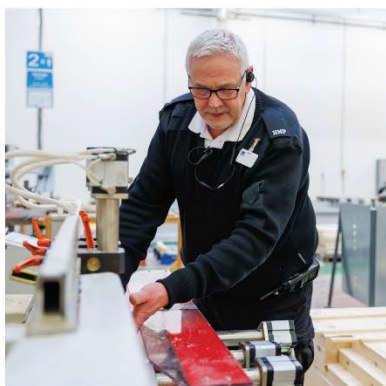
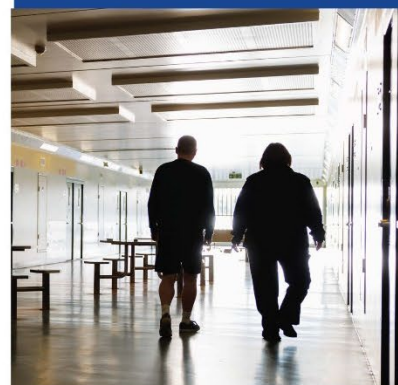


SCOTTISH PRISON SERVICE

Annual Report and Accounts

2024
—
2025



SPS
SCOTTISH
PRISON SERVICE

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Chief Executive's Foreword

SPS's role in the justice system is to protect the public and to care for those who have been committed to custody by the courts. It is a role that most of the public do not see at close hand, but one they rely upon, nonetheless.

Our delivery focus throughout this year has required us to adapt and be responsive to unpredictable demands and pressures. However, the key purpose of our work - ensuring our staff and people in our care are safe and secure - and SPS's core values remain unchanged.

I am very proud of all SPS staff who this year have continued to show resilience, skill and compassion as we navigate the challenges presented by a persistently high prison population and the significant impacts of overcrowding in our estate and a population with increasing health and social care needs, concerns regarding illicit substances and the impact of serious and organised crime. The prison population continues to rise, and all forecasts suggest we may soon reach a record total. Indeed, the 8,379 in our care on 4 March 2025 is the second highest in our history.

A key example of our need to respond this year has been operationalising, in collaboration with our partners, the levers the Scottish Government put in place for responding to the high and complex population. This resulted in the early release of people on short term sentences in the summer of 2024 and in February-March 2025. While these arrangements have brought some respite to population pressures, they have not resolved the challenges fully.

This 2024-25 report outlines not only the challenges we face but also the strides we have taken in transforming these challenges into opportunities for growth and improvement. In August, we saw the last child under 18 years leave our care. Prison is not the right environment for children, so placing them in secure care settings instead is most welcome and a credit to all those – within SPS, Scottish Government, and our partners – who worked hard to make this happen.

This year we have also delivered on the development of strategies and policies that underpin our ambition to transition to a trauma informed organisation allowing us to better understand and respond to a range of complexity of needs for those in custody.

These include the publication and implementation of our Alcohol and Drug and Mental Health Strategies, which we have developed and will deliver with our key partners in NHS, Social Work and Third Sector. It is vital that we foster a safer and more supportive environment for everyone. These strategies set out an approach which will see us create an environment where people feel valued and cared for and comfortable to seek help and access support, for mental health need and drug and alcohol recovery.

Working with families continues to be a central focus of our work and we recognise the detrimental impact having a loved one in custody can have on families and family life. The launch



of our 5-year Family and Parenting Strategy in June 2024 sets out how we will work with partners to improve outcomes for families and those in our care.

And our next generation development and learning strategy (“Learning for a Better Future”) launched in January along with a new education provider sets the foundation for creating the opportunities, culture and environment that enable people in our care to have a better life beyond custody and increase their likelihood of desistance.

With an understanding of trauma and adversity experienced by many in the care of SPS and taking cognisance of user voice and expertise on factors such as neurodivergence, learning difficulties and disabilities represented amongst those in custody- the strategy defines principles underpinning best practice in relationships, curriculum, teaching and delivery including digital delivery.

We have also continued to progress with improvement in our estate and infrastructure with positive progress towards construction of the 2 new build prisons - HMP Highland and Glasgow. The steel structure of the main building for HMP Highland was erected during March 2025 and focus remains on construction completion in 2026. In January, Kier Construction, was awarded the contract to build HMP Glasgow following approval from Scottish Government. Enabling works continue the site following the contract award. The prison is expected to be completed in late 2028.

In January and then in May, the Fatal Accident Inquiry determination recommendations were published following the tragic deaths of Katie Allan and William Lindsay in 2018 and Jack Mackenzie in 2021. We apologised for the failings identified through that FAI and, along with Scottish Government, accepted the recommendations. We recognise that their families now want action, not words, and we are determined to deliver lasting and impactful change, at pace, in the way we support some of the most vulnerable people in society during moments of crisis.

We have put in place a governance structure which has accountability to Ministers and independent expertise that will act on the Inquiry’s recommendations, working closely with partners across the justice, health and care systems. It is both a plan for action and a commitment to transparency, accountability, and improvement.

This year we have also focused on ensuring the public gain a better understanding of the vital role of SPS in our justice system and to highlight the positive work we do on a daily basis, in as open and transparent a way as possible. Despite the ongoing pressures on the system, I believe that as an organisation we have learned, grown, and seek to continually improve and I am determined that we will continue to do so in 2025-26.

Teresa Medhurst

Teresa Medhurst
Chief Executive, Scottish Prison Service

31 July 2025

Chair of The Advisory Board Foreword

The last year has undoubtedly been one of the most difficult faced by the Service in decades. The surge in prisoner numbers continues to impact negatively on every aspect of the Service's work and the conditions for those under our care. We rely even more on the commitment and strength exhibited by our people, but they are understandably looking for long term and sustainable solutions to ensure the Service can continue to deliver on its objective to support a just, safe, and resilient Scotland.

The Advisory Board remains concerned about the Service's resilience and ability to manage heightened risk for an undefined period particularly at a time of financial constraint. As Chair, I met with the Cabinet Secretary for Justice and Home Affairs in the autumn to urge further action to reduce the overall population and convey our support for the new legislation on prisoner release which was passed at the end of last year. However, despite two significant programmes of early release, prisoner numbers remain stubbornly high and are currently over 8,000.

The reasons behind the increase are complex but we believe more attention should be invested in reducing the number of prisoners held in remand which are still at much higher levels than pre-pandemic and providing a greater range of options for community justice disposals as an alternative to custodial sentences.

The health and welfare of those under our care remains a constant priority. The Board endorses the response of the Service to fully accept the recommendations made by Sheriff Collins following the Fatal Accident Inquiries into the deaths of Katie Allan, William Lindsay and Jack Mackenzie and its commitment to rapid and systematic change.

The Board held a constructive discussion in November with the Chair and Chief Executive of the NHS State Hospital around the need for the provision of care to female patients to be in Scotland and the proposed creation of a Forensic Mental Health Board for Scotland.

I would again wish to put on record my thanks to my fellow board members for their continued dedication and support over the last year. At the start of 2025, we welcomed Simon Little as our new Non-Executive member and we are already benefiting from his knowledge of the NHS, drug and alcohol policy and the housing sector.

The Board made the decision last year to alter the structure of its meetings to provide dedicated time for "deep dive" discussions on a range of themes and we hope this will provide an opportunity to engage with a range of stakeholders more actively.

On a more positive note, the Board was pleased that the signing of the contract for HMP Glasgow has been completed and that work on HMP Highland continues at pace for a scheduled opening in 2026.

The BBC Scotland documentary, 'Jailed: Women in Prison' - broadcast in March 2025, and a special week of coverage by The Herald, highlighted the impressive value provided by our staff in providing care, support and rehabilitation and helped to encourage a wider and necessary debate in civic society on how prisons in Scotland should perform in the 21st century.

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, Scottish Prison Service

Our Year in Numbers



Our Year in the Media

Through engagement with external media and using our own website and social media platforms, we have sought to promote the work of the SPS, highlight operational realities and enhance public awareness.

Population

Throughout the year, we have continually sought to highlight the impact of the rising prison population, both in terms of the pressure placed on our staff and our ability to do quality rehabilitative work with those in our custody.

At the half-way point of the emergency early release programme in early July, media were invited into HMP Perth to see the impact of the growing prison population. Every TV news programme in the country featured the story, with reports from BBC, STV, ITV, Channel 4 and Channel 5.

In advance of the debate on changing the release point for short term prisoners in November, Chief Executive Teresa Medhurst wrote an article for [The Scotsman](#) explaining the need for the change and why what happens in Scotland's prisons, affects us all.

We have also taken opportunities to raise the profile of particular groups of people in custody.

For the first time since women moved into our two community custody units in 2022, media were invited in to see the facilities and speak to the residents about their experiences of living there. [Channel 4](#) visited the Bella Centre, in Dundee and the [BBC](#) visited the Lilius Centre in Glasgow.



Three establishments have been featured in two BBC documentaries in the last year. HMP Barlinnie featured in 'Inside Barlinnie', a three-part series which looks into the prison's fascinating 140-year history, as well as an insight into prison life today.

HMPs Stirling and Grampian featured in 'Women in Prison', a four-part documentary exploring the experiences of women in prison, with a particular focus on the prevalence of mental health issues.



Alcohol, Drugs and Recovery

Our establishments work hard to provide opportunities for improved health and wellbeing, promote a culture of recovery and tackle stigma to reduce health inequalities.

Our new Alcohol and Drug Recovery Strategy underpins our commitment to ensuring that people in our care have access to appropriate support to achieve positive outcomes in their lives.

To mark its launch, [STV](#) were invited into HMP Low Moss to see their dedicated recovery space – the Small Beans café. Over 100 individuals attend sessions every week, including an extremely successful peer support group.

In September, HMP Dumfries became the first prison in Scotland to hold a parkrun.

Developed by the team of Physical Training Instructor (PTI), it mirrors the event held in communities all over the UK.

Every Saturday morning, prisoners and staff, run or jog 5k within the prison grounds, supported by a team of volunteers and spectators.



In partnership with NHS Lothian and The Hepatitis C Trust, HMP Edinburgh delivered a High Intensity Test & Treat (HITT) mass-testing programme. In a first for Scottish prisons, this was a huge opportunity to screen the entire population and offer treatment to those who may be unaware of carrying a blood borne virus.

Testing was voluntary but take up was extremely high, with 798 people, over 85% of the population, tested for Hepatitis C over just three days.

Gary McCafferty is a former prisoner. During his seven-and-a-half-year sentence at HMP Perth, he began his own recovery journey.

Following his progression to HMP Castle Huntly, he became the first individual to return to closed conditions to carry out a work placement as a harm reduction peer mentor.

Now released, Gary has turned his life around and in recognition of Recovery Month, which takes place every September, his story was featured in [The Scotsman](#).

Family contact and relationships

The new Family and Parenting Strategy aims to improve family contact and positive relationships between those in custody and their loved ones, particularly children. It recognises the important role family has in improving mental health, communication skills, rehabilitation, and reducing the risk of reoffending.

To mark the launch, [STV](#) were invited into HMP Edinburgh to hear about how children's visits work and the opportunities available for fathers including breakfast clubs and parenting programmes, supported by partner, Early Years Scotland.



HMP Shotts has become the first prison in Scotland to run Bookbug sessions for children visiting their fathers in custody.

Bookbug is Scotland's universal early years book gifting programme which supports families to read, sing, and play with their little ones to give them the best start in life.

Every Friday morning, children can now enjoy stories, songs and rhymes with their dads and other family members.

Following an inquiry by one of HMP Barlinnie's Family Contact Officers, Scottish Autism delivered their 'Get Set 4 Autism' programme to parents in custody, for the first time. The seven-week course aims to promote a greater understanding of autism and equip parents and carers with the information and practical skills they need to better support their child moving forwards.

16 fathers have participated in the programme and now that the partnership has been established, Scottish Autism are looking at how they might extend their support further to those in our care throughout the SPS estate, and their families.

The partnership between SPS and Scottish Autism is now a finalist in the 'Partnership of the Year' category at the 2025 SCVO Scottish Charity Awards.

Scottish
autism

Community engagement

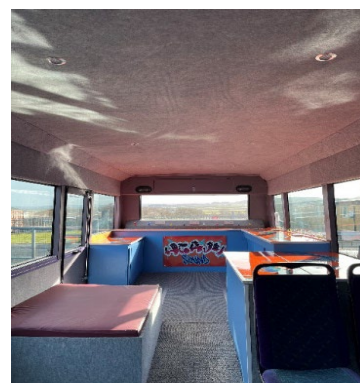


Individuals from a number of establishments, including HMP's Perth, Barlinnie, Polmont, Dumfries and Grampian have been giving back to their local communities by crafting play equipment for nurseries and schools, and garden furniture for hospices, care homes and other green spaces.

HMP Inverness established a new children's clothing bank as a way of supporting families local to the prison, who may be struggling with the cost-of-living crisis. They have also donated prison-grown produce to local charity, Inverness Foodstuff. The prison has partnered up with the charity to support them in providing help, meals, and company for local people who face day to day challenges.

