |

All highly paid off-payroll workers engaged at any point during the year ended 31 March, earning £245 per day or greater.

| | 2023-24 | 2022-23 |
|--|---------|---------|
| No. of temporary off-payroll workers engaged during the year ended 31 March | 9 | 16 |
| <i>Of which:</i> | | |
| Not subject to off-payroll legislation | 0 | 0 |
| Subject to off-payroll legislation and determined as in-scope of IR35 | 9 | 16 |
| Subject to off-payroll legislation and determined as out-of-scope of IR35 | 0 | 0 |
| No. of engagements reassessed for compliance or assurance purposes during the year | 0 | 0 |
| Of which: No. of engagements that saw a change to IR35 status following review | 0 | 0 |

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility:

| | 2023-24 | 2022-23 |
|---|---------|---------|
| No. of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year. | 0 | 0 |
| Total no. of individuals on payroll and off-payroll that have been deemed “board members and/or senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements. | 13 | 13 |

STAFF REPORT

As of 31 March 2024, there were **4,962** staff in post including five Non-Executive Directors. The split across grade and gender is detailed in the table below. This section is audited.

| | 2023-24 | | | 2022-23 | | |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Male | Female | Total | Male | Female | Total |
| Senior Civil Servants | 1 | 2 | 3 | 2 | 1 | 3 |
| Directors | 2 | 1 | 3 | 2 | 1 | 3 |
| Non-Executive Directors | 4 | 3 | 7 | 2 | 3 | 5 |
| Employees | 3,073 | 1,876 | 4,949 | 2,892 | 1,659 | 4,551 |
| Total | 3,080 | 1,882 | 4,962 | 2,898 | 1,664 | 4,562 |

Staff Numbers and Related Costs (audited)

The following sections have been subject to audit by SPS' auditors.

The table below shows the staff costs for the year ended 31 March 2024 along with the prior year comparisons:

| | 2023-24 | | 2022-23 | |
|---|----------------------------|--------------|----------------|----------------|
| | Permanently employed staff | Others | Total | Total |
| Staff costs | £'000 | £'000 | £'000 | £'000 |
| Wages and salaries | 172,105 | 3,688 | 175,793 | 162,481 |
| Social security costs | 18,316 | 15 | 18,331 | 17,656 |
| Other pension costs | 44,376 | 34 | 44,410 | 41,740 |
| Sub-total | 234,797 | 3,737 | 238,534 | 221,877 |
| less recoveries in respect of outward secondments | (58) | - | (58) | (185) |
| Total net costs | 234,739 | 3,737 | 238,476 | 221,692 |

Permanently employed staff includes staff employed on fixed term contracts. Others includes costs associated with agency staff and inward secondees.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes, but Scottish Prison Service is unable to identify its share of the underlying assets and liabilities. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation

<https://www.civilservicepensionscheme.org.uk/about-us/resource-accounts>

For 2023-24, employers’ contributions of £43,597k were payable to the PCSPS (2022-23 £39,372k) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2023-24 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a **partnership** pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £805k were paid to the appointed stakeholder pension provider, Legal & General. Employer contributions are age-related and ranged from 8% to 14.75%.

Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £23.8k, 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

During the reporting year, 12 individuals (2022-23; eight individuals) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £46.8k (2022-23; £29k).

Average Number of Persons Employed

The average number of whole-time equivalent persons employed during the year was as follows:

| | 2023-24 | 2022-23 |
|-------------------|--------------|--------------|
| Directly employed | 4,389 | 4,256 |
| Other | 5 | 8 |
| Total | 4,394 | 4,264 |

(Directly employed includes non-permanent staff)

Reporting of Civil Service and Other Compensation Schemes – Exit Packages (audited)

| Exit package cost band | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band |
|-------------------------------|-----------------------------------|------------------------------------|--|
| <£10,000 | - | 19 (8) | 19 (8) |
| £10,000 - £25,000 | - | 4 (10) | 4 (10) |
| £25,000 - £50,000 | - | 7 (16) | 7 (16) |
| £50,000 - £100,000 | - | 37 (55) | 37 (55) |
| £100,000 - 150,000 | - | 0 (0) | 0 (0) |
| £150,000 - £200,000 | - | 0 (0) | 0 (0) |
| Total number of exit packages | - | 67 (89) | 67 (89) |
| Total resource cost/£ | - | £3,225,104 (£4,819,368) | £3,225,104 (£4,819,368) |

Comparative data is shown (in brackets) for previous year.

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2023-24. £3,225k exit costs were paid in 2023-24, the year of departure (2022-23 £4,819k). Where the agency has agreed early retirements, the additional costs are met by the agency and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table. There were no Voluntary Exit Schemes (VES) approved by Cabinet Office.

Attendance and Wellbeing

SPS measures employee absence in Average Working Days Lost (AWDL) per employee per year. During 2023-24, the AWDL per employee due to sickness absence has decreased by 0.5 days per employee when compared to the previous financial year (a reduction from 17.1 AWDL to 16.6). It is also 20% less than absence rates experienced by SPS during 2021-22.

This is largely due to a 27% reduction in the overall number of days lost to short term absence (an absence of less than 21 days), which generally occur due to short term illnesses such as influenza or sickness. Although absence (and particularly mental health absence) remains a concern, we continue to take steps to establish what targeted interventions may be required to reduce absence rates further. Throughout the course of 2023-24, 41% of our staff have not generated an absence (which is an 11% increase on the figure for financial year 2022-23).

To enhance employee support, we have implemented several initiatives in this reporting year. These include the introduction of a trauma helpline offering access to specialised services, revision of our Employee Wellbeing policy, and developing new guidance and support for employees required to attend fatal accident inquiries. We have also continued our commitment to employee wellbeing by continuing to offer a range of supports for our workforce. These include our bespoke Employee Assistance Programme, which is available to all our staff, access to virtual mental health clinics, physiotherapy, and access to a range of wellbeing applications and desktop support tools.

Time throughout 2023-24 has also been invested in developing, in collaboration with our partners and recognised trade unions, further advancements in respect of post-traumatic incident support, a disability leave and “Right to Disconnect” policy, a bespoke mental health support product for our staff that is based on the principles of psychological first aid, and a refreshed approach to redeployment for those who cannot continue to undertake their full contractual role, which we hope will support valued and experienced staff to retain meaningful employment that positively contributes to the SPS.

Employee Engagement, our Culture, Employment Relations and Reward

We recognise the positive impact that an engaged workforce can have on achieving our stated organisational ambitions.

During 2023-24, we have increased our capacity to utilise our people data and metrics to enable us to focus our attention and decision making on the areas of our business which most affect the experience of our employees. Our work in this area will be further supported by the implementation of a new HR digital infrastructure, which we have begun to develop and test throughout 2023-24.

Since 2010, the SPS has participated in the annual Civil Service People Survey, which takes place between September and October. Conducted across approximately 100 Civil Service organisations, the People Survey covers nine key themes that are known to shape peoples’ motivation and experiences at work. Although SPS response rates are lower than many of the other Civil Service areas, the survey remains our most comprehensive source of employee feedback. The People Survey also provides information on the personal wellbeing and mental health of our workforce.

Our overall Survey Engagement Index (the overall measure of the pride and attachment people feel towards their organisation) remains consistent at 56%, the same as 2021 and 2022. Of the nine themes explored within the Survey, we saw increases in 6 areas, including “Leadership and Managing Change”, “Learning and Development”, “My Work” and “My Manager”, some of which also represent consecutive improvements on our 2022 survey outcomes.

Whilst the People Survey provides a useful indication of the level of engagement and perceptions from across our workforce, these results are not viewed in isolation, but rather they are viewed as an important component of the range of current and future data sources that will allow for greater insight into people related concepts and practices across SPS. A range of actions to positively impact on our organisational culture have been progressed and with the intention of enhancing our culture and our work environments for our workforce. Of note are several new initiatives that focus on leadership and management development for middle and senior managers, the continued roll out/embedding of our new behavioural competency framework, action being taken through pay, benefits, and recognition (which has delivered a 2 year pay award and a commitment to reduce the working week).

HR policies provide an important and fundamental framework for the management of all employment related issues and are aligned with our Corporate Plan 2023-28. This reporting year (2023/24) our focus has been reviewing reward and performance management related policies. We continue to use our interim performance feedback portfolio (PFP), introduced post-pandemic to balance the needs of maintaining a forward-looking, flexible, and light-touch performance management approach by ensuring all colleagues have the support they need to perform at their best and to develop professionally, through regular conversations and recognising accomplishments. In doing so, we introduced Competencies for Success Framework (CSF) as our new behavioural framework to support performance and development, recognising the strong links between behaviours (‘how’ work is performed) and effective performance (‘what’ has been achieved). The framework is underpinned by the SPS core values and designed to help assess, manage, and improve performance.

From a reward perspective, we have sought to recognise as far as possible the continued impact of cost-of-living pressures for our employees against an extremely challenging budgetary landscape, as well as the need to reward our workforce. In 2023-24, we implemented in partnership with our recognised trade unions a two-year pay deal, that will increase salaries on average by 10% over the two-year period. Additionally, we have mirrored the approach taken in 2022-23 to also remove the first pay point in our senior pay scales, thus reducing employee journey time through these pay scales, positively impacting the SPS' ability to attract candidates and improve our Gender Pay Gap. During the second year of the pay deal (2024-25), contractual full-time equivalent (FTE) working hours will reduce from 37 hours to 35 hours a week without a reduction in pay. A shorter working week is intended to have a positive impact on colleagues, through increasing work-life balance and creating an additional mechanism to increase the overall value of the pay deal in a very challenging and economical context. Our staff do outstanding work in challenging circumstances, and we feel that the two-year pay award, coupled with a reduction in hours during 2024-25 reflects this.

Reward is more than salary and we will continue to work in partnership with our recognised trade unions to enhance our total reward package offering. Our reward offer has been designed to meet our employees' diverse needs and aspirations and during 2023-24, we have increased the value, impact and engagement levels with our employee benefits platforms, to help our staff make their money go further. Our most popular benefit of 2023-24 was dental insurance, receiving 145.5% increase in subscribers compared with last year.

During 2023-24, we have reviewed our approach to employee recognition and introduced a new long service award for non-operational staff to ensure all colleagues, no matter their role, are recognised for their loyalty and commitment. Additionally, we continue to promote the Butler Trust Awards, celebrated Hidden Heroes Day in September 2023, and were delighted that two SPS employees were awarded a Butler Trust Commendation Award by Her Royal Highness Princess Anne at St James' Palace in March 2024.

We continue to uphold our commitment to the Fair Work agenda and during 2023-24, we celebrated 20 years of working in partnership with our Trade Unions Side (TUS) through our Forward Together Agreement. SPS recognise the positive impact of working together in partnership and will continue to embed fairer working practices in everything we do to promote employee engagement and support an environment of trust, respect, and inclusion at all levels.

Equality and Human Rights

Our 2023 – 28 Corporate Plan identifies Equalities and Human Rights as fundamental – a “cross-cutting principle” - to the delivery of our services. Our organisational values – Respect, Belief, Openness, Integrity, Compassion, Humility, and Innovation – set the context in which we deliver our services, whilst aligning with the following outcomes within the Scottish Government National Performance Framework:

- We live in communities that are inclusive, empowered, resilient and safe.
- We respect, protect, and fulfil human rights and live free from discrimination.

Our obligations under the Equality Act 2010 (Specific Duties) (Scotland) Regulations requires us to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out our activities. sets out our duty to mainstreaming equalities and human rights when carrying out our activities.

SPS has taken a number of steps during 2023-24 to improve the gender balance of our workforce which will, in time, improve our gender pay gap. Key highlights from 2023-24 include:

- We have taken steps to address the gender balance across our most senior management roles – more women than men are employed in our senior executive roles, and an equal gender representation now exists within our most senior operational manager staff group (which had a 70% male representation at the end of 2022-23).
- Of the 326 promotional appointments made by SPS across the prison estate during 2023-24, 49% of those appointed on promotion were women (was 45% for 2022-23).

Our strategic governance structures for equality, diversity, inclusion, and human rights (EDI&HR) comprise an overarching strategic Oversight Board supported by a service delivery focused group (Equality & Diversity Managers' Forum). These meetings are all chaired at executive, or senior leader level and provide forums to focus on key equality, diversity, inclusion, and human rights priorities. Reporting our progress is undertaken through the provision of a range of corporate updates provided to The Oversight Board, SPS' Executive Management Group and Advisory Board.

In line with our Public Sector Equality Duties, we remain committed to mainstreaming policies and procedures throughout our prisons, and our E&D Managers Forum plays an integral role in taking these practices forward. In January 2023 a revised remit for the E&D Managers was drafted, with an enhanced focus on supporting senior leaders in embedding human rights principles into annual delivery planning. Guidance on aligning the human rights focus with organisational deliverables is in progress, enhancing our ability to evidence how we are meeting our human rights and equalities duties.

Our 2023-24 Annual Delivery Plan Enablers of Success 5.8 states we will continue activity to mainstream equalities and human rights and deliver SPS' Equality Outcomes. Details of the work we have been undertaking to meet this objective can be found in the ADP Updates section of this report.

In the 2023-24 reporting year, 352 applicants to SPS job roles selected that they wished their application to be considered under the Disability Confident Scheme. Of these, 93 were progressed to the later stages in the selection process (beyond application shortlisting).

TUS Facility Time

As a public sector employer with more than one trade union representative and more than 50 employees, SPS is required to publish a report outlining the "facility time", (agreed time off) for employees to carry out trade union roles.