Individuals in custody at HMP Edinburgh have transformed a regular public passenger bus into a multi-purpose community and inclusion space for young people.

The bus has been fully revamped and repainted and is now fitted out with a kitchen space and seating areas. It will allow Heavy Sound CIC, a nonprofit organisation, to engage with disconnected young people through creative learning, music, sports resources and other activities.



Paws for Progress' rescue dog training programme, which offers young men under 25 in HMP&YOI Polmont, the opportunity to train and socialise dogs from Edinburgh Dog and Cat Home in preparation for their forever homes, has been featured on the BBC's The One Show.

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 2024-25.

Who are SPS and what do 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 5,113 staff and our organisational structure is illustrated in **Appendix 2**.

At the end of March 2025, 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 directly operates 16 and one is operated by a private sector operator under contract to SPS.

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 (further detail on which is available in **Appendix 10**) 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.

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.

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 ways 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

SPS operates in an environment that is complex, dynamic, and responsive to change.

The unwelcomed upward trend in our prison population continued over the past 12 months, continuing to put pressure on our estate and resources. Our population remains complex and resource intensive, further complicated with additional health and social care requirements for many of those in our care.

Additionally, we have a significant number of individuals who require specific operational and security processes as a result of, either their crime, sentence type or the identified risk to the public they present.

This pressure caused by our high population continues to draw our resources towards safety and security, with a clear shift in focus 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 prison system can only unlock and shift resources towards rehabilitation if prison pressures are reduced and the levers that would enable this mainly lie outside the prison system itself.

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

Looking Forward

Over the medium and long term, SPS' ambitions continue to remain aligned to 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.

Our most pressing strategic and operational priority remains the management of our prison population and the impact that sustained, very high prisoner numbers have on those in our care, our staff, our buildings, our ability to deliver services, and our budget. Although this creates significant pressure on our system, we will continue to deliver improvements in our estate by progressing with new establishments (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 in-cell technology, and improve service delivery through the implementation of key organisational strategies and reviews of important processes and policies.

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 2024-25, our average daily population was 8,214, compared with the reporting year 2023-24 average of 7,859. This figure represents the highest average daily figure recorded by SPS. This is an average increase of 355, or 4.5% compared to the previous year. On 31 March 2025, the prison population was 8,182.

The remand population fluctuated but the annual average increased by 1.2% in 2024-25 compared to the previous year. Long-term prison population rose from an annual average of 2,297 in 2023-24 to 2,507 in 2024-25, or 9.1%. These figures exclude Life Sentence, Life Recall and Order for Lifelong Restriction (OLR) prisoners.

In the same period, the annual average of short-term population increased from 2,288 to 2,383, or 4.2%. The average women population showed an increase of 8.5% in 2024-25 compared to the previous year, while the average men population increased by 4.3% in the same period.

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

The hard work and dedication of our staff is, without doubt, the most critical component to the delivery and enablement of frontline services right across the Scottish prison estate. Despite continued population pressures and the challenge and complexity created by a high prison population, our staff have continued to work to deliver safe and secure prison environments to the very best of their ability.

As highlighted within our Corporate Plan 2023-28, our staff are our biggest asset and throughout the lifespan of our current Corporate Plan, we are continuing to create healthy, respectful working environments which promote positive relationships and support our people as they deliver for those within our care, learn and grow.

To achieve this, we have continued to focus on and prioritise our collective leadership capacity and capability through the delivery of our leadership strategy. This work is crucial to our improvement journey and has continued to deliver opportunities for our managers and leaders to develop and to learn alongside other UK prison jurisdictions.

Our managers engaged in leadership development programmes 395 times during 2024/25, with two thirds of participants undertaking middle management job roles; we feel this is a healthy indicator of future leadership capability and our organisational success. We have also commenced on a journey to fully understand our organisational culture which, once delivered during 2025/26, will continue to support us to assess, make changes and move forward as an organisation.

We continue to take forward work to grow the Scottish public's understanding of the extremely difficult job that our frontline staff do on a daily basis. We were delighted that three SPS employees were awarded a Butler Trust Commendation Award, and we celebrated 'Hidden Heroes Day' in September 2024.

In year challenges have continued to impact staff absence levels during 2024/25. SPS has continued to experience stubbornly high levels of sick absence, and our Average Working Days Lost (AWDL) figure increased by 0.2 days per employee during 2024/25 (16.8 AWDL) when compared with 2023/24 (16.6 AWDL). This continues to represent an improvement when compared to the 2022/23 (17.1 AWDL).

A number of significant people objectives were achieved throughout 2024/25. On 1 December 2024, SPS reduced the working week for all staff from 37 hours to 35 hours with no reduction in pay or increase in resources. New working patterns were created in partnership with trade unions with the aim of minimising impact on the prison day.

Simultaneously, the process to align the operation of HMP Kilmarnock with other prisons across the SPS estate was concluded. This delivered the opportunity for all staff within HMP Kilmarnock to transfer to SPS terms & conditions of employment following the prisons return to public sector operation in March 2024, with almost all transferring staff electing to take up SPS terms & conditions of employment.

A further key achievement has been the implementation of our new, integrated HR and Payroll solution. This has enabled SPS to provide our people with automated access to their personal information and the people data they require to do their job effectively. The introduction of new technology has also delivered significant improvements to our ways of working which deliver tangible outcomes for our people. To truly support our people and the work that they do, our continuous improvement journey will continue throughout 2025/26 and beyond.

In accordance with our obligations under the Public Sector Equality Duty (PSED), we have also delivered a new set of Equality Outcomes for years 2025-29. Our four new Outcomes will support SPS to embed human rights principles within everything that we

do, will increase opportunities for those who live and work within prisons to contribute to our future development, and to ensure that their voices are reflected in the decisions that affect them. In terms of broader policy development, our new Disability Leave policy has also been developed during 2024/25 and will be implemented during Q1 of 2025/26.

Finally, we're delighted to report that our Gender Pay Gap (GPG) has further reduced during 2024/25. For 2022/23 & 2023/24, our reported mean GPG figure was 6.8% and 6% respectively; the SPS' mean GPG for 2024/25 has further reduced to 4.3%.

Further information in relation to our workforce is covered within the "Staff Report" section of this Annual Report.

Our Resources

The Scottish Parliament approved the 2024-25 budget for SPS of £647m. This represents an increase of £105m or 19% compared to 2023-24, which is made up of £35m in additional resource and non-cash budget and £70m in Capital.

Due to the challenges of prior year budget pressures and taking account of increased utility and pay award uplifts in 2025/26, a further £22m increase was required at SBR to meet rising revenue and non-cash costs.

A slower capital programme was anticipated during the SBR process which reduced expected costs by £55m however some of this underspend was reduced at the year-end in both major capital programmes at HMP Highland and HMP Glasgow. Managing the capital programme through 2025-26 remains a high risk with limited scope to manage new pressures.

Population pressures remain the most significant risk SPS faces, and this is expected to continue in future years as well as continuing high inflation, impacting food and fuel costs as well as the associated cost of living impact on employees.

SPS will continue to develop a medium-term financial strategy linking the Corporate Planning process to both current and emerging financial risks. This will set out the basis for longer-term financial strategy and investment requirements.

To deliver on this, we will:

- work with colleagues across SPS and Scottish Government on medium/longer-term financial planning; and
- ensure our senior structure is aligned with the future demands of the organisation and that appropriate corporate governance is in place.

Performance Summary

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 is accompanied by a series of Annual Delivery Plans, published each year. In the Annual

Delivery Plan, we set out the high-level actions that contribute towards achieving the strategic intent of the Corporate Plan.

The table below sets out the overall status of the actions in our Annual Delivery Plan for 2024-25 at the end of the year. '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, 37 actions were included in the published Annual Delivery Plan. At the end of the year, the status of the activities was:

| | Number of ADP Elements by Status | | |
|---|----------------------------------|-------|-------|
| | Red | Amber | Green |
| Corporate Plan Objectives | | | |
| Obj 1 – Safe, Secure and Suitable | 1 | 3 | 3 |
| Obj 2 – Health, Wellbeing and Care | 0 | 2 | 5 |
| Obj 3 – Pathways to Release | 0 | 1 | 4 |
| Staff | 0 | 0 | 7 |
| Enablers and Principles | 0 | 5 | 6 |
| TOTAL | 1 | 11 | 25 |

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 high prison population proved to be a significant challenge this year. In response, 2 programmes of early release took place – one in the summer of 2024 and one at the start of 2025 (which was preceded by the legislation Prisoners (Early Release) (Scotland) Act, changing the release point for short-term prisoners from the 50% to 40% point of their sentence).

This provided some brief respite, but our population volume and complexity continued to place considerable pressures on us throughout the year. For this reason, this activity was given a 'red' status at the end of the year.

The construction of the new HMP Highland continued well during the year, and the construction contract for HMP Glasgow was signed at the start of 2025.

The population rise has limited our ability to deliver some planned improvements in regimes and to continue the roll out of a revised control and restraint approach. The complexity of work around serious organised crime and drone threats also meant that there is more to do in this area. All of these are reflected as 'amber' status in the table above.

Further detail on this Objective is available from page 26.

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 intricacy of our population grows, so does the complexity of the needs.

This year saw the publication of our Alcohol & Drug Recovery Strategy, which is accompanied by an implementation plan. Our Mental Health Strategy was also published, although implementation has been slightly slower than hoped due to resourcing; this is 'amber' in the table above. This is also true of our delivery of trauma awareness training.

We have committed to an overhaul of our suicide prevention strategy, Talk to Me, and this has been commissioned to be carried out by independent experts.

Further detail on work within this Objective is available from page 29.

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.

During the year, SPS launched a revised model of case management, which targets individuals based on risk. Implementation has been slower than hoped due to operational pressures and it therefore 'amber' in the table above.

A new development and learning strategy for people in custody was published, called

‘Learning for a Better Future’. This was accompanied by the procurement of a new education contractor to deliver learning across the SPS estate.

There has been extensive engagement with Scottish Government and partners on the development and implementation of the aforementioned Prisoners (Early Release) (Scotland) Act, which changed the release point for short-term prisoners from the 50% to 40% point of their sentence.

Further detail on this Objective is available from page 32.

Staff

There have been several developments in the support available to staff this year, including making the ‘Lifelines Scotland’ service available, and introducing a ‘Right to Disconnect’ policy. A 35-hour work week was also implemented across all areas of SPS in December.

A contractor was procured to begin a review of SPS’s organisational culture, which will continue into next year, and our Equalities Outcomes were reviewed and new outcomes developed. We also continued to implement our Leadership strategy through a range of training and development opportunities and information for staff.

In February, a new HR and payroll system was introduced, which will reduce administrative burden on staff and streamline a number of our people-related processes.

Further details on these elements are available on page 35.

Enablers and Principles

In December, the transition of HMP Kilmarlock into SPS management completed, with the harmonisation of operations there with SPS operations. We also ran our 18th Prisoner Survey to gather the views and experiences of those in our care. A review of our ex-gratia processes was undertaken to introduce new processes and controls.

We issued a contract notice for a new prisoner escort service, and capital funding was agreed, and hardware purchased, for the introduction of in-cell digital services.

Progress on a number of activities was impacted by the availability of resources: Net Zero Planning and Monitoring, the development of a Medium-Term Financial Strategy, cyber and information security developments and the first phase of our Data Strategy Project. These are marked ‘amber’ in the table above.

Further details on these elements are available on page 37.

Where more limited progress has been made this year against the Corporate Plan, this was frequently 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 2024-25 are:

- Instances of violence have returned to levels slightly above of what was observed in 2021-22, after an especially low rate of 2022-23, and a rise in 2023-24.
- **5,956,123** hours of purposeful activity were recorded in 2024-25, up from 5,387,430 the year before.
- There were **61** deaths in custody in the 2024-25 reporting year. This is an increase of 13% compared to the previous year (54).
- On average, **106** people were on Home Detention Curfew at the end of any given month in 2024-25. This is an increase of 68% compared to the previous year (63)
- The average cost per prison place is up against 2023-24.

Risk Management

The principal risk areas (with associated risks having been scored 'high' on the Corporate Risk Register throughout 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. Two programmes of early release of short-term prisoners took place during the year as key mitigation actions.
- 2. 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 and the high population number impacts our Prisoner Officers' ability to engage in case management with those in our care. An independent review of SPS psychological services took place during the year, with recommendations made on service improvement and an alternative model of case management, based on risk, was introduced. A new development and learning strategy was also published, accompanied by the procurement of a new education provider for across the estate.
- 3. Creating and maintaining safe and healthy prison environments and supporting the wellbeing of those in our care** – there are several factors threatening a healthy prison environment. The increase in Serious and Organised Crime Gangs (SOCG) introduction of novel drugs into our prisons, and the increased use of drones 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 trial of body-worn cameras and improvements to buildings to disrupt drone activity this year. The threats presented, however,

remain credible and high. SPS has also published new Mental Health and Drug & Alcohol Recovery strategies this year.

4. **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 in areas such as psychology, finance, estates, and digital. Mitigations have included reviewing staffing structures of some service areas, developing improved and targeted recruitment campaigns, and improved succession planning activity, particularly through the SPS Leadership Strategy.
5. **Pressures on public finances** – not having sufficient funding to staff and operate prisons would have a direct impact on service delivery and there remains a high degree of uncertainty regarding financial positions year to year. SPS undertook a corporate prioritisation activity during the year and continues to closely monitor and scrutinise budgets and business cases for funding.

The following risks have changed from 'high' to 'medium' scoring during the 2024-25 reporting period:

- **Delivery of the Scottish Court Custody and Prisoner Escorting Service (SCCPES) contract** - The contractor had been unable to meet the needs of the contract which has caused several issues for SPS and the wider justice sector, though improved service led to this risk reducing to 'medium' mid-year. A contract notice was issued for the procurement of a new escorting service in February 2025, and this procurement may feature on the Corporate Risk Register from 2025-26.

Information on our risk management arrangements is available in the Governance Statement on page 52.

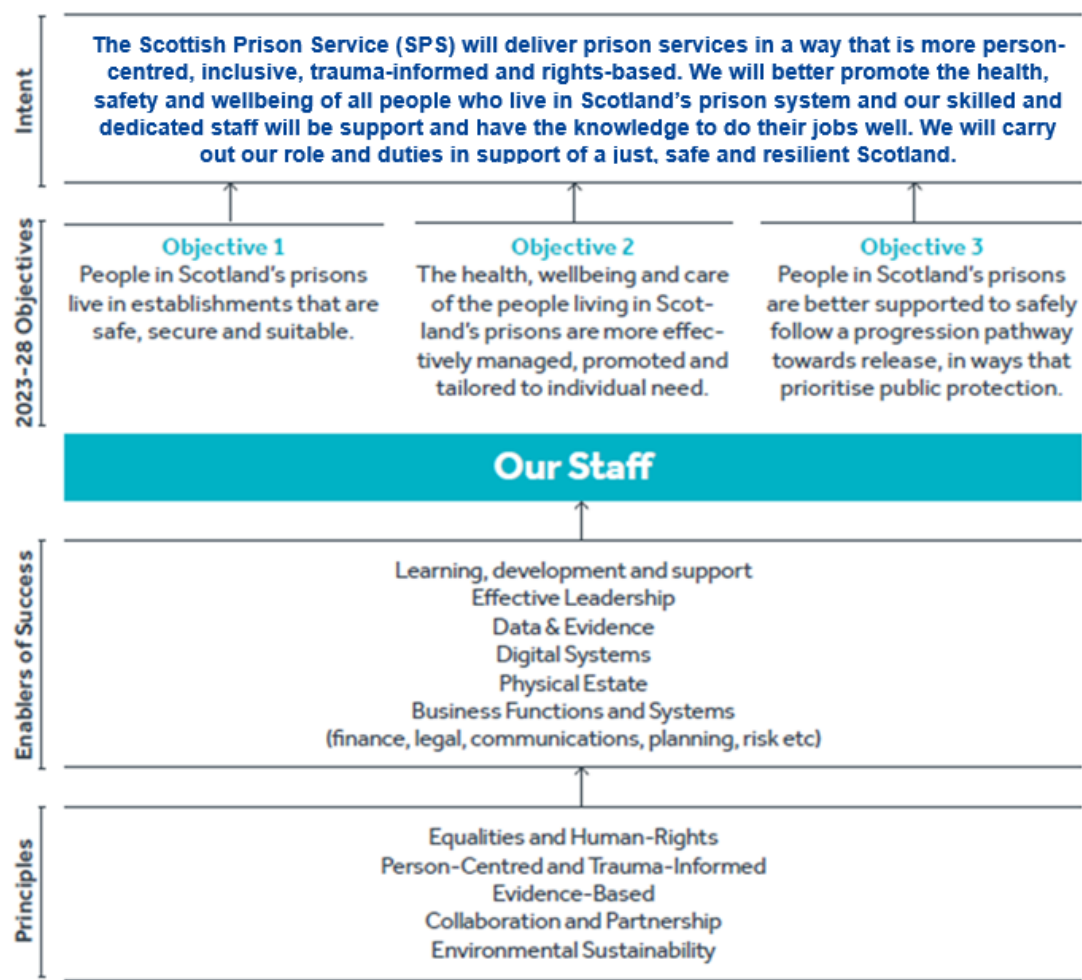
PERFORMANCE REPORT – PERFORMANCE ANALYSIS

The purpose of this section is to provide a detailed analysis of the development and performance of the organisation in 2024-25.

Performance Analysis 2024-25

This year was the second year of the delivery of the SPS 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'/'G' denotes the activity was delivered as expected or completed; 'amber'/'A' denotes that progress was made, but that this was less than planned; 'red'/'R' 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; Policy = Policy

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 Continue to rationalise our population management approach to respond to population management pressures | Ops | R |
| 1.2 Continue the construction of HMP Highland | Ops | G |
| 1.3 Continue the construction of HMP Glasgow | Ops | G |
| 1.4 Continue to implement a revised Control & Restraint approach | Ops | A |
| 1.5 Continue to re-establish sustainable regimes across SPS establishments | Ops / Policy | A |
| 1.6 Continue to assess the effectiveness of body-worn cameras within SPS establishments | Ops | G |
| 1.7 Implement solutions for the management of SOCG activity, including drone threats | Ops | A |

Our **average daily population during 2024-25 was 8,214**, compared with an average of 7,859 the year before. **Population management** (action 1.1) has been a key priority for the whole year. To attempt to mitigate the impact of the consistently high population and maximise our use of the estate, a number of key actions took place.

We continued, and enhanced, our risk and capacity assessment process that monitor pressure on the system weekly, reopened Cruden Hall in HMP & YOI Grampian, made more space available at HMP & YOI Polmont, and increased capacity at HMP Addiewell.

During the year, two programmes of early release of short-term prisoners took place, enabled by legislation. The first (under the Early Release of Prisoners and Prescribed Victim Supporters (Scotland) Regulations 2024) ran over June and July 2024, releasing 477 individuals, and the second (under the Prisoners (Early Release) (Scotland) Act) ran during February and March 2025, releasing 312 individuals. The latter of these pieces of legislation means that eligible short-term prisoners will now be released at the 40% point of their sentence.

Despite these various actions and interventions, pressure on this prison system as a whole due to high prisoner numbers has continued to impact service delivery through the year. This action has therefore been marked red.

We have made positive progress towards the construction of two new establishments, **HMP Highland** (action 1.2) and **HMP Glasgow** (action 1.3). HMP Highland will replace HMP Inverness and provide places for adult males, as well as a small number of places for women and young people attending court locally.

The construction contract was signed on 5 April 2024 and will conclude the construction work in 2026. The steel structure of the main building was erected during March 2025. HMP Glasgow, a replacement for HMP Barlinnie, will provide 1,344 places for adult males. The contractor, Kier Construction, was awarded the contract to construct the prison in January 2025 following approval from Scottish Government. Enabling works continue on the site following contract award. The prison is expected to be completed in late 2028.

We continued to embed new non-pain-inducing **control and restraint techniques** (action 1.4) in a small number of pilot establishments, testing both the methods and the training models. The approach is 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 person being restrained. It was hoped we would introduce this to more sites, but operational pressures have prevented further progress, although plans are being put into place to continue this work in 2025-26.

These operational pressures also meant that our work to **re-establish sustainable regimes** (action 1.5) across establishments was more limited than we hoped for, however work was commissioned and progressed to consider introducing revised operational day models into a number of pilot prisons.

We continue to explore ways to ensure our prisons are safe for everyone who lives and works in them. Part of that includes trialling **body-worn cameras** (action 1.6) in SPS establishments. We successfully piloted the cameras in three prisons, which provided

valuable learning for planned further roll-out across other establishments over the next two years. Improving our management of **drone threats** (action 1.7) is also part of this work, due to their ability to deliver illicit articles, drones pose an increasing threat to the safety and security of prisons.

We have undertaken improvements to our buildings (for example, new window grilles) to attempt to combat this and have piloted, and continue to investigate, technological methods of drone detection and disruption.

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. The definition of both is:

Abscond: when a low-risk prisoner leaves non-secure custody without permission.

Failure to return: 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 2024-25, 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 were **no** absconds in 2024-25, against 1 abscond in 2023-24.

Incidences of failure to return:

There were **3** incidences of failure to return in 2024-25. This is 3 more than 2023-24 and 2 more than 2022-23.

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.

The definition of both is:

Serious assault: when one or more individuals involved in the incident receive an injury that requires significant medical attention.

Minor/No Injury Assault: where one or more individuals involved require minor or no treatment for injuries received.

Serious prisoner on staff assaults:

There were **11** serious prisoner on staff assaults in 2024-25, **up** from the previous year (9) and also from 2022-23 (5).

Serious prisoner on prisoner assaults:

There were **93** serious prisoner on prisoner assaults, **down** from the previous year (114) and up from 2022-23 (91).

Minor or no injury prisoner on staff assaults:

There were **349** minor prisoner on staff assaults, **up** from the previous year (309) and also up from 2022-23 (259).

Minor or no injury prisoner on prisoner assaults:

There were **1,756** minor prisoner on prisoner assaults in 2024-25, **up** from the previous year (1,681) and also up from 2022-23 (1,409).

Instances of violence have returned to levels slightly above of what was observed in 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 we house people in a dignified way, and whether our estate is suffering from overcrowding.

Average % of population housed in single cells:

On average, across 2024-25, **63.2%** of the custodial population were housed in single occupancy cells, which is **down** against 64.8% in 2023-24.

Average number of single cells used as double cells:

On average in 2024-25, **1,005 single cells** were being **used to house two individuals** at any given time (this is an **increase** compared to the previous year); therefore, based on available data, with an average population of 8,214 in 2024-25, this accounted for around 24.5% of the population.

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 engage with national health and social care agenda contributing specifically on developing SPS health and Social Care models in partnership. | Policy | G |
| 2.2 Continue to design and deliver responses to the Death in Custody Review | Policy | G |
| 2.3 Publish SPS mental health strategy, develop implementation plan and benefits realisation outcomes. | Policy | A |
| 2.4 Publish SPS drugs and alcohol strategy, develop implementation plan and benefits realisation outcomes. | Policy | G |
| 2.5 Carry out a review of the SPS 'Talk to Me' policy, as part of wider body of FAI recommendations. | Policy | G |
| 2.6 Implement the new Family and Parenting Strategy | Policy | G |
| 2.7 Deliver a programme of trauma awareness training and continue to develop trauma aware approach for SPS | Policy | A |

SPS continued to work in close partnership with NHS Boards and Local Authorities across Scotland on the provision of **health and social care** for those in our care (action **2.1**) through a range of forums and participation in groups such as the National Prison Health Network. Work began considering models of imprisonment for those with specific social care needs, and this will continue in 2025/26.

To deliver further improvements in response to the Independent Review of the Response to **Deaths in Prison Custody** (action **2.2**), a review of the Death in Prison Learning Audit and Review (DIPLAR) process was completed and new policy guidance was issued. This underwent revision during the reporting year in response to Fatal Accident Inquiry recommendations.

In September 2024, we published our [Mental Health Strategy](#) (action **2.3**), followed by our [Alcohol & Drug Recovery Strategy](#) (action **2.4**) in February 2025.

The Mental Health Strategy describes a vision for supporting everyone in our care to achieve their best possible mental health, in an environment free from stigmas and discrimination.

The Alcohol & Drug Recovery Strategy sets out how SPS, working alongside partners, aims to reduce the supply of substances into our establishments, support people in their recovery journey, and create better environments for everyone to live and work. Both strategies will have a 10-year implementation period.

In January 2025, the determination in the Fatal Accident Inquiry into the deaths of Katie Allan and William Lindsay at HMP & YOI Polmont made recommendations for improvements within the SPS estate.

These recommendations were accepted in full and include an overhaul of our suicide prevention policy **Talk to Me** (action **2.5**), additional protective support for young people in custody in their first 72 hours following admission, and work to make the rooms that people live in as safe as possible.

A dedicated operational Taskforce has been established to oversee the implementation of the recommendations, and an independent review of Talk to Me, led by Professors Graham Towl and David Crighton, has been commissioned. A call for views to support the review has been issued: [Talk To Me Review: Call for Views | Scottish Prison Service](#). SPS **Family and Parenting Strategy 2024-29** (action **2.6**) was published in June 2024. It sets out our plans to support relationships between those in our care and families, particularly children. Initial implementation has focussed on training and awareness, with training packages being reviewed and a seminar with external agencies being delivered.

To support families with the cost of visiting prisons, in November 2024 SPS expanded the 'help with prison visits' scheme to include extra support for families living on Scotland's islands. A payment of up to £200 is now available to cover travel to our establishments, twice per year.