Currently, SPS has four recognised trade unions, the Prison Officer's Association (Scotland) POA(S), the Public & Commercial Services Union (PCS), Prospect and the Prison Governors Association (Scotland) (PGA(S)). Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2017 sets out what information should be published, which to the year end 31 March 2024, is as follows:

| Number of Relevant Trade Unions Representatives | Full Time Equivalent |
|---|--|
| 115 | 110.72 |
| Of Whom: | Percentage of Time Spent on Facility Time |
| 56 | 0% |
| 26 | 1-50% |
| 10 | 51-99% |
| 23 | 100% |
| Total Facility Time Hour | Percentage of FT on paid TU Activities |
| 56,265 | 27.89% |
| | |
| Percentage of pay bill spent on FT | 0.70% |
| Total Cost of FT | £1,663,046.93 |
| Total Pay Bill | £238,475,882 |

Workforce Planning

Workforce Planning continues to be a priority for SPS. Work on SPS' corporate structure is ongoing to ensure this effectively supports and enables the delivery of our corporate objectives. SPS made 581 appointments to Operations and Residential Prison Officer roles during 2023-24 to support ongoing service delivery, which represents a 16.7% increase on 2022-23.

Staffing levels across operational uniformed grades averaged 3% below complement (circa. 90 FTE across the prison estate) across the year, with plans in place to recruit up to 780 Prison Officers in 2024-25 which will support us as we take forward work associated with the return of HMP Kilmarnock to public sector ownership and begin to plan for the operationalisation of HMPs Highland and Glasgow in future years.

Turnover rates for all staff groups within 2023-24 was 9% which is consistent with last year and in line with our average turnover trend. SPS' Recruitment Delivery Programme takes account of projected turnover, and other internal and external factors which may impact on overall staffing levels.

We have continued to invest in leadership recruitment and development over the year and have embedded a range of leadership development programmes aligned to our Leadership Strategy which have positively supported recruitment and promotion outcomes at middle and senior leadership levels, as well as the leadership culture more broadly.

Employment market trends have continued to affect retention and attraction across all roles during 2023-24, including in our specialist services such as Estates and Finance. We continue to engage with our local and online communities to promote the good work of SPS and the range of career opportunities available, in support of our recruitment objectives, and our stated priority of having a workforce which is representative of the Scottish society that it serves.

ACCOUNTABILITY REPORT – PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

The purpose of this section is to provide details of any losses incurred by SPS during the year. It also contains the Independent Auditor's report.



ACCOUNTABILITY REPORT – PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT
PARLIAMENTARY ACCOUNTABILITY REPORT

Losses and Special Payments

The following losses and special payments have been included in the accounts:

| Losses statement | 2022-23 | | 2021-22 | |
|------------------------------|------------|--------------|------------|--------------|
| | Cases | £000 | Cases | £000 |
| Cash losses | 158 | 17 | 172 | 114 |
| Losses of accountable stores | 271 | (12) | 273 | (14) |
| Fruitless payments | 9 | 6 | 10 | 33 |
| Total | 438 | 11 | 455 | 133 |
| Special payments | 391 | 3,554 | 409 | 5,854 |

Special payments include amounts paid out relating to Civil Service and other compensation schemes. Also included in special payments are amounts settled for prisoner compensation and their related costs (see notes to the accounts 14 and 17).

Gifts

No gifts were made during the year.

Remote Contingent Liabilities

There are no remote contingent liabilities to disclose.

Income from Services

There is no material income from services other than canteen income (see notes to the accounts 2) during the year.

Teresa Medhurst
Chief Executive

**INDEPENDENT AUDITOR'S REPORT TO SCOTTISH PRISON
SERVICE, THE AUDITOR GENERAL FOR SCOTLAND AND
THE SCOTTISH PARLIAMENT**



Independent auditor's report to the Scottish Prison Service, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Prison Service for the year ended 31 March 2024 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Government Financial Reporting Manual (the 2023/24 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2024 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2023/24 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 3 April 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on

factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express

any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Michael Oliphant FCPFA
 Audit Director
 Audit Scotland
 102 West Port
 Edinburgh
 EH3 9DN

FINANCIAL STATEMENTS AND NOTES TO THE ACCOUNTS



STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2024

| | Note | 2023-24 £000 | 2022-23 £000 |
|---|------|-----------------|-----------------|
| Income | | | |
| Income from sale of goods/services | 2 | (7,375) | (6,425) |
| Non-cash revenue grant | 2 | 0 | 0 |
| Other operating income | 2 | (88) | (130) |
| Total operating income | | (7,463) | (6,555) |
| Expenditure | | | |
| Staff costs | 3 | 238,476 | 221,692 |
| Other expenditure | 3 | 238,970 | 207,438 |
| Total operating expenditure | | 477,446 | 429,130 |
| Net operating expenditure | | 469,983 | 422,575 |
| Finance expense | 3 | 17,791 | 5,526 |
| Net expenditure for the year | | 487,774 | 428,101 |
| Other comprehensive net expenditure | | | |
| Items which will not be reclassified to net operating costs: | | | |
| Net (gain) / loss on revaluation of property, plant and equipment | | (141,712) | (74,985) |
| Comprehensive net expenditure for the year | | 346,062 | 353,116 |

The notes on pages 89 to 116 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

| | Note | 2023-24 £000 | 2022-23 £000 |
|--|-------|------------------|------------------|
| Property, plant and equipment | 4 | 1,451,074 | 1,317,647 |
| Right of use assets | 5 | 4,616 | 5,230 |
| Intangible Assets | 6 | 146 | 592 |
| Trade and other receivables | 11 | 29 | 38 |
| Total non-current assets | | 1,455,865 | 1,323,507 |
| Current assets | | | |
| Assets classified as held for sale | 9 | - | 68 |
| Inventories | 10 | 4,906 | 4,253 |
| Trade and other receivables | 11 | 8,168 | 9,482 |
| Cash and cash equivalents | 12 | 868 | 828 |
| Total current assets | | 13,942 | 14,631 |
| Total assets | | 1,469,807 | 1,338,138 |
| Current liabilities | | | |
| Trade and other payables | 13 | (55,250) | (52,585) |
| Lease liabilities | 5 | (611) | (700) |
| Provisions | 14 | (5,442) | (4,083) |
| Total current liabilities | | (61,303) | (57,368) |
| Total assets less current liabilities | | 1,408,504 | 1,280,770 |
| Non-current liabilities | | | |
| Other Payables | 13 | (103,785) | (69,675) |
| Lease liabilities | 5 | (4,698) | (5,309) |
| Provisions | 14 | (9,964) | (10,210) |
| Total non-current liabilities | | (118,447) | (85,194) |
| Total liabilities | | (179,750) | (142,562) |
| Total assets less total liabilities | | 1,290,057 | 1,195,576 |
| Taxpayers' equity and other reserves: | | | |
| General Fund | SoCTE | 717,257 | 749,296 |
| Revaluation Reserve | SoCTE | 572,800 | 446,280 |
| Total equity | | 1,290,057 | 1,195,576 |

Teresa Medhurst
Chief Executive

The Chief Executive authorised these financial statements for issue on 31 July 2024.

The notes on pages 89 to 116 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

| | Note | 2023-24 £000 | 2022-23 £000 |
|---|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net operating expenditure | SoCNE | (487,774) | (428,101) |
| Adjustment for non-cash transactions: | | | |
| Depreciation | 4/5/6 | 46,841 | 47,006 |
| Impairment | 8 | 18,459 | 29 |
| Notional charges | 18 | 117 | 110 |
| Other adjustments | | 0 | 0 |
| Loss on disposal of assets | | 36 | 80 |
| Interest payable on net operating cost for financing | | 18,299 | 5,701 |
| Decrease/(Increase) in inventories | 10 | (653) | (289) |
| (Increase) in trade receivables | 11 | 1,323 | (2,533) |
| Increase in trade payables | | 5,619 | 11,691 |
| (Decrease)/Increase in provisions | 14 | 1,113 | (2,939) |
| Net cash outflow from operating activities | | (396,620) | (369,245) |
| Cash flows from investing activities | | | |
| Purchase of property plant and equipment | | (54,184) | (75,084) |
| Purchase of intangible assets | | (3) | 0 |
| Proceeds of disposal of property, plant and equipment | | 86 | 15 |
| Net cash outflow from investing activities | | (54,101) | (75,069) |
| Cash flows from financing activities | | | |
| From the consolidated fund | | 477,261 | 454,005 |
| Movement in lease liabilities | | (700) | 6,009 |
| Capital element of payments in respect of leases and PFI contracts | | (8,200) | (9,984) |
| Interest element of leases and PFI contracts | | (17,600) | (5,701) |
| Net financing | | 450,761 | 444,329 |
| Net increase/(decrease) in cash and cash equivalents in the period | | 40 | 15 |
| Cash and cash equivalents at the beginning of the period | 12 | 828 | 813 |
| Cash and cash equivalents at the end of the period | 12 | 868 | 828 |

The notes on pages 89 to 116 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2024

| | Note | General Fund £000 | Revaluation Reserve £000 | Taxpayers' Equity £000 |
|--|-------|----------------------|-----------------------------|---------------------------|
| Balance at 1 April 2022 | | 709,329 | 385,248 | 1,094,577 |
| Net funding from the Scottish Government | | 454,005 | 0 | 454,005 |
| Comprehensive net expenditure for the year | SoCNE | (428,101) | 74,985 | (353,116) |
| Auditors remuneration | 18 | 110 | 0 | 110 |
| Transfers between reserves | | 13,953 | (13,953) | 0 |
| Balance at 31 March 2023 | | 749,296 | 446,280 | 1,195,576 |
| Lease liability remeasurement on PPP/PFI contracts | | (37,030) | 0 | (37,030) |
| Net funding from the Scottish Government | | 477,261 | 0 | 477,261 |
| Comprehensive net expenditure for the year | SoCNE | (487,774) | 141,712 | (346,062) |
| Auditors remuneration | 18 | 117 | 0 | 117 |
| Transfers between reserves | | 15,387 | (15,387) | 0 |
| Revaluation of assets on PFI transfer | | 0 | 195 | 195 |
| Balance at 31 March 2024 | | 717,257 | 572,800 | 1,290,057 |

SCOTTISH
PRISON SERVICE

The notes on pages 89 to 116 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by HM Treasury and the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of SPS for the purpose of giving a true and fair view has been selected. The particular policies adopted by SPS are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The accounts are prepared using accounting policies, and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles set out in *International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors*. Changes in accounting policies which do not give rise to prior year adjustments are reported in the relevant note.

The functional and presentation currency of the agency is the British pound sterling (£). The figures are rounded to the nearest Thousand unless otherwise indicated.

Going Concern

SPS is an Executive Agency of the Scottish Government and is funded by Scottish Government. The Accountable Officer has considered the budget allocation for 2024-25 and considers that SPS will continue to operate. The accounts are therefore prepared on a going concern basis.

Accounting Convention

The accounts have been prepared under the historic cost convention modified to account for the revaluation of non-current assets, inventories, financial assets and assets held for sale, were material.

CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

Changes in Accounting Policies and New and Amended Standards Adopted

SPS adopted IFRS 16 Leases as required by FReM from 1 April 2022 replacing the previous standard IAS 17 Leases. However, IFRS 16 Leases was not applied for PPP-PFI contracts in the absence of specific guidance last year. Following a guidance on accounting for indexation linked payments for PPP-PFI contracts, SPS re-evaluated the existing on-balance sheet PPP-PFI contracts this year.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2023

The implementation date for IFRS 17 is not yet confirmed and the impact has not yet been determined. The Financial Reporting Advisory Board are considering implementation of the standard in the public sector.

Key sources of judgement and estimation uncertainty, estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Agency makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Agency makes judgements in applying accounting policies. The estimates, assumptions and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the financial statements in the next financial year are addressed below within the individual accounting policies and notes to the accounts.

The most significant estimates made relate to the valuation of SPS properties and the sums recorded in provisions and contingent liabilities for staff and prisoner claims at 31 March. To assist the SPS with the estimates in valuing property in accordance with the FReM, SPS commissions a professionally qualified Royal Institution of Chartered Surveyors (RICS) accredited firm to undertake a five-year rolling programme of valuations. The valuations are prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards, commonly known as the Red Book which incorporates the International Valuation Standards (IVS) and having regard to the UK National Supplement. Specialised operational dwellings and other buildings not falling under full valuation rolling programme within that year are estimated based on desktop valuation exercise or an indexation basis.

The SPS engages the services of the Scottish Government Legal Directorate, the Department of Work and Pensions and other legal firms to assist in preparing estimates of potential liabilities for staff and prisoner claims. The SPS also engages the services of professional accountancy firms to assist in the estimates for PFI/PPP Contracts and other Service Concession Arrangements.

CHANGE IN ACCOUNTING ESTIMATE

Property, Plant and Equipment

Title to the freehold land and buildings shown in the accounts is held in the name of the Scottish Ministers.

Land

Land is shown at fair value in accordance with the FReM and IFRS13 Fair Value Measurement.

Dwellings and Other Buildings

Non-specialised dwellings and other buildings are shown at fair value less subsequent depreciation in accordance with the FReM and IFRS13 Fair Value Measurement.

Specialised operational dwellings are valued using the Depreciated Replacement Cost (DRC) method in accordance with the FReM.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Valuation and useful life estimates in respect of SPS land and buildings have been supplied by Graham + Sibbald - a Royal Institute of Chartered Surveyors (RICS) Registered Valuer -and have been conducted in accordance with the professional standards RICS Valuation – Global Standards commonly known as the Red Book which incorporates the International Valuation Standards (IVS) and having regard to the UK National Supplement. Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).

The Valuer has regard to UK Valuation Practice Guideline (UK VPGA) 6 for Existing Use Valuation (EUV) for non-specialised operational assets and UK VPGA 1.5 and the RICS UK guidance note titled 'Depreciated Replacement Cost (DRC) Method of Valuation for Financial Reporting' for specialised operational assets.

A full revaluation of land, dwellings and other buildings is carried out as part of a five-year rolling programme in accordance with the FReM. Dwellings and other buildings not falling under full valuation rolling programme are estimated based on desktop valuation exercise or an indexation basis based on appropriate indices supplied by the Valuer. The normal threshold for capitalisation of land and buildings is £1,000.

Plant and Equipment, Fixtures and Fittings, Motor Vehicles and Information Technology

Depreciated historic cost has been used as a proxy for the fair value of plant and equipment, fixtures and fittings, motor vehicles and information technology. All the assets in these categories have low values and short useful economic lives which realistically reflect the life of the asset and a depreciation charge which provides a realistic reflection of consumption. The normal threshold for capitalisation of assets in these categories is £1,000.