Operational priorities meant that, while further **trauma awareness training** (action **2.7**) was successfully rolled out through the year, this was not as extensive as originally planned. Online training from NHS National Education Scotland continued to be made available to all staff across SPS.

KPIs related to Objective 2:

All indicators in this section were **new** from 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 **61** deaths in custody in the 2024-25 reporting year. This is an **increase** of 13% compared to the previous year (54).

There were 45% more deaths by suicide (16, up from 11) or by suspected overdose (17, up from 12), and 7% less deaths from natural causes (28, down from 30) in 2024-25, compared to 2023-24.

Talk To Me is the SPS's suicide prevention programme which involves regular observations and agreed support. As mentioned above, it is now undergoing a full overhaul. 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 **3,940 incidents** of someone being placed on Talk to Me (TTM) across the 2024-25 period, which covered **2,765 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 2024-25, **1.1%** of the population were recorded as having self-harmed. This accounted for **1,052 total incidents**.

Complaints lodged - % of the population:
On average in 2024-25, 10.4% of the population lodged a complaint with SPS, an average of around **852** complaints per month. In 2023-24, around 9.9% of the prison population lodged a complaint with SPS.

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 Carry out work to support release reform, as required by legislation | Policy | G |
| 3.2 Implement the SPS Learning & Development Strategy, including education contract procurement | Policy | G |
| 3.3 Implement Targeted Integrated Case Management across SPS establishments and improvements to our case management models | Policy | A |
| 3.4 Undertake work to reduce backlog in access to programmes | Policy | G |
| 3.5 Further develop the SPS psychology strategy and models of delivery | Policy | G |

Extensive work has been undertaken on **release reform** (action **3.1**) during the year in response to prison population pressures, specifically with the implementation of the Prisoners (Early Release) (Scotland) Act, under which eligible short-term prisoners are released at the 40% point of their sentence. The Scottish Government has also committed to bringing forward secondary legislation to amend the eligibility criteria for Home Detention Curfew, increasing the period of time individuals can spend on release under licence conditions.

‘[Learning for a Better Future](#)’, our new **Learning & Development Strategy** (action **3.2**) was published in January 2025. The strategy seeks to answer the question “how can we provide a context for development and learning within our prisons that will enable people to have a better life beyond custody and increase the likelihood of desistance?” and its development was accompanied by the procurement of a new provider to deliver learning and development across the SPS estate for the next 5 years.

The creation of a new team to progress improvements with **case management** (action **3.3**) saw planning and changes being introduced. At the start of the year, new [Targeted Integrated Case Management guidance](#) was issued, ensuring that the highest-risk

offenders are the focus of Integrated Case Management. Towards the end of the year, developmental work began on a 'Prisoner Pathway' model for case management, focussing on risks, needs, readiness for progression, community release planning, and the best ways of supporting people while they are in custody. Due to pressures of other priorities, work on this area was less than had been planned.

Plans to reduce the **backlog in access to programmes** (action 3.4) and development of the **psychology strategy** (action 3.5) were put in place during the year. SPS psychology services also underwent an independent review, which has helped to identify key actions for 2025-26 and beyond.

KPIs related to Objective 3:

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; the occupancy rate of the open estate 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 2024-25, **58.5%** of the open estate (by design capacity) was occupied at any given time, **up** from 56.6% the previous year.

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:

5,956,123 hours of purposeful activity were recorded in 2024-25, **up** from 5,387,430 the year before.

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

In 2024-25, the **average hours of purposeful activity per convicted prisoner per week** was calculated to be approximately **19**, **up** from the previous year by 1 hour.

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%** of all case conferences were held within the relevant timescale. This is aligned with 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. **94.3%** of case conference had CJSW in attendance in 2024-25, **down** from 95.5% the previous year.

% of case conferences with family in attendance:

This is a previously recorded operational indicator, now escalated to KPI status. **21.3%** of case conferences were held with family in attendance in 2024-24, **up** from 20.4% 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. **72.3%** of parole cases complied with the relevant timescales in 2024-25, **up** from 69.7% 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. **83%** of people leaving custody in 2024-25 had either secured accommodation or been referred to a housing provider upon release, **down** from 85.6% the previous year.

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

On average, **106** people were on Home Detention Curfew at the end of any given month in 2024-25. This is an **increase** of 68% compared to the previous year (63)

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:

41.8% of education classes were recorded as being literacy-related in 2024-25, **up** from 40.9% in 2023-24.

% of education classes spent delivering numeracy skills:

25.8% of education classes were recorded as being numeracy-related in 2024-25, **down** from 26.9% in 2023-24.

Vocational and employment related qualifications:

19,994 vocational qualifications were completed in 2024-25, **up** from 19,437 in 2023-24.

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

735 qualifications at SCQF level 5 and above were achieved in 2024-25, **down** from 995 the year before.

Staff

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|--|------------------|-----------------|
| 4.1 Continue to develop and provide employee health and wellbeing provisions | Org Dev | G |
| 4.2 Continue to implement the SPS Leadership Strategy | Org Dev | G |
| 4.3 Transition to a 35-hour working week for SPS staff | Org Dev | G |
| 4.4 Revise SPS' Equality Outcomes | Org Dev | G |
| 4.5 Implement a new HR and payroll system | Org Dev | G |
| 4.6 Carry out an Organisational Culture Review | Org Dev | G |
| 4.7 Continue to deliver an annual programme of prison officer recruitment and training to support the effective operation of our prisons | Org Dev | G |

A number of improvement activities took place during the year in relation to **employee health and wellbeing** (action **4.1**). The [Lifelines Scotland project](#) became available to SPS staff in the summer of 2024. This national NHS project, hosted by NHS Lothian, provides advice and resources to emergency service staff and volunteers in Scotland.

SPS also published our 'Right to Disconnect' policy this year, which puts in place the right of employees to disengage from work and refrain from work relation electronic communications outside of normal working hours. Our Wellbeing Newsletter continued to be produced through the year, signposting staff to key information and raising awareness of wellbeing-related issues in the workplace. SPS staff moved to a **35-hour working week** (action **4.3**) on the 1 December.

Our staff's leadership skills were enhanced this year through the implementation of a revised **Leadership Strategy** (action **4.2**). Key leadership groups in the organisation have been able access our development opportunities such as 'Leading with Awareness' (a 12-month programme for middle-senior management), Franklin Covey's '7 Habits of Highly Effective People' training and our specific development programmes for First Line Managers and Unit Managers. To complement these structured programmes, resources were made available on topics such as goal setting, and a peer learning group was establishment for new Unit Managers.

SPS' HR Transformation Programme aims to enhance employee experience through the provision of effective and efficient digitally enabled HR services, including a new **HR and payroll system** (action **4.5**). Although the original deployment date in October proved to be not possible due to the complexities of testing the new platform, the new system was introduced in February 2025. Staff briefing sessions and online resources were made available to support the implementation. Work with the system will continue in 2025-26, as additional features are explored and processes reviewed and improved.

We have commissioned an external consultancy firm to carry out a **review of organisational culture** (action **4.6**) to help us better understand the experiences we have, and interactions we undertake, as an organisation. This work will form the foundation for further work pertaining to our organisational understanding of how staff engage with each other and those who access our services. The review will continue in 2025-26.

We completed a review and revision of our **Equality Outcomes** for 2025-29 (action **4.4**) and these were signed off in Q4 of the reporting year. The outcomes focus on:

1. Ensuring equalities and human rights principles are embedded throughout our governance, strategy and policy development.
2. Providing Service Users with information accessible to them, particularly those who face barriers through language and disability.
3. Involving those in custody to be involved in informing and co-designing policy and practice, ensuring their voices are reflected in the decisions which impact upon them.
4. Ensuring our staff experience and contribute to a workplace where all feel valued, respected and engaged.

Significant work was undertaken during the year on **prison officer recruitment** (action **4.7**). 577 appointments to Operations and Residential Prison Officer roles were made during 2024-25. Within 2024/25, staffing levels across operational uniformed grades were largely on complement with an average of 11 vacancies across the prison estate, across the year. There were fluctuations within the year and this position includes HMP Kilmarnock staffing levels from December 2024. 2025/26 will see recruitment efforts continue, to maintain Prison Officer staffing levels in support of our population management priorities.

Enablers and Principles

| Activities from Annual Delivery Plan | Lead Directorate | Year End Status |
|---|------------------|-----------------|
| 5.1 Continue to harmonise HMP Kilmarlock with SPS operations | Ops | G |
| 5.2 Specify and procure in-cell technology for use across the estate | Ops | G |
| 5.3 Carry out a review of ex-gratia processes and controls | Ops | G |
| 5.4 Create a Net Zero Plan and monitoring arrangements | Finance | A |
| 5.5 Develop a Medium-Term Financial Strategy | Finance | A |
| 5.6 Continue to deliver improvements in SPS' cyber security and resilience | OCE | A |
| 5.7 Continue to deliver improvements to information management and security | OCE | A |
| 5.8 Deliver Phase 1 of the SPS Data Strategy Project | OCE | A |
| 5.9 Run the SPS Prison Survey | OCE | G |
| 5.10 Specify the service for prisoner escort services | Ops | G |
| 5.11 Carry out a programme of work aligned to Scottish Public Sector Reform | OCE | G |

On 17 March 2024, **HMP Kilmarlock** (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 was a period of harmonisation, during which employment terms and conditions, and the prison operating practices were brought in line with those of SPS. This harmonisation phase completed on 1st December 2024 and the project overseeing the transition formally closed in February 2025.

In-cell technology (action **5.2**) will deliver IT services within cells across the SPS estate. This will enable services like education, health and social work appointments, and day-to-day transactional processes to be provided in much more efficient ways. As planned, hardware for this system was procured during the year. Cabling infrastructure work for this will continue in 2025-26.

A Short-Life Working Group was formed to review **ex-gratia processes** (action **5.3**) resulting in revised paperwork, including integration with SPS' new digital HR and payroll system, being issued. This is covered further in the Governance Statement below, on page 52.

Development of a **Medium-Term Financial Strategy** (action **5.5**) progressed but not completed due to resourcing challenges within our finance team. This is expected to be finished in early 2025-26. Resourcing also impacted our overall ability to deliver more on **Net Zero planning and monitoring** (action **5.4**), although good progress has been made following the appointment of a team lead to this area in quarter 3 of the year. This

has allowed us to progress with climate-related risk management arrangements and organisational awareness.

Our Improvement team ran and analysed our 18th **Prison Survey** (action **5.9**). The survey focuses on the core elements of prison life, is undertaken in each of the 17 Scottish prisons, and is offered to all of those held in custody in Scotland. The whole-service response rate was 30%, which is a slight improvement on the response rate achieved in 2019 (28%). A bulletin is [published on our website](#).

The same team also progressed with phase 1 of our **Data Strategy Project** (action **5.8**), which aims to improve how we use and understand our data for better decision making and evidence. This year, the focus was carrying out a data maturity assessment, piloting data warehousing, and initial drafting of a data strategy. Due to resourcing, this work did not progress quite as much as hoped but is anticipated to continue for a number of years.

Work took place throughout the year to consider models for **prisoner escort services** (action **5.10**) with justice sector partner agencies. As a result of this work, a contract notice was issued in March 2025, detailing SPS' intention to seek a service provider for a new Justice Partners Escort and Court Custody (Scotland) (JPECCS) contract to replace the current Scottish Court Custody and Prisoner Escort Service (SCCPES) contract. This is managed by SPS on behalf of the Criminal Justice Partners, which includes the Scottish Courts and Tribunals Service, Crown Office and Procurator Fiscal Services and Police Scotland.

The service will cover all prisoner escorts in Scotland, including court movements, police custody unit movements, hospital appointments, inter-prison transfers, community work placements and transportation for home leave, together with court custody operations. In addition, there will be a number of secure movements from police stations and prisons elsewhere in the UK to Scotland and vice versa. The service provider will also provide hospital watch escorts for those prisoners admitted to hospital.

Awareness raising around **cyber security** (action **5.6**) took place amongst staff throughout the year, along with penetration testing and upgrades to key elements of infrastructure. Internal Audit conducted an assurance review of cyber security towards the end of the year, which has helped identify improvements for 2025-26 onwards.

The same was true for **Information Management improvements** (action **5.7**), for the team for which was fully resourced by the end of the year. Training was undertaken with responsible staff in establishments and teams in Headquarters identified individuals to take on key roles. Training of these individuals will take place in 2025-26.

We began a programme of work focussed around **Public Sector Reform** (action **5.11**) this year. It has prioritised looking at benefits and cross-cutting opportunities for improvement throughout the organisation, environmental scanning for opportunities to reform within and across Scottish Government agencies and partners, the possibilities presented by Artificial Intelligence, and organisational governance for strategically significant projects. This work will continue into 2025-26 and is being supported by input from Internal Audit.

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 2024-25.

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 £647,169k, details of which are contained in the Budget (Scotland) Bill 2024-25 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-2024-25-supporting-document/documents/>

SBR: <https://www.gov.scot/publications/spring-budget-revision-2024-25-supporting-document/documents/>

At ABR, an additional £100k was received in support of an adjustment to social care services at HMP Glenochil.

At SBR, £55,000k of capital Departmental Expenditure Limit (DEL) was surrendered to the Scottish Government due to forecasted delays in the progress of capital development of the prison estate in 2024/25. Subsequently, the position at HMP Glasgow changed with an award of further advance works until the contract signing date in January which was earlier than forecast. Following signing of the contract a more robust programme was presented which had additional costs at the commencement of the contract. This resulted in a circa £11m increase in spend against the SBR position. SPS received an additional £22,343k of resource DEL for cost pressures primarily relating to prior year cost pressures as well as additional funding for the 2024/25 pay award and the impact of inflation and high prisoner numbers on general and running costs. £1,230k 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 £1,840k was surrendered in relation to depreciation on SPS assets.

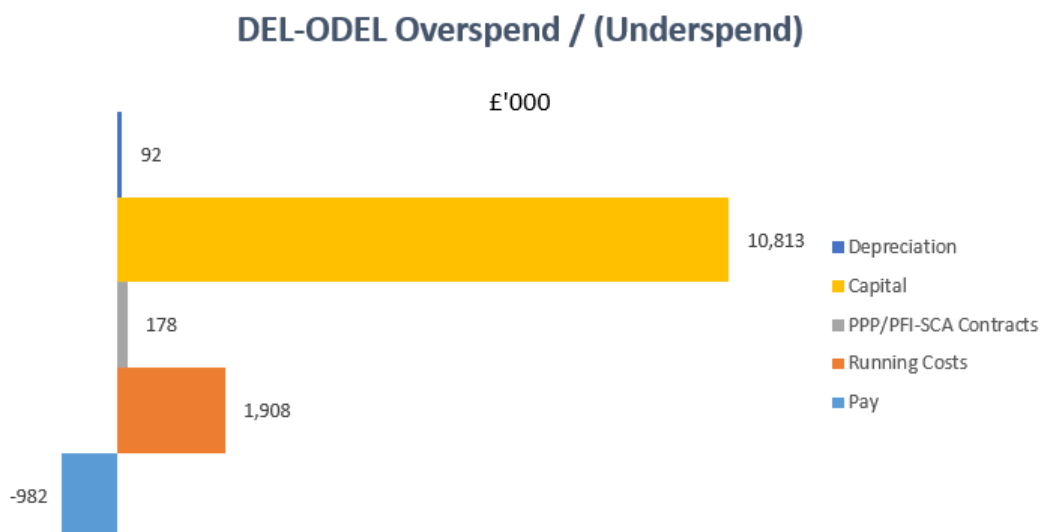
A comparison of the SPS final outturn with the SBR for 2024-25 is detailed below. The table does not include notional charges of £119k (Note 18 in the Notes to the Accounts).

| | Actual Outturn £'000 | Revised Budget £'000 | Over/ (Underspend) £'000 |
|---|----------------------------|----------------------------|--------------------------------|
| Total Departmental Expenditure Limit (DEL) ¹ | 540,881 | 529,050 | 11,831 |
| Total Outside DEL Expenditure ² | 84,665 | 84,487 | 178 |
| Annually Managed Expenditure (AME) | 2,126 | 464 | 1,662 |
| Total Expenditure | 627,672 | 614,001 | 13,671 |

Total expenditure for the year was £627,672k against the SBR budget position of £614,001k.

The DEL overspend of £11,831k is primarily attributable to overspend in capital (£10,813k). Also, factors affecting DEL overspend are the overspends in running costs (£1,908k) and depreciation (£92k) and compensated by underspend staff costs (£982k). Outside Departmental Expenditure Limit (ODEL) actual outturn is slightly consistent with the revised budget. The overspend in AME largely relates net impact of a downward valuation of HMP Stirling (£3,411k), impairment reversal of (£36k) and provisions utilised during the year (£1,249k).

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

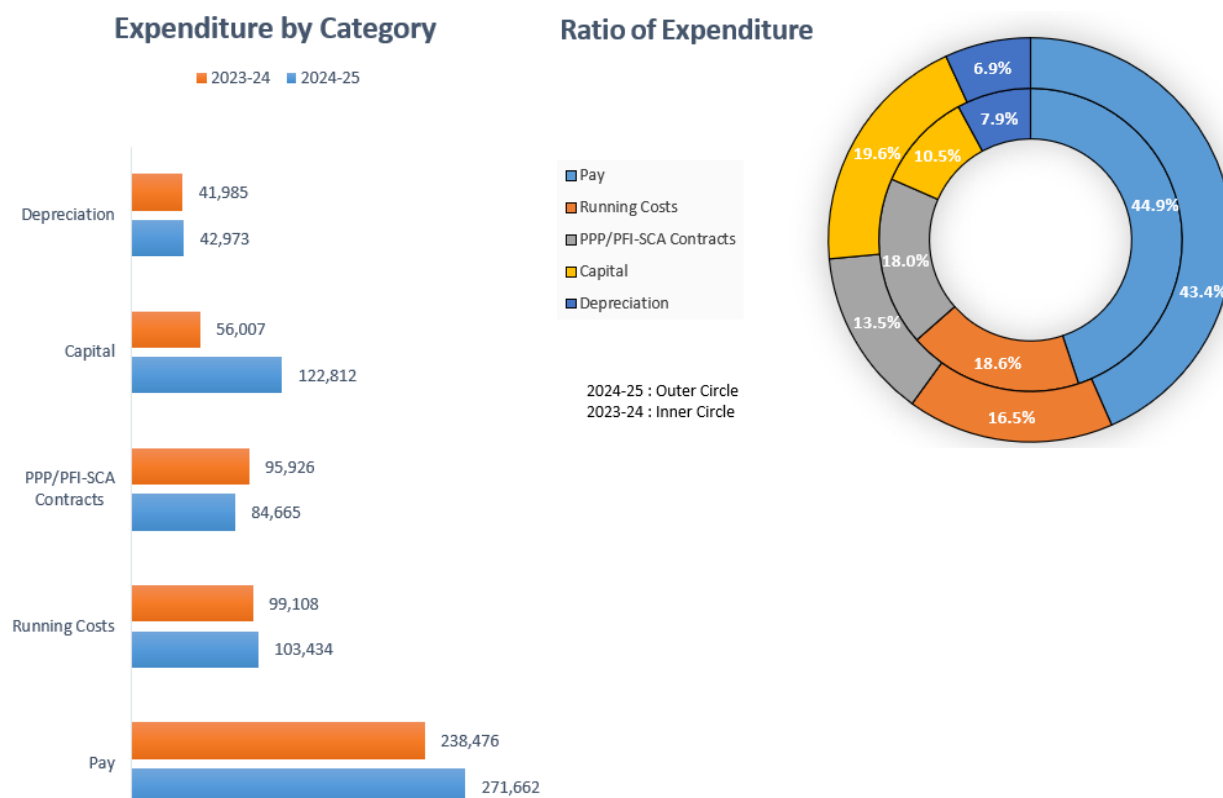


Analysis of Expenditure

The most significant expenditure category for SPS relates to pay 43.4% (2023-24: 44.9%) followed by capital 19.6% (2023-24: 10.5%).

¹ DEL budget limits are set in the Annual Budget.

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



Net Expenditure for the Year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 89. SPS has reported net expenditure for the year of £504,979k (2023-24: £487,774k). This is an increase of 3.53% from 2023-24 and is largely attributed to staff costs.

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 | 627,672 |
| Add: Notional charges (Note 18) | 119 |
| | 627,791 |
| Less: Capital expenditure (Note 4, 5 & 6) | 122,812 |
| Net expenditure for the year (SoCNE) | 504,979 |

Statement of Financial Position

The Statement of Financial Position in on page 90.

Changes in Property, Plant and Equipment and Intangible Assets

As at 31 March 2025, SPS property, plant and equipment, right of use assets and intangible assets have a net book value of £1,585,531k (2023-24: £1,455,836k). This represents an overall 8.9% increase in value from 2023-24. The increase in value of £129,695k mainly relates to £122,812k of capital purchases, £54,292k of net upward revaluation adjustments against land and buildings, offset by a £47,230k 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 Edinburgh, HMP Glenochil, HMP Grampian, HMP Low Moss, Edinburgh Visitors Centre, SPS College. In addition, desktop valuations by the external valuer were carried out for remaining buildings as at 31 March 2025.

As at 31 March 2025, SPS Land and Buildings have a net book value of £1,390,835k (2023-2024: £1,352,662k), which represents a 2.8% increase in value from March 2024. This increase in value is reflective of the impact of the revalued land and buildings in year. A £57,668k net upward revaluation was recognised through the revaluation reserve, offset by a net £3,375k loss (including £36k impairment reversal for Central Stores) on revaluation recognised in the SoCNE. Most of it is £3,411k loss related to the revaluation of HMP Stirling which became operational in 2023-24 and following further phase 1 works and phase 2 building of additional facilities completed in 2024-25.

Trade and Other Payables

Included within payables is an amount of £107,734k (2023-24: £110,778k) 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, £6,168k (2023-24 £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 2025, SPS paid 95.8% (2023-24: 97.2%) 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 86.3% (2023-24: 88.2%).

Climate and the Environment

The global climate emergency is a strategic national priority, recognised by the Scottish Government and public bodies across Scotland, and is one of 4 key themes in the 2025-26 Programme for Government. Scotland's climate is becoming warmer, wetter and more variable.

The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 was updated in 2024 to bring in new requirements relating to carbon budgeting and cyclical 5-year reduction plans, with guidance to public sector organisations consulted on during Spring 2025. 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 every three years on compliance with the Biodiversity Duty. The most recent report, covering 2022-23, is available here: [Biodiversity Report](#) and the next scheduled publication will be for 2025-26.

As outlined in the [Scottish National Adaptation Plan 2024-29](#), public bodies including SPS play a key role in helping Scotland adapt to our changing climate via the adaptation of the services delivered and legislative duties to report against the National Adaptation Plan commitments.

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 2023-24, is available here: [Climate Change Report](#). SPS reported combined total emissions of 30,300 tonnes CO₂ equivalent, a 6% increase on the previous reporting year. The 2024-25 report will be prepared and submitted in November 2025.

The introduction of a specialist Climate Change team in late 2024 will help SPS ensure that it remains safe, secure and functional in the face of increasingly challenging adverse weather, makes systematic progress in carbon emission reduction and meets legislative reporting requirements, including Task Force on Climate-related Disclosures (TCFD) compliant governance.

TCFD Disclosure Statement

SPS has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. SPS considers climate to be an organisational risk, and has therefore complied with the TCFD recommendations and recommendations disclosures around:

- Governance
- Risk Management
- Metrics and Targets

This is in line with the central government's TCFD-aligned disclosure implementation timetable for Phase 2. SPS plans to provide recommended disclosures as required in future reporting periods in line with the central government implementation timetable.