Assets under Construction

Assets under construction are carried at the costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets under construction are transferred to either the appropriate category of property, plant and equipment or intangible assets when completed and ready for use.

Revaluation Reserve

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to the revaluation reserve in taxpayers' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve directly in equity; all other decreases, including permanent diminutions as a result of a clear consumption of economic benefits or service potential, are charged to the statement of comprehensive net expenditure.

Depreciation is charged to expenditure on the revalued amount of assets. An element of the depreciation therefore arises due to the increase in valuation and is in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to this excess is a realised gain on revaluation and is transferred from the revaluation reserve to the general fund.

Depreciation

Land held under freehold is not depreciated. Assets under construction are not depreciated until the asset under construction is capable of operating in the manner intended by management.

Depreciation and amortisation is provided on all other tangible and intangible non-current assets at rates calculated to write off the valuation, less estimated residual values, of each asset evenly over its expected useful life. Asset lives are assessed on an asset-by-asset basis as follows:

| | |
|--|------------------------|
| Freehold buildings | Not exceeding 80 years |
| Buildings held under PFI/PPP contracts | Not exceeding 80 years |
| Fixed Plant | Not exceeding 40 years |
| Fixtures and Fittings | 3 - 20 years |
| Plant and Equipment | 3 - 20 years |

| | |
|--|----------------------|
| Motor Vehicles held under Scottish Court Custody and Prisoner Escort Service | unexpired lease term |
| Other Motor Vehicles | 5 - 10 years |
| Information Technology Equipment | 3 - 10 years |
| Information Technology - Software | 3 - 10 years |
| Information Technology – Licences | unexpired lease term |

Depreciation and amortisation is not charged in the month of acquisition but is charged over the useful economic life and in the month of disposal.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive net expenditure. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to the general fund.

Assets Held for Sale

A property is derecognised and held for sale under IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations when all of the following requirements are met:

- It is available for immediate sale;
- A plan is in place, supported by management and steps have been taken to conclude the sale; and
- It is actively marketed and there is an expectation that the sale will be made in less than 12 months.

Assets held for sale include assets where SPS intends and expects to sell within one year from the date of classification of held for sale. Assets classified as held for sale are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. Assets classified as held for sale are not subject to depreciation or amortisation.

Donated Assets

In Accordance with IAS16 Property, Plant and Equipment and the HM Treasury Financial Reporting Manual, donated assets are capitalised at their fair value on receipt and this value is recognised as income and taken to the Statement of Comprehensive Net Expenditure. The donated assets are revalued, depreciated and subject to impairment review in the same way as non-current assets. Subsequent revaluations are taken to the revaluation reserve. Where the donator has imposed a condition that the future economic benefits embodied in the donation are consumed as specified by the donor, or returned to them, then the receipt is treated as deferred income.

Intangible Assets

Intangible assets are valued on a historic cost basis. Future economic benefit has been used as the criteria on assessing whether an intangible asset meets the definition and recognition criteria of IAS38 Intangible Assets where assets do not generate income. IAS38 defines future economic benefit as, 'revenue from the sale of products or services, cost savings, or other benefits resulting from the use of the asset by the entity.'

Amortisation is applied at rates calculated to write off the cost by equal instalments over the estimated useful life.

Impairment

Impairments are recognised in accordance with IAS 36 Impairment of Assets as adapted by the FReM. An impairment reflects a diminution in the value of an asset as a result of a clear consumption of economic benefits or service potential.

At each reporting date, the department assesses all assets for indications of impairment. If any such indications exist, the assets in question are tested for impairment by comparing the carrying value of those assets with their recoverable amounts. If the recoverable amount of an asset is less than its carrying value, the carrying value of the asset is reduced to its recoverable amount.

When an asset's carrying value decreases as a result of a permanent diminution in the value of the asset due to a clear consumption of economic benefit or service potential, the decrease is charged directly to net operating costs in the SoCNE. If the asset has previously been revalued, any remaining revaluation reserve balance (up to the level of the impairment loss) is released to the General Fund.

Any reversal of an impairment loss is recognised in the SoCNE to the extent that the original charge, adjusted for subsequent depreciation, was previously recognised, with any remaining amount recognised in the revaluation reserve.

Leases

Government bodies typically lease properties used for administrative purposes for reasons of efficiency and flexibility. SPS determines whether to lease or purchase based on value for money considerations, such as whether the underlying asset is required for its entire life or for a more limited period. IFRS 16 introduces a single lease accounting model that requires a lessee to recognise assets and liabilities for all leases (apart from the exemptions listed below).

Scope and Exclusions – SPS as Lessee

In accordance with IFRS 16 Leases, contracts, or parts of contracts, that convey the right to control the use of an asset for a period of time are accounted for as leases.

Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, incorporating both the right to obtain substantially all the economic benefits from the asset and to direct its use. If so, the relevant part of the contract is treated as a lease.

When making the above assessments, SPS excludes two types of leases. Firstly, those relating to low value items, which it considers as those where the underlying asset would have a cost of less than £1,000 when new, provided those items are not highly dependent on or integrated with other items.

Secondly, contracts whose term (comprising the non-cancellable period together with any extension options SPS is reasonably certain to exercise and any termination options SPS is reasonably certain not to exercise) is less than twelve months.

Initial Recognition – SPS as Lessee

At the commencement of a lease, SPS recognises a right-of-use asset and a lease liability.

The lease liability is measured at the value of the remaining lease payments discounted either by the interest rate implicit in the lease, or where this is not readily determinable, SPS' incremental rate of borrowing. This rate is advised annually by HMT in the annual PES paper with 4.72% for the current year (0.95% for leases recognised at 1 April 2022). Where the lease includes extension or termination options, the lease payments will be for the non-cancellable period together with any extension options SPS is reasonably certain to exercise and any termination options SPS is reasonably certain not to exercise.

In the event that a lease contract has expired, but SPS remains in occupation pending negotiations for a renewed term, the lease term has been measured as the estimated time until the new contract will be agreed.

The measurement of lease payments excludes any VAT payable, and irrecoverable VAT is expensed at the point it falls due in line with IFRIC 21 Levies. The right-of-use asset is measured at the value of the lease liability, adjusted for: any lease payments made before the commencement date; any lease incentives received; any incremental costs of obtaining the lease; and any costs of removing the asset and restoring the site at the end of the lease.

Enhancements to leased assets such as alterations to a leased building are not classified within right-of-use assets but remain classified as property, plant and equipment in accordance with the FReM.

Subsequent Measurement – SPS as Lessee

After initial recognition, the right-of-use asset will be measured using the fair value model. SPS considers that the cost model (measurement by reference to the lease liability) is a reasonable proxy for fair value, in the case of non-property leases, and for property leases of less than five years or with regular rent reviews. In case of property leases exceeding five years without regular rent reviews, periodical assessments are done to measure the fair value of the right of use assets.

The value of the asset will be adjusted for subsequent depreciation and impairment, and for reassessments and modifications of the lease liability as described below. Where the amount of a reduction to the asset exceeds the carrying value of the asset, the excess amount is recognised in expenditure.

The lease liability will be adjusted for the accrual of interest, repayments, reassessments, and modifications.

Reassessments are reappraisals of the probability of the options given by the existing lease contract, for example where we no longer expect to exercise an option; modifications are changes to the lease contract.

Reassessments and modifications are accounted for by discounting the revised cash flows: using a revised discount rate where SPS becomes or ceases to be reasonably certain to exercise or not exercise an extension or termination option, or the lease is modified to amend the non-cancellable period, change the term of the lease, change the consideration or the scope; or at the existing discount rate where there is a movement in an index or rate that will alter the cash flows, or the amount payable under a residual value guarantee changes.

Expenditure for each financial year includes interest on the lease liability and a straight-line depreciation charge on the right-of-use asset over the life of the lease, together with any impairment of the right-of-use asset and any change in variable lease payments, that was not included in the measurement of the lease payments during the period in which the triggering event occurred. Rental payments in respect of leases of low value items, or with a term under twelve months, are also expensed.

Estimates and Judgements

Where a lease is embedded in a contract for services, the amount to be recognised as the right-of-use asset and lease liability should be the stand-alone price of the lease component only. Where this is not readily observable, a determination will be made by reference for other observable data, such as the fair value of similar assets or price of contracts for similar non-lease components.

As discussed above, SPS has determined the lease term by assessing the level of certainty as to whether termination or extension options will be exercised. In making these judgements, reliance has been placed on the professional judgement of Estates staff, supported by information on corporate asset management plans, other business strategies, investment already made in the underlying asset, ongoing business needs and market conditions.

SPS has determined that the cost model is a reasonable proxy for fair value in most cases, because the rents payable are aligned to open market rates except when there are no periodical rent reviews for long-term property leases in which case assessments are carried out.

Financial Instruments

The SPS does not hold any complex financial instruments. The only financial instruments included in the accounts are trade and other receivables, cash and cash equivalents, trade and other payables and PFI/Other Service Concession Arrangements. Trade and other receivables are recognised at fair value less any impairment for any amounts assessed as irrecoverable.

An impairment of debt for irrecoverable amounts is made where there is evidence that the SPS will be unable to collect an amount due in accordance with agreed terms. Liabilities including trade and other payables and PFI/Other Service Concession Arrangements are recognised at fair value. Where the effect is material, estimated cash flows of financial liabilities are discounted.

The SPS has considered its exposure to the following risks from the use of financial instruments:

- **Liquidity Risk**
Liquidity risk is the funding risk to SPS that liabilities cannot be met when they fall due or can only be met at an uneconomic price. SPS has no borrowings and relies primarily on funding from the Scottish Government for its cash requirements. SPS is therefore, not exposed to liquidity risks.
- **Credit Risk**
Credit risk is the risk of financial loss to SPS if a debtor or counter party fails to meet its contractual obligations and arises from the trade receivables and other debtors.

SPS carries out appropriate credit checks on potential customers before significant sales transactions are entered into in order to mitigate the credit risk from any single counterparty. The maximum exposure to credit risk is represented by the carrying value of trade receivables on the statement of financial position.

- **Market Risk**
Market risk is the risk to SPS that the value of an investment will decrease due to moves in market factors. SPS has no material deposits, and all material assets and liabilities are denominated in Sterling. SPS is not, therefore, exposed to interest rate or currency risk.
- **Cash and Cash Equivalents**
Cash and cash equivalents include cash in hand, deposits held at call with banks, cash balances held by the Government Banking Service and other short-term highly liquid investments with original maturities of three months or less.
- **Inventories**
Inventories are assets in the form of materials or supplies which are consumed or distributed in the course of SPS operations. Inventories include equipment, uniforms, locks and other operational consumables and are included in the Statement of Financial Position (SOFP).

Stock and work in progress are valued as follows:

- Finished goods are valued at the lower of cost or, where materially different, current replacement cost and net realisable value.
- Work in progress is valued at the lower of cost, including appropriate overheads, and net realisable value.
- **Service Concessions and Private Finance Contracts**
SPS assesses the contracts that utilise assets to determine if the contract represents a service concession arrangement under the conditions of IFRIC 12, Service Concession Arrangements. Contracts which meet the recognition criteria are recognised in the statement of financial position.
- **PFI/PPP Contracts**
PFI/PPP transactions are accounted for in accordance with IFRIC 12, as adapted for the public sector context by the FReM.

The SPS had awarded Public Private Partnership (PPP) contracts, to design, construct, manage and finance prisons at HMP Kilmarnock and HMP Addiewell. Both contracts were let for 25 year operating periods, commencing in March 1999 for HMP Kilmarnock and in December 2008 for HMP Addiewell. HMP Kilmarnock has been transferred to SPS in March 2024 after the expiration of the contract period.

Assets and liabilities that are assessed to be on balance sheet are measured as follows:

- Where the contract is separable between the service element, the interest charge and the infrastructure asset, the asset will be measured in accordance with IFRS 16 Leases, with the service element and the interest charge recognised as incurred over the term of the concession arrangement.
- Where there is a unitary payment stream that includes infrastructure and service elements that cannot be separated, the various elements will be separated using estimation techniques including obtaining information from the operator or using the fair value approach.

The SPS recognises a liability for the capital value of the contract. That liability does not include the interest charge and service elements, which are expensed annually through the statement of comprehensive net expenditure.

Assets are subsequently measured consistently with other assets in their class using IAS16, Property, Plant and Equipment, adopting an appropriate asset revaluation approach. Liabilities are measured using the appropriate discount rate, taking account of the reduction arising from capital payments included in the unitary payment stream. Any revenue received by SPS is recognised in line with IFRS 15, Revenue from Contracts with Customers.

In both, the financial models supplied by each project operators do not separately identify a costed lifecycle maintenance programme. SPS has therefore opted not to set aside amounts from the unitary payment as payment for lifecycle maintenance. Instead, when the project operators replace a capital asset, the fair value of this replacement item is recognised as property, plant and equipment, balanced by a credit to the revaluation reserve. Subsequent depreciation on these assets shall be accounted with the available revaluation reserve.

The replaced asset's existing value is written out of property, plant and equipment and either impaired or debited to the revaluation reserve.

Other Service Concession Arrangements

The Scottish Court Custody and Prisoner Escort Service Contract meets the requirements of IFRIC 12 and are recognised in these accounts as a service concession arrangement.

The infrastructure assets related to this contract are recognised as non-current assets. These assets are accounted for in the same manner as other assets within the same class.

The useful economic life was determined as the duration of the contract. The interest rate used was derived by comparing the total payments under the contract to the element which constitutes capital repayment.

Where the SPS meets the controls test under IFRIC 12, the underlying assets are recognised on the statement of financial position. For leased assets, the lease is treated according to IFRS16 Leases, and the asset and corresponding liability is capitalised.

In accordance with IFRS 16 Leases, lease liabilities have been remeasured for any change in future lease payments resulting from a change in an index or a rate used to determine those payments. The liabilities under PPP/PFI contracts and SCA have been remeasured at 1 April 2023 to include the actual indexation-linked changes to payments for the capital/infrastructure element which have taken effect in the cash flows since the contracts were included in the balance sheet. The effect has been raised based on cumulative catch-up approach with cumulative effect recognised as an adjustment to the opening balance of general fund.