Governance

| <i>TCFD recommended disclosures:</i> | <i>SPS'S summary position:</i> |
|--|---|
| a) Describe the Board's oversight of Climate-related risks and opportunities. | <p>The Director of Finance has overall responsibility for the strategic direction and implementation of carbon reduction initiatives and reporting progress to the SPS Executive Management Group and other stakeholders.</p> <p>The SPS Carbon Management Strategy Board (CMSB) has overall responsibility for the strategic direction and management of activities in relation to climate change.</p> <p>The CMSB comprises senior representatives of each Directorate, as well as senior technical staff who are responsible for driving the carbon reduction agenda forward. The CMSB meets quarterly.</p> <p>The remit of the Carbon Management Strategy Board includes:</p> <ul style="list-style-type: none"> • Developing policies for consideration by the SPS. • Ensuring effective communication of the SPS policies to staff and users of our facilities. • Monitoring the SPS's built environment and operational performance against any agreed carbon management targets. • Raising the profile of carbon management and promoting environmentally sustainable behaviour by staff and users of our facilities. |
| b) Describe management's role in assessing and managing climate related risks and opportunities. | <p>The Director of Finance is the organisation Carbon Champion and in conjunction with the SPS CMSB has the ultimate responsibility for the environmental performance of the SPS.</p> <p>During 2023/24, in response to the challenges set by the Scottish Government's climate change ambitions and the national target to achieve Net-Zero carbon emissions in Scotland by 2045, the SPS Carbon Management Strategy Board (CMSB) approved funding to create a dedicated Climate Change Team (CCT) to review and develop organisational net-zero policies and strategic plans and to support and guide the organisation on the journey towards net-zero.</p> |

| | |
|--|--|
| | <p>The CCT Lead was recruited and joined SPS in late 2024. Recruitment of other key specialist roles is scheduled during 2025-26.</p> <p>The purpose of the CCT is to establish organisational net-zero carbon emissions strategies, plans and actions that aim to tackle the major sources of SPS carbon emissions and support a corporate commitment to reduce them in line with Scottish Government targets, including taking the lead role for reporting SPS climate mitigation and adaptation performance to the wider public and producing The Annual Public Sector Climate Change Duties Reports for Scottish Government.</p> <p>The CCT will provide support and assistance to all key stakeholders, functions and directorates including liaison with the Trade Union Side, reflecting the cross-cutting nature of the climate challenge.</p> |
|--|--|

Risk Management

| <i>TCFD recommended disclosures:</i> | <i>SPS'S summary position:</i> |
|---|--|
| a) Describe the organisation's processes for identifying and assessing climate related risks. | <p>Risk Identification:</p> <p>The SPS has a Risk Management Framework in place, which is followed across the organisation. The Climate Risk Register is currently live and following the corporate risk management processes. The risks on this register were identified by the SPS Climate Change Team Lead carrying out site visits and developing an overall assessment of current organisational climate priorities. Climate risks are managed corporately as a result of being escalated and fed from the SPS Climate Risk Register onto the Corporate Risk Register, or as a result of the Executive Management Group (EMG) mandating an addition of a corporate climate risk. Risks on this register are identified through escalation from subordinate registers and an annual horizon scan. A revised corporate risk is pending approval to be added to the Corporate Risk Register. This is a result of maturing as an organisation in terms of our climate impact awareness and so a corporate risk has been identified which focusses on the challenges of SPS's climate adaptation capability. As a result this risk is overseen by EMG and actioned by the Carbon Management Strategy Board, while the risks on the Climate Risk Register remain owned and actioned by the Carbon Management Strategy Board until another escalation is requested. Climate related risks are also expected to sit on Establishment</p> |

| | |
|--|---|
| | <p>Risk Registers, owners of these risks are also duty bound to follow the corporate escalation process onto the Climate Management Strategy Board.</p> <p>Risk Assessment: All risk registers throughout the organisation use a consistent scoring methodology for risks. This allows risks, including climate risks, to be compared with one another within the same management level. The Corporate Risk register (and scoring) is reviewed approximately quarterly by the EMG and reported to the SPS Risk Management and Audit Committee (RMAC) at 4 of its meetings through the year. Risk registers at other levels are subject to review by responsible staff via functional business meetings. Risks are consistently described using the causes/event/impact model and prompts for areas to consider when articulating impact are provided in SPS guidance.</p> |
| b) Describe the organisation's processes for managing climate related risks. | <p>Climate risks are managed strategically, tactically and operationally through risk registers at different levels. At the strategic level, the Director of Finance is the climate risk owner, supported by the Climate Change Team Lead as risk sub-owner and the Planning, Performance and Risk Manager. Management of the tactical Climate Risk Register is the responsibility of the Climate Change Team Lead, and management of the operational-level Establishment Risk Registers, which allude to climate related risks, is the responsibility of the Governor in Charge of that Establishment. Management of the risks includes ensuring actions responding to causes are up to date to then reliably give a current score whereby the risk can be assessed against the further risks of the organisation, tolerance windows and the interdependent risks. In common with all corporate risks, the climate risk is open to review by the SPS Risk Management and Audit Committee (RMAC).</p> |
| c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisations overall risk management. | <p>With the addition of that noted above, the SPS overall risk management processes have been informed by an annual Horizon Scan, of which was carried out in Q4 of 2024-2025 through the lens looking forward to 2025-2026. These highlighted challenges of climate resilience for SPS and has ultimately further informed SPS corporate climate risk in that SPS is concerned regarding its response to adapt in the face of climate impact pressures. The Horizon Scan will be carried out annually going forward. Similarly, the Risk Monitoring and Audit Committee acts as an independent scrutiny body, without</p> |

| | |
|--|---|
| | <p>executive powers, to support and advise the Accountable Officer and the Advisory Board in their responsibilities for issues of risk, control and governance and as such have advised and continue to, on the SPS Corporate Risk Management direction. RMAC review and advise on Corporate Risk Management processes four times a year as a result of a paper submission to the group, which provides a Corporate Risk Management update position. As described above, operationally and strategically, climate risks are considered on risk registers alongside other risks and are managed in a consistent way. Identifying interdependence between risks is encouraged at all levels of risk management, and risks are explicitly linked together on the Corporate Risk Register. As such, the Climate Risk on that register has a number of interdependent and connected risks.</p> |
|--|---|

Metrics and Targets

| <i>TCFD recommended disclosures:</i> | <i>SPS'S summary position:</i> |
|---|--|
| a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes. | Metrics have been extracted from current published reports and are summarised in page 48. These will be reviewed and refined via the development of a new Climate Change Strategy. |
| b) Disclose Scope 1, Scope 2, and if appropriate Scope 3 greenhouse gas (GHG) emissions, and the related risks. | Emissions have been extracted from current published reports and are summarised in page 48. |
| c) Describe the targets used by the organisation to manage climate related risks and opportunities, and performance against targets. | Targets will be developed as part of a new Climate Change Strategy and will form a key part of the 2025-26 year-end reporting. |

| Emissions & Indicators | | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|---|--|--------------|-------------|------------|-------------|---|
| Indicator: Tonnes CO2(e) | Total gross Scope 1 direct emissions: owned & controlled sources | 18.33 | 18.52 | 17.27 | 18.46 | Carbon & energy metrics are lagged by 1 year. Figures for the 2024-25 financial year will not be available until after statutory submission under the Public Bodies Climate Change Duties Reporting route in November 2025. SPS will seek to expedite and align these processes for subsequent years. |
| | Total gross Scope 2 indirect emissions: purchased & used energy | 6.62 | 6.04 | 5.54 | 5.92 | |
| | Total gross Scope 3: other up/downstream indirect emissions | 1.27 | 6.32 | 5.83 | 5.88 | |
| | Total Scope 1,2,3 combined | 26.22 | 30.88 | 28.64 | 30.26 | |
| Energy consumption (kWh) | Electricity | 28,390,700 | 34,294,300 | 34,736,900 | 34,495,600 | |
| | Gas | 99,265,200 | 104,816,700 | 99,699,500 | 103,008,200 | |
| | Gas Oil | 316,800 | 883,400 | 936,600 | 5,393,600 | |
| | Total energy consumption | | | | 175,593,000 | |
| Water use (cubic metres) | Water Supply | 614,600 | 719,200 | 822,823 | 735,700 | |
| | Water Treatment | 583,900 | 683,200 | 781,271 | 698,900 | |
| Waste generated (tonnes) | Food & Garden Compost / Anaerobic Digestion | 390 | 410 | 600 | 620 | |
| | Clinical Waste | 250 | 140 | 150 | 210 | |
| | Recycling/Reuse | 490 | 610 | 670 | 550 | |
| | Combustion | 1,760 | 1,920 | 2,000 | 2,100 | |
| | Landfill | Not reported | 600 | 430 | 410 | |
| Travel distance (km) | Distance by Car | 720,330 | 852,500 | 101,000 | 1,127,100 | |
| | Distance by Rail | 7,200 | 33,200 | 1,004,200 | 128,600 | |
| | Distance by Taxi | 900 | 1,100 | 1,200 | 2,200 | |
| | Diesel (litres) | 47,800 | 35,800 | 40,800 | 43,600 | |
| | Petrol (litres) | 14,800 | 33,300 | 46,400 | 58,200 | |
| | Prisoner Escort Diesel (litres) | Not reported | 607,080 | 691,200 | 627,800 | |

Teresa Medhurst

Teresa Medhurst
Chief Executive

31 July 2025

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

Executive Board Members: Gerry O'Donnell, Director of Finance
Allister Purdie, Director of Operations (*Interim until 2/9/2024*)
Andy Hodge, Director of Operations (*from 2/9/2024*)
Ian Whitehead, Director of Operations (*from 2/9/2024*)
Sue Brookes, Director of Strategy & Stakeholder Engagement (*Interim until 18/6/2024*)
Sarah Angus, Director of Policy (*from 3/6/2024*)
Adam Jobson, Director of Organisational Development (*Interim until 30/04/2024 and substantive from 1/5/2024*)

Non-Executive Board Members: Lynne Clow
John Evans (*until 25/11/2024*)
Ian Harley (Chair of Risk Monitoring and Audit Committee)
Gill Stillie
Stephen Uphill
Billy Watson
Simon Little (*from 29/1/2025*)

Further details of SPS' governance framework and groups are available in the Governance Statement below.

A Register of Interests of Executive Management and Advisory Board members is held by the SPS and is published on our website at: [Registration of Interests Publication.pdf](#)

Information Security

The Deputy Chief Executive acts as SPS' Senior Information Risk Owner. There is an Information Management team based in HQ and a network of trained Information Security Officers throughout SPS. An e-learning course on protecting information is compulsory for all staff.

No personal data related 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 2025. Audit Scotland determined that the notional fee for this service was £119,220 (2023-24: £117,020).

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 124. 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

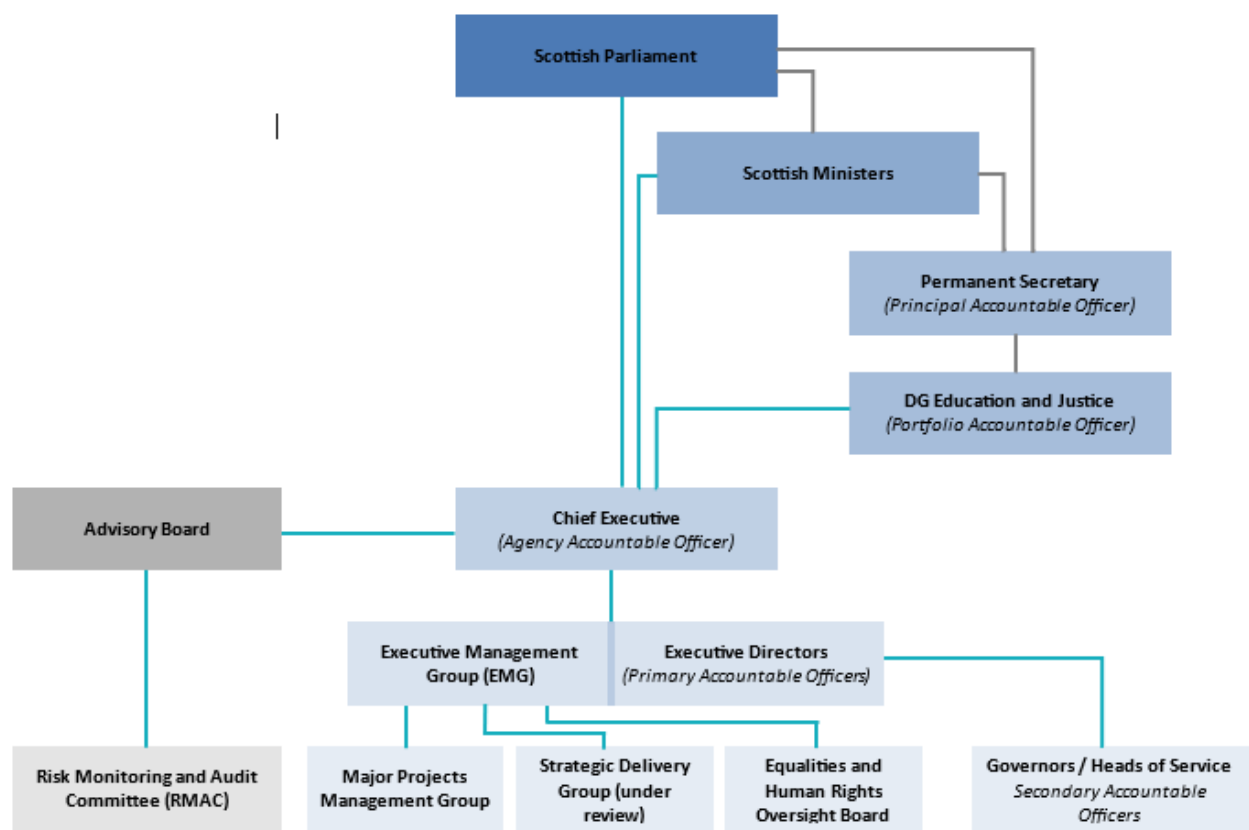
As Chief Executive, I am also the Accountable Officer (AO) for the agency, with responsibility for maintaining a sound system of internal control that supports achievement of the Scottish Prison Service's (SPS) policies, aims and objectives set by Scottish Ministers. It is my responsibility to ensure 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: [SPS Collaborative Working Framework Document - July 2024](#)

SPS’ overarching governance and accountability framework is illustrated below:



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 6 occasions and is chaired by non-executive Director Ann McKechin. Minutes are published on the SPS website.

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. The RMAC Terms of Reference were reviewed by the committee in November 2024.

RMAC met on 5 occasions during 2024-25 and minutes are published on the SPS website.

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.