Income

SPS accounts for income in accordance with the recognition criteria set out in IFRS15 Revenue from contracts with customers. SPS revenue contracts do not span across financial years. The main sources of income for SPS include sales from prisoner's canteen, sale of goods produced by prison industries and income from the prisoner telephone system. Income is recognised when the amounts can be reliably measured, and services have been rendered and/or goods dispatched. Income is stated net of VAT.

All revenue grants are matched with the expenditure to which they relate.

EMPLOYEE BENEFITS

Short-term Employee Benefits

Salaries, wages and employment-related payments are recognised in the year in which the service is received from employees. The cost of annual leave and flexible working time entitlement earned but not taken by employees at the end of the year is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following year.

Pension Costs and Other Post-retirement Benefits

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS), which are unfunded multi-employer defined benefit schemes, but the SPS is unable to identify its share of the underlying assets and liabilities.

The schemes are accounted for as a defined contribution schemes under the multi-employer exemption permitted in IAS19 Employee Benefits. The SPS recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS/CSOPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS/CSOPS.

In respect of the defined contribution schemes, the SPS recognises the contribution payable for the year. Early severance payment obligations are expensed in the year in which the decision of the departure is agreed. Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill health. The full amount of the liability for the additional costs is charged to the outturn statement at the time the SPS commits itself to the retirement, regardless of the method of payment.

In previous years, the SPS met the additional costs in respect of employees who retired early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The SPS provided for this in full when the early retirement programme became binding by establishing a provision for the estimated payments.

Termination Benefits

SPS accounts for termination benefits in accordance with IAS 19 Employee benefits. Termination benefits are payable as a result of a decision to terminate an employee's employment before the normal retirement date, and the liability is recognised when the offer of the benefits can no longer be withdrawn at the earlier of i) acceptance of the offer by the employee or ii) when a legal, regulatory or contractual restriction on the ability to withdraw the offer takes effect.

Provisions and Contingent Liabilities

In accordance with IAS37 Provisions, Contingent Liabilities and Contingent Assets, provisions for staff and prisoner claims, are recognised in the statement of financial position when the SPS has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefit will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected, risk adjusted and future cash flows using the discount rate prescribed by HM Treasury.

Related Party Transactions

Material related party transactions are disclosed in the notes to the accounts in line with the requirements of IAS24 Related party disclosures.

Value Added Tax

The majority of services provided by the SPS fall out with the scope of Value Added Tax (VAT). However, the manufacturing and sale of goods to external bodies is subject to VAT on both inputs and outputs. The SPS can recover this input VAT as well as VAT on certain contracted-out services. Income is shown in the accounts net of recoverable VAT.

Insurance

With the exception of Public Private Partnership contracts, no outside insurance is affected against fire, explosion, common law, third party and similar risks, except where there is a statutory requirement to do so.

Third Party Assets

SPS holds as custodian monies belonging to third parties. These assets are not recognised on the Statement of Financial Position and are disclosed within the notes to the accounts.

Segmental Reporting

The SPS currently operates three segments, namely:

- Public Prisons
- Private Prisons; and
- Scottish Court Custody and Prisoner Escort Services (SCCPES)

IFRS 8 Segmental Reporting requires operating segments to be identified on the basis of internal reports about components of the SPS that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and assess their performance. The SPS reports segmental information within its consolidated operating cost statements which are prepared on the basis of its portfolios.

Events After the Reporting Period

Events after the Reporting Period are events that occur between the end of the reporting year and the date of the Annual Report and Accounts being authorised for issue. In accordance with IAS10 Events after the Reporting Period, events are either adjusting or non-adjusting.

Adjusting events are those that provide evidence of conditions that existed at the end of the reporting year. Non-adjusting events are those that are indicative of conditions arising after the reporting year. Events after the reporting period which have had an effect on the Annual Report & Accounts for 2023-24 are disclosed in Note 23.



2. Income

| | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Income from sale of goods/services | | |
| Income from prisoner's canteen | 5,877 | 5,364 |
| Sale of prison industries | 446 | 373 |
| Prisoner telephone system income | 714 | 437 |
| Profit on sale of assets | 18 | 15 |
| Other income | 320 | 236 |
| | 7,375 | 6,425 |
| | | |
| Non-cash revenue grant | 0 | 0 |
| Other operating income | 88 | 130 |
| | 7,463 | 6,555 |

Income from the sale of goods and services includes sales of goods produced by prison industries, income from the prisoner telephone system and sales to prisoners through the prison canteen.



3. Other Expenditure

| | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Staff Costs | | |
| Wages and Salaries | 175,751 | 162,351 |
| Social Security Costs | 18,326 | 17,640 |
| Other Pension Costs | 44,399 | 41,701 |
| PFI service charges | 43,189 | 39,634 |
| Prisoner escort and court custody service | 30,340 | 28,862 |
| Repairs and maintenance | 14,192 | 15,642 |
| IT Purchases | 3,125 | 2,192 |
| Victualling and other supplies | 20,094 | 17,681 |
| Other current expenditure | 17,833 | 16,624 |
| Heat, light, telephone etc. | 19,265 | 14,276 |
| Interest charges | 17,611 | 5,711 |
| Rates | 7,760 | 6,616 |
| Other staff related costs | 7,746 | 9,816 |
| General expenditure | 5,497 | 4,215 |
| Prisoner earnings | 3,247 | 2,767 |
| PPP/PFI contingent rent | 0 | 5,155 |
| Short-term and low value leases | | |
| - Land and buildings | 88 | 464 |
| - Other | 12 | 25 |
| Non-cash items | | |
| Depreciation and impairment | 65,298 | 47,035 |
| Auditors' remuneration | 117 | 110 |
| Provisions (utilised)/provided for in year | 1,113 | (2,756) |
| Accruals written back in the year | 0 | (1,000) |
| Use of non-cash revenue grant | 0 | 0 |
| Loss on disposal of assets | 54 | 80 |
| Borrowing costs of provisions (unwinding of discount on provisions) | 180 | (185) |
| | 495,237 | 434,656 |

Staff costs shown in this table differ from those included in the Staff Report as they include costs for non-permanent staff and are net of recharges for outward secondees. Further analysis of staff costs is located in the Staff Report on page 70 in the Accountability Section. The decrease in other staff related costs relates mainly to a decrease in compensation payments.

Interest charges £17,611k (which includes PPP-PFI liability remeasurement of £8,903k) and borrowing costs of provisions £185k represent the finance expense in the SoCNE. Other expenditure in the SoCNE is the balance remaining after staff costs and finance expenses have been deducted (£238,970k).

Depreciation is applied to tangible, donated and intangible fixed assets. There were impairment charges of £337k in 2023-24 (2022-23 £29k) and net downward valuation of £18,122k in 2023-24 (2022-23 £3,754k).

Higher value items within Other current expenditure included:

| | 2023-24 | 2022-23 |
|--------------------------------|----------------|----------------|
| | £000 | £000 |
| Social work | 5,821 | 5,189 |
| Social care | 2,255 | 2,157 |
| Education fees | 4,832 | 4,728 |
| Cleaning materials & equipment | 2,719 | 2,232 |

4. Property, Plant and Equipment

| Including Donated Assets | Land | Buildings | Dwellings | Motor Vehicles | Plant & Equipment | Computer Equipment | Fixtures & Fittings | AUC | Total |
|--|---------------|----------------|----------------|----------------|-------------------|--------------------|---------------------|---------------|------------------|
| Cost or Valuation | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| At 1 April 2023 | 75,685 | 439,222 | 669,734 | 10,381 | 29,628 | 14,094 | 616 | 117,507 | 1,356,867 |
| Additions | 0 | 0 | 0 | 212 | 3,683 | 492 | 30 | 51,587 | 56,004 |
| Completed AUC | 0 | 53,605 | 33,174 | 0 | 65 | 730 | 0 | (87,574) | 0 |
| Revaluation | (379) | 32,934 | 70,659 | 0 | 0 | 0 | 0 | 0 | 103,214 |
| Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassification | 0 | 2,295 | (2,295) | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | (1,716) | (779) | (17) | (3) | (2,515) |
| At 31 March 2024 | 75,306 | 528,056 | 771,272 | 10,593 | 31,660 | 14,537 | 629 | 81,517 | 1,513,570 |
| Depreciation | | | | | | | | | |
| At 1 April 2023 | 0 | 891 | 500 | 6,542 | 22,285 | 8,480 | 522 | 0 | 39,220 |
| Charged in year | 0 | 16,780 | 24,178 | 980 | 1,923 | 2,235 | 18 | 0 | 46,114 |
| Revaluation | 0 | (16,281) | (23,802) | 0 | 0 | 0 | 0 | 0 | (40,083) |
| Impairment | 153 | 12,779 | 6,774 | 0 | 0 | 0 | 0 | 0 | 19,706 |
| Reclassification | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | (1,689) | (755) | (17) | 0 | (2,461) |
| At 31 March 2024 | 153 | 14,169 | 7,650 | 7,522 | 22,519 | 9,960 | 523 | 0 | 62,496 |
| Carrying Value at 31 March 2024 | 75,153 | 513,887 | 763,622 | 3,071 | 9,141 | 4,577 | 106 | 81,517 | 1,451,074 |
| Carrying Value at 31 March 2023 | 75,685 | 438,331 | 669,234 | 3,839 | 7,343 | 5,614 | 94 | 117,507 | 1,317,647 |
| Asset financing: | | | | | | | | | |
| Owned | 75,153 | 475,326 | 673,778 | 583 | 9,141 | 4,577 | 106 | 81,517 | 1,320,181 |
| SCA | 0 | 0 | 0 | 2,488 | 0 | 0 | 0 | 0 | 2,488 |
| On-balance sheet PFI/PPP | 0 | 38,561 | 89,844 | 0 | 0 | 0 | 0 | 0 | 128,405 |
| Carrying Value at 31 March 2024 | 75,153 | 513,887 | 763,622 | 3,071 | 9,141 | 4,577 | 106 | 81,517 | 1,451,074 |

4. Property, Plant and Equipment (*continued*)

| Including Donated Assets | Land | Buildings | Dwellings | Motor Vehicles | Plant & Equipment | Computer Equipment | Fixtures & Fittings | AUC | Total |
|--|---------------|----------------|----------------|----------------|-------------------|--------------------|---------------------|----------------|------------------|
| Cost or Valuation | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| At 1 April 2022 | 74,759 | 436,253 | 665,156 | 10,421 | 27,113 | 15,928 | 638 | 84,665 | 1,314,933 |
| Additions | 0 | 721 | 1,035 | 89 | 1,109 | 1,017 | 10 | 62,146 | 66,127 |
| Completed AUC | 0 | 12,730 | 13,876 | 0 | 2,345 | 351 | 0 | (29,302) | 0 |
| Revaluation | 1,026 | (10,537) | (10,218) | 0 | 0 | 0 | 0 | 0 | (19,729) |
| Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassification | (20) | 55 | (115) | 0 | 0 | 0 | 0 | 0 | (80) |
| Disposals | (80) | 0 | 0 | (129) | (939) | (3,202) | (32) | (2) | (4,384) |
| At 31 March 2023 | 75,685 | 439,222 | 669,734 | 10,381 | 29,628 | 14,094 | 616 | 117,507 | 1,356,867 |
| Depreciation | | | | | | | | | |
| At 1 April 2022 | 0 | 21,952 | 32,607 | 5,695 | 21,499 | 9,585 | 534 | 0 | 91,872 |
| Charged in year | 0 | 15,341 | 22,463 | 976 | 1,690 | 2,094 | 19 | 0 | 42,583 |
| Revaluation | 0 | (36,411) | (54,550) | 0 | 0 | 0 | 0 | 0 | (90,961) |
| Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassification | 0 | 9 | (20) | 0 | 0 | 0 | 0 | 0 | (11) |
| Disposals | 0 | 0 | 0 | (129) | (904) | (3,199) | (31) | 0 | (4,263) |
| At 31 March 2023 | 0 | 891 | 500 | 6,542 | 22,285 | 8,480 | 522 | 0 | 39,220 |
| Carrying Value at 31 March 2023 | 75,685 | 438,331 | 669,234 | 3,839 | 7,343 | 5,614 | 94 | 117,507 | 1,317,647 |
| Carrying Value at 31 March 2022 | 74,760 | 414,300 | 632,549 | 4,726 | 5,615 | 6,343 | 104 | 84,663 | 1,223,060 |
| Asset financing: | | | | | | | | | |
| Owned | 75,685 | 390,186 | 579,390 | 472 | 7,343 | 5,614 | 94 | 117,507 | 1,176,291 |
| SCA | 0 | 0 | 0 | 3,367 | 0 | 0 | 0 | 0 | 3,367 |
| On-balance sheet PFI/PPP | 0 | 48,145 | 89,844 | 0 | 0 | 0 | 0 | 0 | 137,989 |
| Carrying Value at 31 March 2023 | 75,685 | 438,331 | 669,234 | 3,839 | 7,343 | 5,614 | 94 | 117,507 | 1,317,647 |

5. Right of Use Assets & Lease Liabilities

Our lease contract comprises of lease of land and buildings, plant and equipment and vehicles. The most significant lease is the Wallace House (ROU asset value £4,255k) as at 31 March 2024.