MPMG met on 12 occasions during 2024-25.

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.

Due to SPS governance arrangements undergoing consideration by the Deputy Chief Executive during the year, the SDG did not meet in 2024-25. Further advice is being provided by Internal Audit on SPS governance arrangements.

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 2024-25.

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. For 2024-25, that assurance opinion is “reasonable” (That some improvements are required to enhance the adequacy and effectiveness of procedures. There are weaknesses in risk, governance and / or control procedures in place, but not of a significant nature). 5 assurance reviews were carried out during the year:

- Ex-Gratia – Reasonable Assurance
- Cyber-Security – Limited Assurance
- Major Projects and Capital – Substantial Assurance
- Counter-Fraud and Awareness – Limited Assurance
- Health and Safety – Reasonable Assurance

In addition, advisory work was carried out covering governance, ex-gratia, and public body performance and reform.

SPS also has an Operational Audit and Assurance team, which forms part of the assurance to me as CEO, on compliance with delivery standards at an operational level. They carried out 37 local establishment audits during 2024-25 covering:

- Security (4 establishments)
- Searching (5 establishments)
- Prevention of Suicide in Prisons (4 establishments)
- Management of Prisoner Correspondence (5 establishments)
- Information Security (5 establishments)
- Prisoner Complaints (5 establishments)
- Cell Sharing Risk Assessment (6 establishments)
- Prisoner Earnings (2 establishments)
- Operational Readiness (1 establishments)

External Audit

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

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 team.
- Meetings of the Advisory Board within the financial year.
- Meetings of the Executive Management Group within the financial year.
- 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.
- The work of External Audit.
- Progression of management action on recommendations 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. This group reviews lessons learnt, promotes awareness of fraudulent activity and influences policy development. The Fraud Response Group met on 4 occasions during 2024-25.
- 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. As recommended by RMAC, Assurance Mapping for SPS began during the year and will continue into 2025-26. 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 2025 and up to the date of approval of the Annual Report and Accounts.

I confirm that no written authorities were provided to me as Accountable Officer during the year.

Personal Data Related Incidents

During 2024-25, there were no significant lapses in data security, and therefore nothing was reported to the Information Commissioner's Office (ICO). There were no personal data related incidents reported in the previous year (2023/24).

Significant Governance and Risk Issues:

There have been a number of significant issues identified during the year in relation to risk and governance. These are things that may, in a significant way, (a) prejudice the delivery of planned priorities (b) undermine the integrity or reputation of the organisation (c) put major programmes or projects at risk (d) divert resources from other significant work (e) have a material impact on the accounts or (e) put financial stability, security, data integrity or fraud prevention at risk:

i) Population Management

On the 1 April 2024, the prison population was 8,040, having risen from 7,507 on the same day the previous year. Just six weeks later, the population was 8,365. This rise in population placed considerable pressure on the Scottish prison system. Working at levels above the capacity for which prisons were designed or are ordinarily 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. During the year, two programmes of early release of short-term prisoners took place, enabled by legislation. The first (under the Early Release of Prisoners and Prescribed Victim Supporters (Scotland) Regulations 2024) ran over June and July 2024, releasing 477 individuals, and the second (under the Prisoners (Early Release) (Scotland) Act) ran during February and March 2025, releasing 312 individuals. The latter of these pieces of legislation means that eligible short-term prisoners will now be released at the 40% point of their sentence. Supporting the development of, and implementing, these changes in legislation is itself activity that calls upon resource from across the organisation, impacting delivery in other areas.

Despite these interventions, the population has continued to remain high through the year and on the 31 March 2025 was at 8,182. The management of this volume of population will continue to be an organisational priority into 2025-26.

ii) Financial Sustainability

The Scottish Parliament approved the 2024-25 budget for SPS of £647m. During the year, changes to the budget were made (detailed on page 39). The decrease was primarily due to slippage in the Capital programme. The final 2024-25 position was £628m. Increased costs relating to early release of prisoners through the implementation of the Prisoners (Early Release) (Scotland) Act and Scotland's Redress scheme, combined with increased capital costs for both HMP Highland and HMP Glasgow in March 2025, led to a final 2024-25 £14m higher than the SBR position of £614m. No changes to the large capital projects are expected at this stage.

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. In January 2025, the construction contract was agreed for HMP Glasgow, at a total project cost of £998.4m. The delivery of both projects is overseen by the SPS Major Projects Management Group.

iii) New Governance and Leadership Structures

Further progress was made this year towards improved stability within our senior leadership team, with the permanent Director of Organisational Development and Director of Policy posts being appointed to. The current Director of Finance will be leaving SPS in the summer of 2025, so this post was advertised at the start of 2025, filled successfully and a new Director of Finance started in July 2025.

A review of our governance groups continued through the year and was supported by advisory work undertaken by Internal Audit. This is expected to conclude in 2025-26.

iv) 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, and resources, for qualified finance professionals, psychologists, estates staff, procurement staff, and data specialists continued to prove a challenge during the year. Recruitment and attraction strategies will continue as required.

v) 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, the contract underwent a recalibration in 2023 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. Improvements in performance have been seen through the 2024-25 year, although close contract management arrangements are continuing.

In March 2025, SPS published a contract notice for the Justice Partners Escort and Court Custody (Scotland) to replace the SCCPES contract from January 2027 up to March 2035.

vi) Ex-Gratia

In the audit report of the 2023-24 Annual Report and Accounts, Audit Scotland drew attention to weaknesses in controls around Ex-Gratia processes. In response to this, both Internal Audit and Operational Audit were commissioned to carry out activity focussed on Ex-Gratia compliance. A Short-Life Working Group was formed to review processes and controls and revised paperwork, including integration with SPS' new digital HR and payroll system, is now being rolled out across the organisation. Further Internal Audit activity on Ex-Gratia is planned for 2025-26.

vii) Implementation of Fatal Accident Inquiry Recommendations

In January 2025, the determination in the Fatal Accident Inquiry into the deaths of Katie Allan and William Lindsay at HMP & YOI Polmont made recommendations for improvements within the SPS estate. These recommendations were accepted in full and include an overhaul of our suicide prevention policy Talk to Me, additional protective support for young people in custody in their first 72 hours following admission, and work to make the rooms that people live in as safe as possible. A dedicated operational Taskforce has been established that will oversee the implementation of the recommendations.

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.

Remuneration (Salary and Pensions)

| Single total figure of remuneration | Salary (£'000) | | Benefits in kind (to nearest £100) | | Pension benefits (to nearest £1000) ³ | | Total (£'000) | |
|---|---|--|------------------------------------|---------|--|---------|---------------|---------|
| | 2024-25 | 2023-24 | 2024-25 | 2024-25 | 2024-25 | 2023-24 | 2024-25 | 2023-24 |
| T Medhurst Chief Executive | 135-140 | 125-130 | - | - | 98 | 35 | 230-235 | 160-165 |
| L Pollock Deputy Chief Executive | 105-110 | 55-60 Full time equivalent 100-105 | - | - | 69 | 54 | 170-175 | 110-115 |
| J Kerr ⁴ Deputy Chief Executive | - | 45-50 Plus Acting Up Allowance 0-5 Full time equivalent 60-65 plus Acting Up 0-5 | - | - | - | 36 | - | 80-85 |
| G O'Donnell Director of Finance | 100-105 | 95-100 | - | - | 41 | 39 | 145-150 | 135-140 |
| A Purdie ⁵ Interim Director of Operations | 30-35 plus RRA ⁶ 0-5 plus Act Up Allowance 0-5 Full time equivalent | 85-90 Plus Acting Up Allowance 0-5 plus RRA 5-10 | - | - | 142 | 41 | 170-175 | 125-130 |

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 J Kerr: Last date of service in role 30 September 2023.

⁵ A Purdie: Last date of service in role 1 August 2024.

⁶ RRA: Recruitment & Retention Allowance.

| | | | | | |
|---|---|--|---|-----|---|
| | (FTE) 85-90 plus RRA 5-10 plus Act Up Allowance 0-5 | | | | |
| A Hodge ⁷ Director of Operations (p/t-time) | 35-40 (FTE 100-105) | - | - | 15 | 50-55 (Full time equivalent 115-120) |
| I Whitehead ⁸ Director of Operations (p/time) | 35-40 (FTE 100-105) | - | - | 15 | 50-55 (Full time equivalent 115-120) |
| S Brookes ⁹ Interim Director of Strategy & Stakeholder Engagement | 15-20 Plus RRA 0-5 Plus Act Up Allowance 0-5 FTE 85-90 Plus RRA 5-10 Plus Act Up Allowance 0-5 | 85-90 plus Acting Up Allowance 0-5 plus RRA 5-10 | - | 4 | 20-25 (Full time equivalent 90-95) |
| S Angus ¹⁰ Director of Policy ¹¹ | 85-90 (FTE 100-105) | - | - | 160 | 245-250 (Full time equivalent 260-265) |

⁷ A Hodge: Appointed to Director of Operations - 2 September 2024. Part-time, 22.5 hrs / week.

⁸ I Whitehead: Appointed to Director of Operations - 2 September 2024. Part-time, 22.5 hrs / week.

⁹ S Brookes: Last date of service with SPS - 18 June 2024.

¹⁰ S Angus: Appointed to Director of Policy - 3 June 2024.

¹¹ Role previously known as Director of Strategy & Stakeholder Engagement.

| | | | | | | | | |
|--|-----------------------|--|---|---|---------------------------|---------------------------|-------------|-------------|
| A Jobson ¹² Director of Organisational Development | 100-105 ¹³ | 85-90 Plus Acting Up Allowance 10-15 | - | - | 105 | 83 | 205- 210 | 165- 170 |
| G Stillie Non-Exec Director | 20-25 | 5 - 10 | - | - | No Pension Entitlement | No Pension Entitlement | 20-25 | 5-10 |
| A McKechin Non-Exec Director | 5-10 | 5-10 | - | - | No Pension Entitlement | No Pension Entitlement | 5-10 | 5-10 |
| I Harley Non-Exec Director | 0-5 | 0-5 | - | - | No Pension Entitlement | No Pension Entitlement | 0-5 | 0-5 |
| L Clow Non-Exec Director | 5-10 | 5-10 | - | - | No Pension Entitlement | No Pension Entitlement | 5-10 | 5-10 |
| S Uphill Non-Exec Director | 5-10 | 0-5 | - | - | No Pension Entitlement | No Pension Entitlement | 5-10 | 0-5 |
| B Watson Non-Exec Director | 0-5 | - | - | - | No Pension Entitlement | No Pension Entitlement | 0-5 | - |
| J Evans Non-Exec Director | 0-5 | - | - | - | No Pension Entitlement | No Pension Entitlement | 0-5 | - |
| S Little Non-Exec Director | 0-5 | - | - | - | No Pension Entitlement | No Pension Entitlement | 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 2024-25 (2023-24: nil).

¹² A Jobson: Appointed to Director of Organisation Development on permanent basis - 1 May 2024 (previously Acting Up).

¹³ Period 1st to 30th April 2024: Salary 5-10 (FTE 85 -90); Act Up Allowance 0-5 (FTE 10-15).

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 (2023-24: nil).

Pay Multiples (audited)

The highest paid Director had banded remuneration of £135,000-£140,000 in 2024-25 (2023-24: £125,000-£130,000). This is an increase of 5.0% from the previous financial year.

In the same reporting year, the average remuneration in respect of the employees taken as a whole was £38,609 (2023-24: £36,870). This is a 4.7% increase over the previous financial year.

The range of remuneration in SPS in the financial year 2024-25 was £20,000-£25,000 to £135,000-£140,000 (2023-24: £20,000-£25,000 to £125,000-£130,000). These remuneration figures exclude pension benefits. In 2024-25, no employees received remuneration in excess of the highest paid director.