Right of Use Lease Assets

| 2023-24 | Land and Buildings £000 | Other £000 | Total £000 |
|---|-------------------------------|---------------|---------------|
| Cost or valuation | | | |
| At 1 April 2023 | 4,827 | 945 | 5,772 |
| Additions | 0 | 0 | 0 |
| Derecognition | 0 | 0 | 0 |
| Remeasurement | 0 | 0 | 0 |
| Revaluations | 0 | 0 | 0 |
| Impairment | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 |
| Impairment | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 |
| At March 2024 | 4,827 | 945 | 5,772 |
| Depreciation | | | |
| At 1 April 2023 | 250 | 292 | 542 |
| Charged in year | 322 | 292 | 614 |
| Recognition | 0 | 0 | 0 |
| Derecognition | 0 | 0 | 0 |
| Revaluation | 0 | 0 | 0 |
| Reclassification | 0 | 0 | 0 |
| At 31 March 2024 | 572 | 584 | 1,156 |
| Carrying amount at 31 March 2024 | 4,255 | 361 | 4,616 |
| Carrying amount at 1 April 2023 | 4,577 | 653 | 5,230 |

| 2022-23 | Land and Buildings £000 | Other £000 | Total £000 |
|---|-------------------------------|---------------|---------------|
| Cost or valuation | | | |
| At 1 April 2022 | 0 | 939 | 939 |
| Additions | 4,827 | 6 | 4,833 |
| Derecognition | 0 | 0 | 0 |
| Remeasurement | 0 | 0 | 0 |
| Revaluations | 0 | 0 | 0 |
| Impairment | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 |
| Impairment | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 |
| At March 2023 | 4,827 | 945 | 5,772 |
| Depreciation | | | |
| At 1 April 2022 | 0 | 0 | 0 |
| Charged in year | 250 | 292 | 542 |
| Recognition | 0 | 0 | 0 |
| Derecognition | 0 | 0 | 0 |
| Revaluation | 0 | 0 | 0 |
| Reclassification | 0 | 0 | 0 |
| At 31 March 2023 | 250 | 292 | 542 |
| Carrying amount at 31 March 2023 | 4,577 | 653 | 5,230 |
| Carrying amount at 1 April 2022 | 0 | 939 | 939 |

Right of use (RoU) lease assets comprise:

| | 2023-24 £000 | 2022-23 £000 |
|---|-----------------|-----------------|
| Assets valued at net present value of future lease payments | 4,617 | 5,230 |
| Assets valued at depreciated replacement cost (DRC) | 0 | 0 |
| Assets valued at existing use value (EUV) | 0 | 0 |
| Total | 4,617 | 5,230 |

Lease Liabilities

A maturity analysis of contractual undiscounted cash flows relating to lease liabilities is presented below. The cash flows are presented net of irrecoverable VAT.

| | 2023-24 £000 | 2022-23 £000 |
|---|-----------------|-----------------|
| Amounts falling due | | |
| Not later than one year | 662 | 757 |
| Later than one year and not later than five years | 1,642 | 1,896 |
| Later than five years | 3,356 | 3,764 |
| Less interest element | (351) | (408) |
| Balance as at 31 March | 5,309 | 6,009 |
| Current | 611 | 700 |
| Non-current | 4698 | 5,309 |

| | | |
|--------------------------------|--------------|--------------|
| Total lease liabilities | 5,309 | 6,009 |
|--------------------------------|--------------|--------------|

Amounts Recognised in the Statement of Comprehensive Net Expenditure

| | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Depreciation | 614 | 542 |
| Interest expense | 57 | 62 |
| Low value and short-term leases | 99 | 486 |
| Irrecoverable VAT on right of use leases | 100 | 47 |
| Income from sub-leasing right of use assets | 0 | 0 |
| Expense relating to variable lease payments | 0 | 0 |
| Total | 870 | 1,137 |

Amounts Recognised in the Statement of Cash Flows

| | 2023-24 | 2022-23 |
|-----------------------------------|----------------|----------------|
| | £000 | £000 |
| Interest expense | 57 | 62 |
| Repayments of principal on leases | 700 | 482 |
| Total | 757 | 544 |



SCOTTISH

PRISON SERVICE

6. Intangible Assets

| 2023-24 | Information Technology | Software | AUC | Total |
|--|-------------------------------|-----------------|-------------|--------------|
| Cost or valuation | £000 | £000 | £000 | £000 |
| At 1 April 2023 | 33 | 2,235 | 337 | 2,605 |
| Additions | 0 | 3 | 0 | 3 |
| Completed AUC | 0 | 0 | 0 | 0 |
| Impairment | 0 | 0 | 0 | 0 |
| Reclassification | 0 | 0 | 0 | 0 |
| Disposals | 0 | (971) | 0 | (971) |
| At 31 March 2024 | 33 | 1,267 | 337 | 1,637 |
| Amortisation | | | | |
| At 1 April 2023 | 33 | 1,979 | 0 | 2,012 |
| Charged in year | 0 | 113 | 0 | 113 |
| Reclassification | 0 | 0 | 0 | 0 |
| Impairment | 0 | 0 | 337 | 337 |
| Disposals | 0 | (971) | 0 | (971) |
| At 31 March 2024 | 33 | 1,121 | 337 | 1,491 |
| Carrying Value at 31 March 2024 | 0 | 146 | 0 | 146 |
| Carrying Value at 31 March 2023 | 0 | 256 | 336 | 592 |
| Asset financing: Owned | 0 | 146 | 0 | 146 |
| 2022-23 | Information Technology | Software | AUC | Total |
| Cost or valuation | £000 | £000 | £000 | £000 |
| At 1 April 2022 | 1,131 | 3,035 | 367 | 4,533 |
| Additions | 0 | 0 | 0 | 0 |
| Completed AUC | 0 | 0 | 0 | 0 |
| Impairment | 0 | 0 | (31) | (31) |
| Reclassification | 0 | 0 | 0 | 0 |
| Disposals | (1,098) | (800) | 0 | (1,898) |
| At 31 March 2023 | 33 | 2,235 | 336 | 2,604 |
| Amortisation | | | | |
| At 1 April 2022 | 1,130 | 2,626 | 0 | 3,756 |
| Charged in year | 0 | 153 | 0 | 153 |
| Reclassification | 0 | 0 | 0 | 0 |
| Impairment | 0 | 0 | 0 | 0 |
| Disposals | (1,097) | (800) | 0 | (1,897) |
| At 31 March 2023 | 33 | 1,979 | 0 | 2,012 |
| Carrying Value at 31 March 2023 | 0 | 256 | 336 | 592 |
| Carrying Value at 31 March 2022 | 1 | 409 | 367 | 777 |
| Asset financing: Owned | 0 | 256 | 336 | 592 |

7. Financial Instruments

As the cash requirements of the SPS are met through the spending review process, financial instruments play a more limited role in creating and managing risk than in a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with the SPS' expected purchase and usage requirements and the SPS is therefore exposed to little credit, liquidity or market risk.

8. Impairment Analysis

| Property, Plant and Equipment | 2023-24 | 2022-23 |
|--------------------------------------|----------------|----------------|
| | £000 | £000 |
| Downward valuation charged to SoCNE | 19,707 | 3,754 |
| Impairment charge | 337 | 29 |
| Impairment reversal | (1,585) | 0 |
| Revaluation reserve | 57,947 | 3 |
| Total | 76,406 | 3,786 |

The net impairment as at the 31 March 2024 was £76,406k, which primarily relates (£57,947k) to the downward revaluation following the valuations as at 31 March 2024. This included HMP Stirling which became operational in 2023-24 therefore, the Asset Under Construction costs were transferred to PPE. HMP Stirling was then valued by the external valuers as at 31 March 2024, and a revaluation adjustment applied (-£19,355k). This downward revaluation was charged to the SoCNE due to the asset being newly operational in year, therefore no revaluation reserve balance exists. There was also an upward revaluation for the Community Custodial Units valuations at 31 March 2024 which resulted in a reversal of £1,585k from the previous years SoCNE charge.

A further £337k charge as an impairment to SoCNE relates to the PR2 system project. The initial project which had costs allocated to Asset Under Construction has not progressed following a review of the effectiveness of the outcomes it would achieve.

9. Assets Classified as Held for Sale

| | 2023-24 | 2022-23 |
|--------------------|----------------|----------------|
| | £000 | £000 |
| At 1 April | 68 | 0 |
| Reclassification | 0 | 68 |
| Revaluation | 0 | 0 |
| Disposals | (68) | 0 |
| At 31 March | 0 | 68 |

10. Inventories

The main categories of inventories held are:

| | 2023-24 | 2022-23 |
|--|----------------|----------------|
| | £000 | £000 |
| Consumables | 2,143 | 3,213 |
| Works, estates, and locks | 1,157 | 1,085 |
| Industries raw materials, work in progress and finished goods for resale | 1,699 | 1,262 |
| Provision for obsolete stock - specific | (93) | (1,307) |
| | 4,906 | 4,253 |

11. Trade and Other Receivables

Analysis by type

| | 2023-24 | 2022-23 |
|---------------------------------------|----------------|----------------|
| | £000 | £000 |
| Amounts due within one year: | | |
| Recoverable VAT | 5,735 | 6,667 |
| Trade receivables | 139 | 142 |
| Other receivables | 581 | 256 |
| Prepayments and accrued income | 1,713 | 2,417 |
| | 8,168 | 9,482 |
| Amounts due after more than one year: | | |
| Other receivables | 29 | 38 |
| | 29 | 38 |
| Total | 8,197 | 9,520 |

12. Cash and Cash Equivalents

| | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Balance at 1 April | 828 | 813 |
| Net change in cash and cash equivalents | 40 | 15 |
| Balance at 31 March | 868 | 828 |

The following balances at 31 March were held at:

| | | |
|----------------------------|------------|------------|
| Government Banking Service | 642 | 603 |
| Commercial Banks | 199 | 184 |
| Cash in hand | 27 | 41 |
| Balance at 31 March | 868 | 828 |

13. Trade and Other Payables

| Analysis by type: | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Amounts due within one year: | | |
| Other taxation and social security | 4,527 | 4,036 |
| Trade payables | 6,349 | 11,519 |
| Accruals and deferred income | 29,724 | 26,722 |
| Other payables | 4,977 | 4,230 |
| Amounts due to Justice Department | 868 | 828 |
| PFI/PPP and other service concession arrangements <1 year | 8,805 | 5,250 |
| | 55,250 | 52,585 |
| Amounts due after more than one year: | | |
| PFI/PPP and other service concession arrangements >1 year | 101,973 | 67,794 |
| Other accruals | 1,812 | 1,881 |
| | 103,785 | 69,675 |
| Total | 159,035 | 122,260 |

14. Provisions for Liabilities and Charges

| | 2023-24 | 2023-24 | 2023-24 | 2023-24 | 2022-23 |
|---|-----------------|----------------|----------------|----------------|----------------|
| | £000 | £000 | £000 | £000 | £000 |
| | Prisoner | Injury | Other | Total | Total |
| | Claims | Benefit | Charges | | |
| Balance at 1 April | 1,412 | 10,327 | 2,554 | 14,293 | 17,232 |
| Provided in the year | 899 | 511 | 5,358 | 6,768 | 1,913 |
| Provisions utilised in the year | (224) | (686) | (3,898) | (4,808) | (1,243) |
| Unwinding of discount | 0 | 175 | 5 | 180 | (184) |
| Provisions not required written back | (228) | (142) | (657) | (1,027) | (3,425) |
| Balance at 31 March | 1,859 | 10,185 | 3,362 | 15,406 | 14,293 |
| | 2023-24 | 2023-24 | 2023-24 | 2023-24 | 2022-23 |
| | £000 | £000 | £000 | £000 | £000 |
| | Prisoner | Injury | Other | Total | Total |
| | Claims | Benefit | Charges | | |
| Not later than one year | 1,859 | 665 | 2,918 | 5,442 | 4,083 |
| Later than one year and not later than five years | 0 | 2,506 | 0 | 2,506 | 2,356 |
| Later than five years | 0 | 7,014 | 444 | 7,458 | 7,854 |
| Balance at 31 March | 1,859 | 10,185 | 3,362 | 15,406 | 14,293 |

Prisoner Claims

A number of historical claims brought by prisoners which concerned prison conditions remain in the courts.

There are various reasons for this including the withdrawal of the Solicitors acting for the offender. These have been reported in previous Annual Reports.

A number of other recent convention rights claims have been lodged in court and provision has been made for these. These challenges relate to Articles 3, 6, 8 and 9 of the European Convention of Human Rights.

Section 14 of the Scotland Act 2012 repealed the Convention Rights Proceedings (Amendment) (Scotland) Act 2009 and amended the Scotland Act 1998 to provide a one-year time limit for convention rights claims similar to that contained in the Human Rights Act 1998. This means that a convention rights claim brought against Scottish Ministers must be brought against Scottish Ministers within one year unless a court or tribunal considers it 'equitable having regard to all circumstances' to allow a claim out with this time limit.

Injury Benefits

Injury Benefits include estimates of amounts payable to former employees for loss of earnings under the Civil Service Injury Benefit Scheme.

Other Charges

Other charges include estimates of amounts payable for staff compensation and related costs as well as demolition and dilapidation costs.

15. Commitments under PFI Contracts and Other Service Concession Arrangements

The total amount charged in the Statement of Comprehensive Net Expenditure in respect of the service element of on-balance sheet PFI and other service concession transactions was £73,529k (2022-23 £73,650k, £68,495k when excluding the contingent rent portion disclosed as service charges). Total future obligations under on-balance sheet PFI and other service concession arrangements are given in the table below for each of the following periods:

Minimum Lease Payments:

| | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Due within one year | 58,208 | 74,297 |
| Due later than one year and not later than five years | 222,447 | 226,685 |
| Due later than five years | 283,277 | 325,947 |
| Total | 563,932 | 626,929 |
| Less: interest element | (46,651) | (33,645) |
| Present value | 517,281 | 593,284 |

Service Elements Due in Future Periods, included above, are:

| | 2023-24 | 2022-23 |
|---|----------------|----------------|
| | £000 | £000 |
| Due within one year | 41,369 | 63,761 |
| Due later than one year but not later than 5 years | 158,001 | 186,076 |
| Due later than 5 years | 207,132 | 270,403 |
| Total service elements due in future periods | 406,502 | 520,240 |

PFI Contracts

The SPS has awarded Public Private Partnership (PPP) contracts, to design, construct, manage and finance prisons at HMP Kilmarnock and HMP Addiewell. Both contracts were let for 25 year operating periods, commencing in March 1999 for HMP Kilmarnock and in December 2008 for HMP Addiewell. The operations for HMP Kilmarnock were transferred to SPS in March 2024 after the end of the contract. HMP Addiewell continues to be treated as on-balance sheet in accordance with IFRIC 12, Service Concession Arrangements.

The minimum lease payments that SPS is committed to make over the remainder of the respective contract periods are included in the above table in respect of HMP Addiewell. The annual payments will vary over the remaining life of each contract in accordance with the specified indexation and unitary charge mechanisms.

Other Service Concession Arrangements

In March 2018, the SPS awarded a contract for Scottish Court Custody and Prisoner Escort services to GEOAmev PECS. The contract was let for an eight-year period with an option to extend for a further four years. The service commenced in January 2019 and expires in January 2027. The vehicles provided with the service are treated as on-balance sheet in accordance with IFRIC 12, Service Concession Arrangements.

The minimum lease payments that SPS is committed to make over the remainder of the respective contract periods are included in the above table. The annual payments will vary over the remaining life of the contract in accordance with the specified indexation and unitary charge mechanisms.

In the event of termination of these contracts, in accordance with Scottish Government guidance, the SPS has committed to pay certain amounts to the contractor according to defined formulae in the respective contracts. The specific value of the termination sum would depend on the reason for termination and the timing in relation to the contract expiry date.

A copy of the contracts for HMP Kilmarnock, HMP Addiewell and Scottish Court Custody and Prisoner Escort Services are available on the SPS website www.sps.gov.uk.

16. Capital Commitments

Contracted capital commitments at 31 March not otherwise included in these accounts:

| | 2023-24 | 2022-23 |
|-------------------------------|----------------|----------------|
| | £000 | £000 |
| Property, plant and equipment | <u>31,385</u> | <u>32,962</u> |

17. Contingent Liabilities

The Agency has the following contingent liabilities:

| | 2023-24 | 2022-23 |
|-----------------|---------------------|---------------------|
| | £000 | £000 |
| Prisoner claims | <u>1,736</u> | <u>1,668</u> |
| Other charges | <u>771</u> | <u>433</u> |
| | <u>2,507</u> | <u>2,101</u> |

Other contingent liabilities include amounts in respect of claims by staff for potential liability in cases where challenges have been made against SPS but which await legal consideration or court decisions.

Prisoner claims relate to amounts for potential liability in cases where challenges have been made against SPS but which await court consideration.

18. Notional Charges

The following notional charge has been included in the accounts:

| | 2023-24 | 2022-23 |
|-------------------------------------|-------------------|-------------------|
| | £000 | £000 |
| Statutory audit services | <u>117</u> | <u>110</u> |
| Total auditor's remuneration | <u>117</u> | <u>110</u> |

The audit fee is a notional charge, as notified to us by our auditors, Audit Scotland.

19. Key Financial Target

The annual average cost per prisoner place, which excludes capital charges, exceptional payments and the cost of the Court Custody and Prisoner Escort contract, in 2023-24 was £47,140 (2022-23 £44,620).

For information purposes, the actual annual average cost per prisoner place, calculated on a resource accounting basis (including depreciation and impairment charges), in 2023-24 was £54,992 (2022-23 £50,578).

The actual annual average cost per prisoner place including exceptional payments in 2023-24 was £47,221 (2022-23 £44,677). Exceptional payments include charges/release of provisions for prisoner compensation and related costs.

20. Related Party Transactions

The SPS is an Executive Agency of the Scottish Government. The Scottish Government is regarded as a related party with which the SPS has various material transactions during the year. In 2023-24, none of the Board Members, members of key management staff or other related parties has undertaken any material transactions with the SPS.

21. Third Party Assets

At 31 March 2024 the SPS operated bank accounts holding funds in respect of prisoners monies and common good funds. The balances on these accounts are held on behalf of prisoners and are therefore not included in the financial statements. The value of the funds held in these accounts are set out in the tables below.

21.1 Prisoners Funds

| | 2023-24 | 2022-23 |
|--------------------------------|----------------|----------------|
| | £000 | £000 |
| Balance as at 1 April | 1,174 | 1,037 |
| Funds paid In during the year | 10,716 | 9,712 |
| Funds paid out during the year | (10,459) | (9,575) |
| Balance at 31 March | 1,431 | 1,174 |

21.2 Common Good Fund

| | 2023-24 | 2022-23 |
|--------------------------------|----------------|----------------|
| | £000 | £000 |
| Balance as at 1 April | 205 | 253 |
| Funds paid In during the year | 273 | 356 |
| Funds paid out during the year | (296) | (404) |
| Balance at 31 March | 182 | 205 |

The Common Good Fund in each establishment exists for the benefit of the prisoners in custody at that establishment.

22. Analysis of Net Expenditure by Segment

The SPS currently operates three segments, namely:

- Public Prisons
- Private Prisons; and
- Scottish Court Custody and Prisoner Escort Services (SCCPES)

The SPS is legally required to deliver custodial services for all those sent to it by the courts. During 2023-24 there were fifteen publicly managed prisons and two privately-managed prisons.

The location of each of the establishments is listed in **Appendix 1**. SPS agrees a service framework with each public sector prison and manages private sector providers of prisons and custodial services under contract arrangements.

Copies of the services agreements with the publicly managed prisons and contracts with the privately managed providers of custodial services are available on the SPS website www.sps.gov.uk

| | 2023-24 | | | | 2022-23 | | | |
|-------------------------------------|------------------|-----------------|---------------|------------------|------------------|-----------------|---------------|------------------|
| | Public Prisons | Private Prisons | SCCPES | Total | Public Prisons | Private Prisons | SCCPES | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Operating income | (7,463) | 0 | 0 | (7,463) | (6,555) | 0 | 0 | (6,555) |
| Expenditure | 404,166 | 60,095 | 30,976 | 495,237 | 355,367 | 50,164 | 29,125 | 434,656 |
| Net expenditure for the year | 396,703 | 60,095 | 30,976 | 487,774 | 348,812 | 50,164 | 29,125 | 428,101 |
| Non-current assets | 1,324,972 | 128,404 | 2,489 | 1,455,865 | 1,182,151 | 137,989 | 3,367 | 1,323,507 |

23. Events after Reporting Date

In accordance with the requirements of IAS 20 Events after the Reporting Date, events are considered up to the date on which the accounts are authorised for issue.

There is no significant event after the reporting date.

SCOTTISH
PRISON SERVICE

APPENDIX TO THE ACCOUNTS



SCOTTISH PRISON SERVICE

DIRECTION BY THE SCOTTISH MINISTERS

in accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

1. The statement of accounts for the financial year ended 31 March 2006 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRoM) which is in force for the year for which the statement of accounts are prepared.
2. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses, and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
3. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 29 March 2001 is hereby revoked.

A handwritten signature in blue ink, appearing to read 'Alison Stelfox', is written over a white rectangular box. To the right of the signature is a solid light blue rectangular box.

Signed by the authority of the Scottish Ministers

Dated 17 January 2006

SCOTTISH
PRISON SERVICE

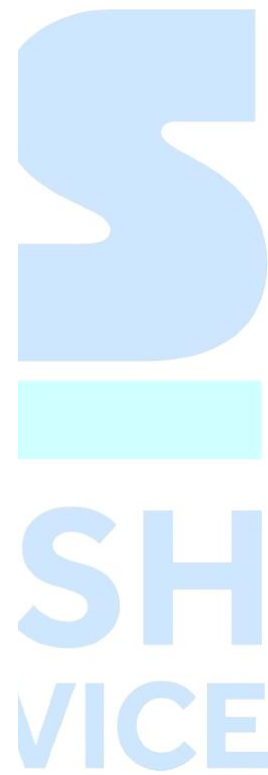
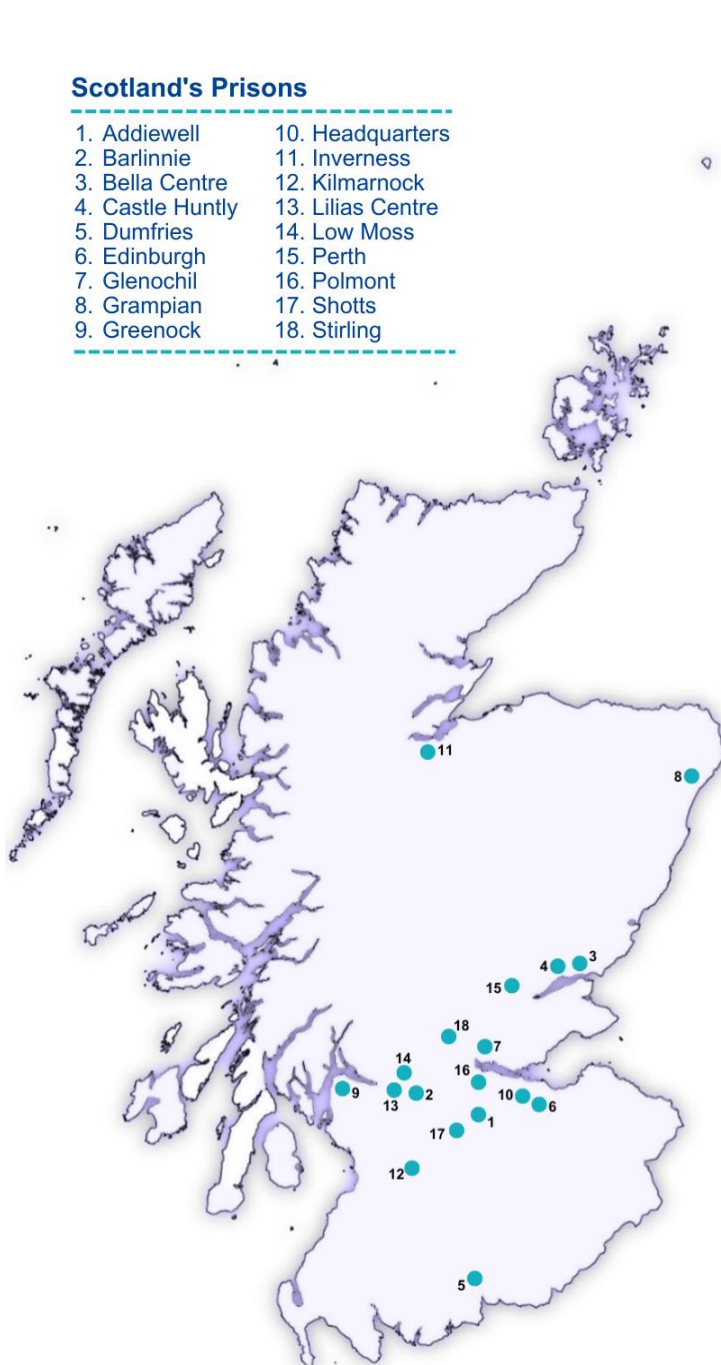
APPENDICES



APPENDIX 1 - LOCATION OF ESTABLISHMENTS

Scotland's Prisons

- | | |
|------------------|-------------------|
| 1. Addiewell | 10. Headquarters |
| 2. Barlinnie | 11. Inverness |
| 3. Bella Centre | 12. Kilmarnock |
| 4. Castle Huntly | 13. Lilies Centre |
| 5. Dumfries | 14. Low Moss |
| 6. Edinburgh | 15. Perth |
| 7. Glenochil | 16. Polmont |
| 8. Grampian | 17. Shotts |
| 9. Greenock | 18. Stirling |



APPENDIX 2 - ORGANISATIONAL STRUCTURE

| OFFICE OF THE CHIEF EXECUTIVE | | | |
|--|---|--|--|
| <ul style="list-style-type: none"> • Audit and Assurance • Legal Services • Communications and branding • Chief Executive Business Support Unit • Digital Services • Corporate Planning and Performance • Strategy and Innovation | | | |
| CHIEF EXECUTIVE | | | |
| DEPUTY CHIEF EXECUTIVE | | | |
| DIRECTORATE OF STRATEGY AND STAKEHOLDER ENGAGEMENT | OPERATIONS DIRECTORATE | ORGANISATIONAL DEVELOPMENT DIRECTORATE | FINANCE DIRECTORATE |
| <ul style="list-style-type: none"> • Policy and Strategy • Offender Outcomes and Services • Health and Wellbeing • Research • Stakeholder Engagement • Women's Strategy Team • Young Peoples Strategy | <ul style="list-style-type: none"> • Governors in Charge of Operational Delivery (Prisons, YOI and CCUs) • Public Protection • Prison Services and Contracts • Operational Planning and Policy • Performance and Improvement | <ul style="list-style-type: none"> • Human Resource Management • HR Digital Transformation • Organisational Development • Corporate Learning and Development (SPS College) | <ul style="list-style-type: none"> • Financial Policy & Services • Procurement Policy and Services • Estates and Technical Services |

APPENDIX 3 - AVERAGE DAILY POPULATION AND MAXIMUM NUMBER BY ESTABLISHMENT 2023-24

| | 2023-24 | | | | | | 2022-23 | | | | | | |
|----------------------|--------------------|------------|-------------|--------------------|------------|-------------|----------------------|-------------|------------|--------------------|-------------|------------|-------------|
| | Average Population | | | Maximum Population | | | Average Population | | | Maximum Population | | | |
| | Male | Female | Total | Male | Female | Total | Male | Female | Total | Male | Female | Total | |
| Establishment | | | | | | | Establishment | | | | | | |
| Adults | | | | | | | Adults | | | | | | |
| Addiewell | 721 | - | 721 | 728 | - | 728 | Addiewell | 720 | - | 720 | 726 | 1 | 726 |
| Barlinnie | 1367 | | 1368 | 1442 | 2 | 1442 | Barlinnie | 1234 | - | 1235 | 1300 | 1 | 1301 |
| Bella | - | 9 | 9 | - | 13 | 13 | Bella | - | 7 | 7 | - | 9 | 9 |
| Dumfries | 188 | | 188 | 195 | 1 | 195 | Cornton Vale | - | 46 | 46 | 2 | 63 | 63 |
| Edinburgh | 861 | 41 | 901 | 936 | 106 | 939 | Dumfries | 189 | - | 189 | 196 | - | 196 |
| Glenochil | 741 | | 741 | 752 | - | 752 | Edinburgh | 789 | 73 | 862 | 816 | 90 | 900 |
| Grampian | 410 | 37 | 447 | 429 | 47 | 464 | Glenochil | 726 | - | 726 | 746 | - | 746 |
| Greenock | 182 | 47 | 230 | 191 | 53 | 241 | Grampian | 397 | 32 | 429 | 416 | 40 | 448 |
| Inverness | 119 | | 119 | 133 | - | 133 | Greenock | 146 | 46 | 192 | 178 | 53 | 217 |
| Kilmarnock | 571 | | 571 | 599 | 1 | 599 | Inverness | 109 | - | 109 | 125 | - | 125 |
| Lilias | | 13 | 13 | - | 20 | 20 | Kilmarnock | 541 | - | 541 | 551 | - | 551 |
| Low Moss | 804 | 1 | 805 | 835 | 3 | 836 | Lilias | - | 8 | 8 | - | 14 | 14 |
| Open Estate | 161 | | 161 | 182 | - | 182 | Low Moss | 786 | 1 | 787 | 849 | 1 | 849 |
| Perth | 658 | | 658 | 691 | - | 691 | Open Estate | 120 | - | 120 | 147 | - | 147 |
| Polmont | 56 | 102 | 158 | 115 | 120 | 95 | Perth | 634 | - | 634 | 658 | - | 658 |
| Shotts | 538 | 1 | 539 | 549 | 1 | 549 | Polmont | 56 | 75 | 131 | 74 | 111 | 185 |
| Stirling(1) | - | 75 | 81 | 1 | 95 | 95 | Shotts | 541 | - | 541 | 548 | - | 548 |
| | | | | | | | | | | | | | |
| Young Adults | | | | | | | Young Adults | | | | | | |
| Grampian | - | 1 | 1 | - | 4 | 4 | Cornton Vale | - | 1 | 1 | 2 | 3 | 3 |
| Polmont | 165 | 2 | 166 | 180 | 9 | 189 | Grampian | - | 1 | 1 | 2 | 2 | 2 |
| Stirling | - | 4 | 4 | - | 7 | 7 | Polmont | 154 | 4 | 158 | 169 | 9 | 176 |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Total | 7543 | 316 | 7859 | 7734 | 336 | 8040 | Total | 7143 | 283 | 7426 | 7299 | 309 | 7583 |

- (1) HMP Stirling opened and received their first person in custody on 19 June 2023, their average numbers are taken from that date
- (2) The figures in these columns cannot be added together to produce a maximum number as the individual establishment figures relate to different days throughout the year.

APPENDIX 4 - AVERAGE DAILY POPULATION IN ESTABLISHMENT BY TYPE OF CUSTODY 2023-24

| Average Daily Population in Establishments by Type of Custody | | 2023-24 | %age increase | 2022-23 |
|---|---|--------------|---------------|--------------|
| Remand: Subtotal | | 2,178 | 1.54% | 2,145 |
| Persons under sentence: Subtotal | | | | |
| | Under four years | 2,288 | 11.94% | 2,044 |
| | Four Years and over (including life sentence and lifer recalls) | 3,393 | 4.82% | 3,237 |
| Total | | 7,859 | 5.83% | 7,426 |



APPENDIX 5 - ABSCONDS AND FAILURES TO RETURN 2023-24

| Absconds and Failures to Return* – 2023-24 | | | | | | | | |
|--|--|-----------|----------|----------|----------|-------------|---------|-------|
| | | Barlinnie | Stirling | Grampian | Greenock | Open Estate | Polmont | Total |
| Abscond | | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| Failure to Return | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

*Absconds and Failures to Return are only annotated for the above establishments as they are the only ones who have the capability to release prisoners on both Home Leave and/or Community Work Placements as a Temporary Release.



APPENDIX 6 - BREACHES OF DISCIPLINE AND OUTCOME IN PENAL ESTABLISHMENTS BY SEX AND AGE 2023-24

2023-24

In Bold is the total of the preceding set of figures - Bold figures reported

| Average Daily Population | 7378 | 310 | 165 | 6 | 7543 | 316 | 7859 |
|---|-------------|--------------|------------|-------------|-------------|---------------|-----------------|
| Breach of Discipline | Male Adults | Female Adult | Male YA's | Female YA's | Total Males | Total Females | Number of Cases |
| has in his or her possession, or concealed about his or her body or in any body orifice, any prohibited article; | 4592 | 65 | 83 | | 4675 | 65 | 4740 |
| has in his or her possession, or concealed about his or her body or in any body orifice, any article or substance which he or she is not authorised to | 1756 | 65 | 29 | | 1785 | 65 | 1850 |
| has in his or her possession whilst in a particular part of the prison, any article or substance which he or she is not authorised to have when in that part of the prison | 535 | 46 | 35 | | 570 | 46 | 616 |
| Possessing an unauthorised/prohibited article/quantity of an article | 6883 | 176 | 147 | | 7030 | 176 | 7206 |
| breaches the requirements of rule 62A(9) without reasonable excuse; | 273 | 5 | | | 273 | 5 | 278 |
| uses an authorised personal communication device in breach of the requirements of any direction made by the Scottish Ministers under rule 62A(11); | 19 | | | | 19 | | 19 |
| fails without reasonable excuse to return an authorised personal communication device to an officer as ordered in accordance with rule 62A(10); | 143 | 20 | 1 | | 144 | 20 | 164 |
| has in his or her possession an authorised personal communication device in breach of the restrictions imposed by the Governor under rule 62A(3)(a); | 141 | 8 | 4 | | 145 | 8 | 153 |
| Breaches on using an authorised Mobile phone in a prison setting | 576 | 33 | 5 | | 581 | 33 | 614 |
| has in his or her possession, or uses, an authorised personal communication device which was not provided by the Governor for use by that prisoner; | 175 | 13 | 7 | | 182 | 13 | 195 |
| disobeys any lawful order; | 3016 | 162 | 157 | | 3173 | 162 | 3335 |
| uses threatening words or behaviour; | 1648 | 136 | 72 | | 1720 | 136 | 1856 |
| uses abusive or insulting words or behaviour; | 874 | 164 | 46 | | 920 | 164 | 1084 |
| using threatening/abusive/insulting words or behaviour | 2522 | 300 | 118 | | 2640 | 300 | 2940 |
| consumes, takes, injects, ingests, conceals inside a body orifice, inhales or inhales the fumes of any substance which is an article which he or she has in their possession; | 10 | | | | 10 | | 10 |
| consumes, takes, injects, ingests, conceals inside a body orifice, inhales or inhales the fumes of any substance which is a prohibited article; | 3319 | 15 | 6 | | 3325 | 15 | 3340 |
| consumes, takes, injects, ingests, conceals inside a body orifice, inhales or inhales the fumes of any substance which is unauthorised property; or | 12 | | | | 12 | | 12 |
| administers a controlled drug to himself or herself or fails to prevent the administration of a controlled drug to himself or herself by another person | 241 | 25 | | | 241 | 25 | 266 |
| Consuming/taking/injecting/inhaling or concealing an unauthorised or prohibited article | 3582 | 40 | 6 | | 3588 | 40 | 3628 |
| fighters with any person; | 1926 | 74 | 219 | | 2145 | 74 | 2219 |

| | | | | | | | |
|---|--------------|-------------|-------------|--|--------------|-------------|--------------|
| destroys or damages property | 1714 | 143 | 132 | | 1846 | 143 | 1989 |
| intentionally endangers the health or personal safety of others; | 358 | 19 | 21 | | 379 | 19 | 398 |
| recklessly endangers the health or personal safety of others. | 4115 | 79 | 179 | | 4294 | 79 | 4373 |
| Intentionally or recklessly endangering the health or personal safety of others | 4473 | 98 | 200 | | 4673 | 98 | 4771 |
| Assault | 1764 | 115 | 145 | | 1909 | 115 | 2024 |
| Unauthorised absence or presence in any part of the establishment | 582 | 9 | 14 | | 596 | 9 | 605 |
| Disobeying a rule or direction | 232 | 44 | 14 | | 246 | 44 | 290 |
| intentionally refusing to work or failing to work properly | 76 | 5 | 6 | | 82 | 5 | 87 |
| sale or delivery of an article allowed only for prisoners own use | 59 | 4 | 3 | | 62 | 4 | 66 |
| sells or delivers to any person any article which he or she is not authorised to have; | 128 | 1 | 1 | | 129 | 1 | 130 |
| sale or delivery of an article allowed only for prisoners own use | 187 | 5 | 4 | | 191 | 5 | 196 |
| takes improperly any article | 120 | 12 | 2 | | 122 | 12 | 134 |
| denies access to any part of the prison to any person other than a prisoner; | 8 | | | | 8 | | 8 |
| intentionally obstructs any person, other than a prisoner, in the performance of that person's work at the prison; | 172 | 11 | 2 | | 174 | 11 | 185 |
| intentionally obstructs any person, other than a prisoner, in the performance of that person's work at the prison; | 180 | 11 | 2 | | 182 | 11 | 193 |
| Smoking in an area where smoking is not permitted | 28 | 14 | 6 | | 34 | 14 | 48 |
| commits any indecent or obscene act; | 128 | 10 | 3 | | 131 | 10 | 141 |
| Arson | 27 | 1 | 13 | | 40 | 1 | 41 |
| disrespectful to any officer, worker or visitor | 63 | 10 | 3 | | 66 | 10 | 76 |
| fails to return to prison when he or she should return after being temporarily released under Part 15; | | 1 | | | | | |
| fails to comply with any condition upon which he or she is temporarily released under Part 15; or | 16 | 3 | | | 16 | | 16 |
| Failing to return from temporary release or comply with a condition of such release | 16 | 4 | | | 16 | 4 | 20 |
| fails, without reasonable excuse, to open his or her mouth for the purpose of enabling a visual examination | 12 | 6 | | | 12 | 6 | 18 |
| detains any person against his or her will; | 8 | | | | 8 | | 8 |
| escapes or absconds from prison or from legal custody; | 3 | | | | 3 | | 3 |
| attempts/incites/assists another prisoner to commit or attempt to commit, any of the above | 298 | 14 | 17 | | 315 | 14 | 329 |
| Total: | 28591 | 1299 | 1220 | | 29811 | 1299 | 31110 |

| Punishments Awarded | Male Adults | Female Adult | Male YA's | Female YA's | Total Males | Total Females | Total |
|--|--------------|--------------|-------------|-------------|--------------|---------------|--------------|
| Forfeiture of privileges | 27269 | 785 | 1120 | | 28389 | 785 | 29174 |
| Stoppage or deduction from earnings or other cash | 27211 | 611 | 1075 | | 28286 | 611 | 28897 |
| Caution | 1821 | 140 | 84 | | 1905 | 140 | 2045 |
| Confinement to Cell | 2806 | 131 | 77 | | 2883 | 131 | 3014 |
| Forfeiture of other entitlements | 942 | 72 | 2 | | 944 | 72 | 1016 |
| Total: | 60049 | 1739 | 2358 | | 62407 | 1739 | 64146 |
| | | | | | | | |
| Breaches of discipline per head of average prison population | 4 | 4 | 7 | | 4 | 4 | 4 |



APPENDIX 7 - STAFF IN POST

Staff in Post

As at 31 March 2024 there were 4962 staff in post

Staff in Post Table – This table details the gender, employment type and disability split for the organisation.

| Employees in Post - As at March 2024 | Total | Full Time | Part Time | Full Time Equivalent (FTE) | Disabled (Self-Declared) |
|--------------------------------------|-------|-----------|-----------|----------------------------|--------------------------|
| Female | 1,882 | 1,643 | 239 | 1,787 | 132 |
| Male | 3,080 | 2,680 | 400 | 2,878 | 241 |

SPS Board (Which includes all senior civil servants within SPS)

SPS Board – This table reflects the gender split for SPS Board Members as at 31/03/2024.

| As at March 2024 | Chief Executive | Directors | Non - Executive Directors | Total |
|------------------|-----------------|-----------|---------------------------|-------|
| Female | 1 | 1 | 3 | 5 |
| Male | 0 | 4 | 4 | 8 |

Staff in Post: Age Groups

Staff in Post: Age Groups – This table details the gender split by age group for the organisation.

| As at March 2024 | 16 - 24 | 25 - 34 | 35 - 44 | 45 - 54 | 55 - 64 | Over 65 | Total |
|------------------|---------|---------|---------|---------|---------|---------|-------|
| Female | 156 | 667 | 476 | 380 | 193 | 10 | 1,882 |
| Male | 140 | 642 | 643 | 625 | 932 | 98 | 3,080 |

Staff in Post: Ethnicity

Staff in Post: Ethnicity – This table details the ethnicity indicated by the staff within SPS. Where the ethnicity group has less than 5 members this has been shown as “<5” to ensure compliance with the Data Protection Act.

| Employees in Post - As at March 2024 | |
|---|--------------|
| Ethnicity | Total |
| Asian Other | <5 |
| Black African | <5 |
| Black Other | <5 |
| British African | <5 |
| British Asian Other | <5 |
| British Pakistani | <5 |
| Indian | <5 |
| Mixed Other | <5 |
| Mixed White and Asian | <5 |
| Not Advised | 3137 |
| Mixed White and Black African | <5 |
| Pakistani | <5 |
| Prefer not to Disclose | 293 |
| Scottish Asian Other | <5 |
| White | 420 |
| White English | 77 |
| White Gypsy Traveller | <5 |
| White Irish | 8 |
| White Northern Irish | 12 |
| White Other | 15 |
| White Polish | 5 |
| White Scottish | 967 |

| | |
|----------------------|----|
| White Southern Irish | <5 |
| White Welsh | <5 |

Leavers: Age Groups

Leavers: Age Groups - This table details the gender split by age group for the organisation for all employees who have left the organisation in the 12 month period 01/04/2023 to 31/03/2024.

| As at March 2024 | 16 - 24 | 25 - 34 | 35 - 44 | 45 - 54 | 55 - 64 | Over 65 | Total |
|------------------|---------|---------|---------|---------|---------|---------|-------|
| Female | 11 | 49 | 39 | 10 | 13 | 6 | 128 |
| Male | 20 | 50 | 26 | 19 | 95 | 43 | 253 |

Recruitment

Recruitment - This table details the gender split, ethnic group, disability declarations and non-full time employments types for all employees who have joined the organisation in the 12 month period 01/04/2023 to 31/03/2024.

| Appointments 2023 - 2024 | Male | Female | Ethnic Minority Group | | Disabled (Self Declared) | Part Time / Job Share |
|-----------------------------|------|--------|--------------------------|-----|-----------------------------|--------------------------|
| 413 | 227 | 186 | Not Advised | 386 | <5 | 16 |
| | | | African | 21 | | |
| | | | White | 493 | | |
| | | | Arab | <5 | | |
| | | | Asian | 6 | | |
| | | | Caribbean or black | <5 | | |
| | | | Mixed | <5 | | |

Recruitment: Age Groups

Recruitment: Age Groups - This table details the gender split by age group for the organisation for all employees who have joined the organisation in the 12 month period 01/04/2023 to 31/03/2024.

| As at March 2024. | 16 - 24 | 25 - 34 | 35 - 44 | 45 - 54 | 55 - 64 | Over 65 | Total |
|-------------------|---------|---------|---------|---------|---------|---------|-------|
| Female | 93 | 129 | 65 | 51 | 19 | 0 | 357* |
| Male | 82 | 150 | 94 | 58 | 54 | 5 | 443 |

* age category for one person (female) not reported/recorded (excluded from total)

Exceptions

Exceptions – This table details all appointments of staff which fell outside our standard recruitment process. That is they were classified as not being appointed under open and fair competition.

| Former Civil Servants | Temporary Appointments | Transfers of organisations into Civil Service – TUPE |
|-----------------------|------------------------|--|
| 3 | 1 | 266 |

There were no exceptions in Support for Government
the following Categories: Employment Programmes

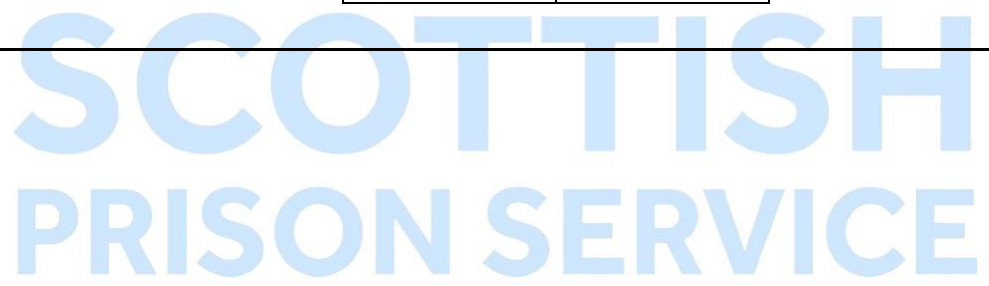
Highly specialist skills
Interchange with the Northern
Ireland Civil Service
Transfer of Staff from other Public
Bodies
Transfer of organisations into the
Civil Service – non-TUPE

Promotion

Promotion - This table details the gender split, ethnic group, disability declarations and non-full time employments types for all employees who were promoted within the organisation in the 12 month period 01/04/2023 to 31/03/2024.

The following personnel were promoted:

| Promoted 2023 - 2024 | Male | Female | Ethnic Group | Minority | Disabled (Self-Declared) | Part Time / Job Share |
|----------------------|------|--------|-------------------------------|----------|--------------------------|-----------------------|
| 326 | 166 | 160 | Not Advised | 230 | 8 | 8 |
| | | | Black African | <5 | | |
| | | | Mixed White and Black African | <5 | | |
| | | | Prefer not to Disclose | 14 | | |
| | | | White | 18 | | |
| | | | White English | 5 | | |
| | | | White Irish | <5 | | |
| | | | White Scottish | 56 | | |



APPENDIX 8 - PARLIAMENTARY ACCOUNTABILITY 2023-24

| Category Responses | of | No. Received | No. of Replies issued within 20 working days | No. of Replies issued out with target dates |
|---|----|--------------|--|---|
| MPS Letters for Ministerial Reply | | 0 | 0 | 0 |
| MSP's Letters for Chief Executive Reply | | 187 | 152 | 35 |
| Total (2022-23) | | 107 | 79 (73.8%) | 7 (6.5%) |
| Total (2023-24) | | 187 | 152 (81.3%) | 35 (18.7%) |

| Scottish Parliamentary Questions | | | | |
|----------------------------------|--|-------|---------------------|-------------------------|
| Year | | Total | Ministerial Replies | Chief Executive Replies |
| Year ended 31 March 2024 | | 87 | 8 | 79 |
| Year Ended 31 March 2023 | | 34 | 3 | 31 |

SPS
SCOTTISH
PRISON SERVICE

APPENDIX 9 - KEY PERFORMANCE INDICATORS

As part of the development of the corporate plan 2023-28, new KPIs were developed to align with the strategic objectives, and these were included alongside the existing suite of measures for internal monitoring of corporate performance. The content, data and metrics used in the KPIs as a whole continue to be under review throughout the period of the corporate plan, including ongoing evaluation of data quality, and the development of a set of KPIs associated with the enablers listed in the corporate plan.

For 2023-24, we are reporting on a combination of the existing suite of KPIs and the newly developed measures; the table below has been marked to denote the status of each of the KPIs.

| KPI | 2023-24 | 2022-23 | 2021-22 | 2020-21 | Status of measure |
|--|---------|---------|---------|---------|-------------------|
| Objective 1: People in Scotland's prisons live in establishments that are safe, secure, and suitable. | | | | | |
| Extreme risk escapes | 0 | 0 | 0 | 0 | [1] |
| Escapes at other supervision level | 1 | 1 | 0 | 0 | |
| Absconds | 1 | 0 | 1 | 3 | [3] |
| Incidences of failure to return | 0 | 1 | 6 | 0 | |
| Serious prisoner on staff assaults | 9 | 5 | 9 | 8 | [1] |
| Serious prisoner on prisoner assaults | 114 | 91 | 108 | 67 | |
| Minor or no injury prisoner on staff assaults | 309 | 259 | 323 | 290 | |
| Minor or no injury prisoner on prisoner assaults | 1,681 | 1,409 | 1,723 | 1,388 | |
| Average % of population housed in single cells | 64.9% | | | | [2] |
| Average number of single cells used as double cells | 888 | | | | |

| | | | | | |
|---|-------|--|--|--|-----|
| Objective 2: The health, wellbeing and care of the people living in Scotland's prisons are more effectively managed, promoted and tailored to individual need. | | | | | |
| Deaths in custody | 58 | | | | [2] |
| Individuals placed on Talk To Me | 2,626 | | | | |
| Self-harm incidents - % of the population | 1% | | | | |
| Complaints lodged - % of the population | 9.9% | | | | |

| Objective 3: People in Scotland's prisons are better supported to safely follow a progression pathway towards release, in ways that prioritise public protection. | | | | | |
|---|-----------|-----------|-----------|-----------|-----|
| Average occupancy rate of the open estate (% of design capacity) | 56.6% | | | | [2] |
| Total hours of purposeful activity | 5,387,430 | 4,766,653 | 3,967,795 | 3,410,103 | [1] |
| Average hours of purposeful activity per week, per convicted individual | 18 | 19 | 17 | 14 | |
| % of case conferences held within relevant timescales | 92.1% | 88.9% | 87.9% | 72.9% | [3] |
| % of case conferences with Criminal Justice Social Work (CJSW) in attendance | 95.5% | 95.3% | 93.6% | 91.0% | [1] |
| % of case conferences with family in attendance | 20.4% | 17.1% | 11.6% | 5.2% | [3] |
| Compliance with parole timescales | 69.7% | 73.9% | 84.3% | 81.9% | |
| % of individuals leaving custody having secured accommodation or housing provider referral | 85.6% | 86.8% | 98.0% | 95.8% | |
| Average number of people on Home Detention Curfew (HDC) | 63 | | | | [2] |
| % of education classes spent delivering literacy skills | 40.9% | 39.8% | 35.0% | 35.8% | [4] |
| % of education classes spent delivering numeracy skills | 26.9% | 26.1% | 26.2% | 27.9% | |
| Vocational and employment related qualifications | 19,135 | 19,391 | 12,327 | 6,411 | |
| Vocational and employment related qualifications at | 995 | 926 | 234 | 143 | |

| | | | | | |
|--|---|---------|---------|---------|--|
| SCQF level 5 or above | | | | | |
| Employability prospects increased* | SPS no longer holds necessary data for this KPI | | | | |
| Reduced substance abuse ^{11*} | - | - | - | - | |
| Average annual cost per prison place ¹² | £47,140 | £44,620 | £41,786 | £39,343 | |
| Reducing carbon emissions* | See 'Environmental Matters' section, above, for separate reports. | | | | |

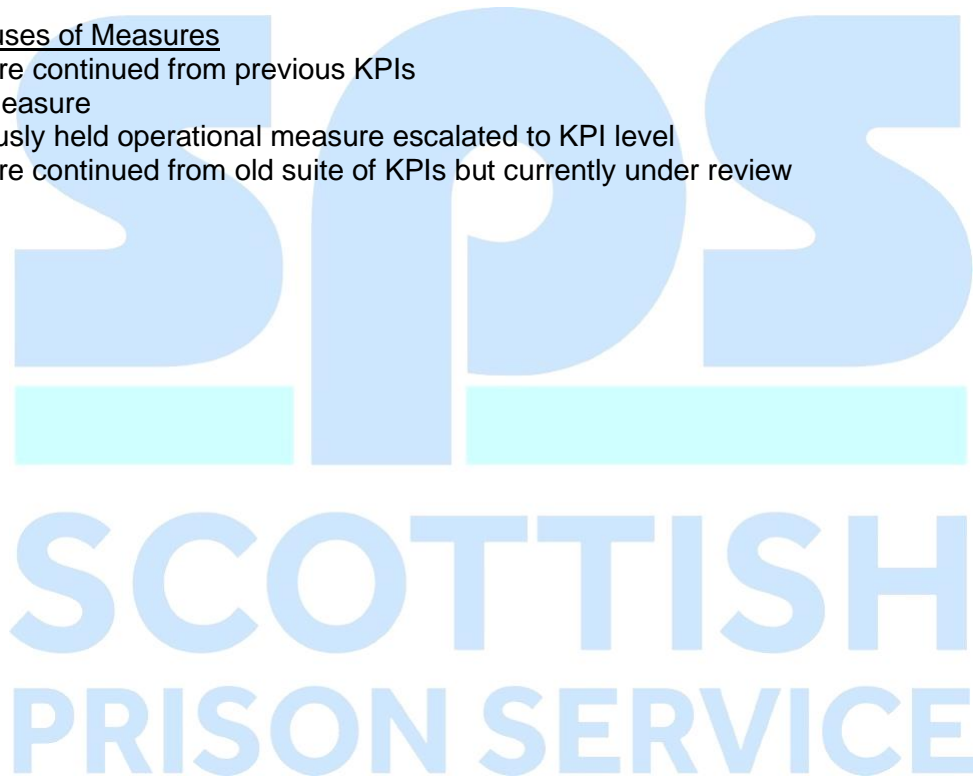
Key: Statuses of Measures

[1] Measure continued from previous KPIs

[2] New measure

[3] Previously held operational measure escalated to KPI level

[4] Measure continued from old suite of KPIs but currently under review



¹¹ Annual Prevalence Testing did not take place in 2019-20, 2020-21, and was then replaced by a different testing scheme.

¹² The average cost per prisoner place excludes capital charges, exceptional payments and the cost of the Court Custody and Prisoner Escort Contract.

APPENDIX 10 - COURT CUSTODY AND PRISONER ESCORT SERVICE

| | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | 2023-24 Total | 2022-23 Total | 2021-22 Total | 2020-21 Total | 2019-20 Total | %age change on 22/23 | %age change (COVID effect 20/21) | %age change (pre COVID 19/20) |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|---------------|---------------|---------------|---------------|----------------------|----------------------------------|-------------------------------|
| Number of Court Arrivals | 5970 | 6803 | 6746 | 6264 | 6614 | 5813 | 6017 | 6050 | 5084 | 5973 | 6306 | 6185 | 73825 | 66253 | 50114 | 44544 | 103123 | 11% | 66% | -28% |
| % Arrived on time | 53.43% | 55.98% | 50.31% | 49.44% | 47.61% | 49.0% | 53.86% | 52.21% | 56.00% | 60.35% | 55.41% | 58.71% | 53.5% | 55.3% | 74.5% | 89.9% | 80.5% | -3% | -40% | -34% |
| Non court escorts | 1430 | 1655 | 1714 | 1775 | 1770 | 1780 | 1696 | 1817 | 1400 | 1462 | 1502 | 1391 | 19392 | 19079 | 12257 | 9744 | 34340 | 2% | 99% | -44% |
| Court Cell Areas Operated (1) | 624 | 721 | 731 | 636 | 714 | 659 | 684 | 723 | 577 | 687 | 691 | 657 | 8104 | 9730 | 10979 | 8214 | 8933 | -17% | -1% | -9% |
| Court Docks Staffed | 1788 | 2018 | 2051 | 1664 | 1849 | 1709 | 1843 | 1932 | 1361 | 1863 | 1968 | 1926 | 21972 | 25520 | 24269 | 14776 | 25704 | -14% | 49% | -15% |
| Number of Prisoners Unlawfully at large | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 6 | 6 | 3 | 2 | 6 | 0% | 200% | 0% |
| Total Secure Journeys | 2567 | 2862 | 2807 | 2628 | 2805 | 2410 | 2629 | 2708 | 2119 | 2587 | 2784 | 2727 | 31633 | 32605 | 30408 | 23532 | 46137 | -3% | 34% | -31% |
| Total Community Journeys | 319 | 323 | 299 | 280 | 284 | 277 | 299 | 486 | 295 | 278 | 350 | 445 | 3935 | 4425 | 4546 | 844 | 6488 | -11% | 366% | -39% |

(1) Court Cells for 2023-24 operated do not include PCU Virtual Courts from Feb 2023

Still subject to contractual ratification