The pay ratio information is shown in the table below:

| | 2024-25 | 2023-24 |
|--|---------|---------|
| Highest Paid Director Salary Component | 135,589 | 129,132 |
| Highest Paid Director Total Pay and Benefits | 135,589 | 129,132 |
| 25 th Percentile Salary Component | 32,200 | 30,700 |
| 25 th Percentile Total Pay and Benefits | 32,200 | 30,700 |
| 25 th Percentile Ratio | 4.21:1 | 4.21:1 |
| 50 th Percentile Salary Component | 40,850 | 39,659 |
| 50 th Percentile Total Pay and Benefits | 41,088 | 39,659 |
| 50 th Percentile Ratio | 3.32:1 | 3.26:1 |
| 75 th Percentile Salary Component | 40,850 | 39,659 |
| 75 th Percentile Total Pay and Benefits | 40,850 | 39,659 |
| 75 th Percentile Ratio | 3.32:1 | 3.26:1 |

The median pay ratio is consistent with 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 Scottish Government (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)

| Officials | Accrued pension at age 65 as at 31/3/25 £'000 | Real increase in pension at age 65 £'000 | CETV at 31/3/25 £'000 | CETV at 31/3/24 £'000 | Real increase in CETV £'000 | Employer contribution to partnership pension account £'000 |
|--|---|--|-----------------------|-----------------------|-----------------------------|--|
| T Medhurst Chief Executive | 70-75 plus a lump sum of 185-190 | 5-7.5 plus a lump sum of 5-7.5 | 1,660 | 1,567 | 88 | - |
| L Pollock Deputy Chief Executive | 35-40 | 2.5-5 | 607 | 533 | 46 | - |
| J Kerr Deputy Chief Executive | - | - | - | 1,105 | - | - |
| G O'Donnell Director of Finance | 5-10 | 0-2.5 | 137 | 90 | 32 | - |
| A Purdie Interim Director of Operations | 55-60 plus a lump sum of 95-100 | 7.5-10 plus a lump sum of 0 | 1,172 | 1,106 | 76 | - |
| S Brookes Interim Director of Strategy & Stakeholder Engagement | 45-50 plus a lump sum of 125-130 | 0-2.5 plus a lump sum of 0-2.5 | 1,188 | 1,176 | 4 | - |
| A Hodge ¹⁴ Director of Operations (p/t-time) | 0-5 | 0-2.5 | 15 | 0 | 12 | - |
| I Whitehead ¹⁵ Director of Operations (p/time) | 5-10 | 0-2.5 | 112 | 94 | 12 | - |
| S Angus ¹⁶ Director of Policy ¹⁷ | 35-40 | 7.5-10 | 696 | 537 | 137 | - |
| A Jobson Interim Director of Organisational Development | 35-40 plus a lump sum of 90-95 | 5-7.5 plus a lump sum of 7.5-10 | 766 | 649 | 85 | - |
| G Stillie Non-Exec Director | No Pension Entitlement | | | | | |

¹⁴ A Hodge: Appointed to Director of Operations - 2 September 2024. Part-time, 22.5 hrs / week.

¹⁵ I Whitehead: Appointed to Director of Operations - 2 September 2024. Part-time, 22.5 hrs / week.

¹⁶ S Angus: Appointed to Director of Policy - 3 June 2024.

¹⁷ Role previously known as Director of Strategy & Stakeholder Engagement.

| | |
|---------------------------------|------------------------|
| A McKechin Non-Exec Director | No Pension Entitlement |
| I Harley Non-Exec Director | No Pension Entitlement |
| L Clow Non-Exec Director | No Pension Entitlement |
| S Uphill Non-Exec Director | No Pension Entitlement |
| B Watson Non-Exec Director | No Pension Entitlement |
| J Evans Non-Exec Director | No Pension Entitlement |

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, whilst nuvos provides benefits on a career average basis. 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. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had 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 accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal 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 in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value

of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the “McCloud judgment”).

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

The accrued pension benefits, Cash Equivalent Transfer Value and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Master trust. 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).

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

Cash Equivalent Transfer Values (CETV)

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 \(audited\)](#)

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 2025 along with the prior year comparisons.

| | 2024-25 £'000 | 2023-24 £'000 |
|-----------------|------------------|------------------|
| Temporary staff | 4,235 | 3,562 |
| Consultancy | 108 | 50 |

Off-payroll Appointments (audited)

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

| | 2024-25 | 2023-24 |
|--|---------|---------|
| No. of existing engagements as of 31 March | 6 | 5 |
| Of which, no. that existed: | | |
| less than 1 year | 2 | 3 |
| for between 1 and 2 years | 3 | 1 |
| for between 2 and 3 years | 1 | 0 |
| for between 3 and 4 years | 0 | 0 |
| for 4 or more years | 0 | 1 |

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

| | 2024-25 | 2023-24 |
|--|---------|---------|
| No. of temporary off-payroll workers engaged during the year ended 31 March | 7 | 9 |
| Of which: | | |
| Not subject to off-payroll legislation | 0 | 0 |
| Subject to off-payroll legislation and determined as in-scope of IR35 | 7 | 9 |
| 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: | | |

| | 2024-25 | 2023-24 |
|---|---------|---------|
| 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. | 14 | 13 |

Staff Report

As of 31 March 2025, there were **5,113** staff in post including seven Non-Executive Directors. The split across grade and gender is detailed in the table below. This section is audited.

| | 2024-25 | | | 2023-24 | | |
|-------------------------|---------|--------|-------|---------|--------|-------|
| | Male | Female | Total | Male | Female | Total |
| Senior Civil Servants | 1 | 2 | 3 | 1 | 2 | 3 |
| Directors | 2 | 0 | 2 | 2 | 1 | 3 |
| Non-Executive Directors | 4 | 3 | 7 | 4 | 3 | 7 |
| Employees | 3,102 | 1,999 | 5,101 | 3,073 | 1,876 | 4,949 |
| Total | 3,109 | 2,004 | 5,113 | 3,080 | 1,882 | 4,962 |

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 along with the prior year comparisons:

| | 2024-25 Permanently employed staff | 2024-25 Others | 2024-25 Total | 2023-24 Total |
|--|--|-------------------|------------------|------------------|
| Staff costs | £'000 | £'000 | £'000 | £'000 |
| Wages and salaries | 193,408 | 4,375 | 197,783 | 175,793 |
| Social security costs | 20,515 | 17 | 20,532 | 18,331 |
| Other pension costs | 53,312 | 41 | 53,353 | 44,410 |
| Sub-total | 267,235 | 4,433 | 271,668 | 238,534 |
| less recoveries in respect of outward secondments | (6) | - | (6) | (58) |
| Total net costs | 267,229 | 4,433 | 271,662 | 238,476 |

Permanently employed staff includes staff employed on fixed term contracts. Others include 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 2024-25, employers' contributions of £50,904k were payable to the PCSPS (2023-24: £43,597k) at a range of 28.97% of pensionable earnings, of all salary bands. In 2025/26, total contributions are expected to be £53,067k.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. Generally, changes resulting from a valuation are implemented three years after the valuation date however additional time was provided to public service pension scheme schemes to complete the 2020 valuation process in light of the impact of the McCloud remedy process. The date for implementing changes to employer contribution rates was therefore delayed from April 2023 to April 2024.

Following the transition of all active members to alpha on 1st April 2022 it was agreed that the previous salary-based structure was no longer appropriate, and a flat rate employer contribution was therefore introduced.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £741.3k 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 £21.5k, 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, 16 individuals (2023-24: 12 individuals) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £38k (2023-24: £46.8k).

Average Number of Persons Employed

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

| | 2024-25 | 2023-24 |
|-------------------|--------------|--------------|
| Directly employed | 4,752 | 4,389 |
| Other | 6 | 4 |
| Total | 4,758 | 4,394 |

(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 | - | 13 (19) | 13 (19) |
| £10,000 - £25,000 | - | 7 (4) | 7 (4) |
| £25,000 - £50,000 | - | 5 (7) | 5 (7) |
| £50,000 - £100,000 | - | 26 (37) | 26 (37) |
| £100,000 - 150,000 | - | 3 (0) | 3 (0) |
| £150,000 - £200,000 | - | 0 (0) | 0 (0) |
| Total number of exit packages | - | 54 (67) | 54 (67) |
| Total resource cost/£ | - | £2,743,874 (£3,225,104) | £2,743,874 (£3,225,104) |

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 (CSCS), a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2024-25. £2,744k exit costs were paid in 2024-25, the year of departure (2023-24: £3,225k). All of these costs were contractual payments which SPS must make when dismissing an employee under efficiency grounds. The Civil Service Management Code (CSMC) sets out the process for applying the CSCS, and considers

the appropriate level of compensation. This payment is mandatory and not discretionary. There were no redundancy costs paid during the year (2023-24: nil) and no early retirements. There were also no Voluntary Exit Schemes (VES) approved by Cabinet Office.

Ill-health retirement costs are met by the pension scheme and are not included in the table.

Attendance and Wellbeing

We recognise that the job that our staff do can present challenges which can impact on their health and wellbeing. Unsurprisingly, the challenges experienced during 2024/25 in respect of prison capacity and a growing population have impacted on absence levels in year. Average Working Days Lost (AWDL) to absence per employee increased by 0.2 days to 16.8 during 2024/25. Although 40% of our staff didn't generate an absence during 2024/25, long term absence (an absence of 21 days or more) accounted for 78% of days lost to absence within the period.

Our absence data highlights that stress is the greatest contributor to in-year absence across SPS, accounting for 21% of all absences generated within the year. In year spikes in flu and respiratory related illness during the spring and winter have impacted on levels of absenteeism, and analysis of the age demographic of absence data also indicates that absence rates appear to be influenced by wider factors such as changes in personal circumstances or responsibilities within particular age ranges, and pension reforms; those aged 55+ make up 24% of our workforce but generated 37% of all absences within the period.

Whilst we provide a range of health and wellbeing supports for our staff, we recognise that there is a need to do more, with a particular focus on connecting our staff with the support they may require at their point of need. For that reason, we've continued to develop our range of post-incident supports for our staff during 2024/25 and have commenced work to understand and develop a range of wellbeing supports for our more senior staff who continue to manage and lead prisons through a period of sustained pressure and change.

Employee Engagement & Relations, Reward and Culture

Employee engagement, relations, and reward are essential components that shape and sustain a positive organisational culture. They work together to create an environment where employees feel valued, motivated, and connected to the SPS vision and values.



Employee Engagement: We strive to create an environment where every employee feels valued and empowered. Through a variety of engagement initiatives, we ensure that our colleagues are motivated and aligned with the SPS goals.

Each year, we participate in the **Civil Service People Survey** which continues to be one of the most comprehensive sources of employee feedback for SPS, providing valuable insight into the experiences and perceptions of our workforce. In this year's survey (undertaken in October 2024), whilst we have seen a slight reduction in the participation

rate, our overall employee engagement index (the overall measure of the pride and attachment people feel towards their organisation) has seen an increase of 2% since 2023, rising to 58%. We have also seen an increase across 8 of the 9 themes, including “Organisational Objectives and Purpose” rising to 74%, “My Team” rising to 71% and “Inclusion and Fair Treatment” rising to 64%, suggesting a generally positive work experience among employees, yet with evident room for improvement. We do not view our People Survey in isolation, but rather as part of a wider range of insights into the engagement and perception across the workforce. In October 2024 we commissioned a piece of external research designed to provide an insight into the lived experiences of our workforce, those in custody and those who come into contact with us. This research will inform our understanding of what we consider our “culture,” helping to shape our approaches and strategic priorities going forward.

As part of our move to a reduced working week (effective December 2024), we launched the **‘Work Smarter’ suggestion scheme** regarding the practical application of how we can collectively work smarter not longer. Aimed at engaging colleagues to share ideas on how we can streamline our operations to accommodate the same levels and quality of service within a reduced working week. We believe that everyone's voice matters, and we are committed to creating an environment where ideas are not only heard but acted upon in a way that contributes to our continuous improvement and success. Since its launch, we have received 36 suggestions, whereby 20 suggestions have been taken forward, of which 14 have already been implemented.

In September 2024, to support workforce planning strategies in relation to retention, we launched a new **Leavers Survey** to offer a deeper look at workplace culture, day-to-day processes, management solutions, and employee morale with the aim of assessing overall employee experience to identify opportunities to improve retention and engagement.

Other engagement work of note includes the introduction of digital **employee and manager self-service**, which form a key part of the wider digital transformation across our HR services. The roll-out of self-service enables our workforce to access, update and maintain their key employee data, empowering them to contribute to how SPS manages and uses their data.



Employment Relations: We are dedicated to maintaining positive and productive employment relations. By promoting transparency, fairness, and respect in all our interactions, we build strong relationships with our employees.

Guided by our **Forward Together Partnership Agreement**, we seek to foster meaningful collaboration between management, employees, and trade union partners. Trade unions are vital in representing the interests of staff members (employee voice) and working in partnership continues to be a cornerstone of our organisation, guiding us as we navigate the opportunities and challenges that lie ahead. The SPS recognise the positive impact of working together in partnership. We 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.

We have made notable progress, with particular regard for work delivered in partnership to achieve together the reduction in the working week (December 2024), the completion of the HMP Kilmarnock transfer back to public sector operation (including all contractual requirements for transferring staff) and implementing targeted interventions to enhance our family friendly and work-life balance policies. In April 2024, we increased flexibility and further support to working parents (**Paternity Leave**) and through the introduction of **Carer's Leave**. We also celebrated Carers Week in June 2024 and Carers Rights Day in November 2024 to increase visibility for carers.

As part of our ongoing commitment to fostering a healthy work-life balance, in July 2024 we implemented a new **Right to Disconnect Policy**, aimed at providing a balance between the opportunities and flexibility offered by technology and new ways of working with the ability to switch off outside of regular working hours.



Reward: By recognising the contributions of our people through a range of reward and recognition tools, we will positively contribute to a culture of praise, recognition, and high performance.

Our staff undertake work that adds significant value to the Scottish Justice System, and they deserve to be recognised and rewarded for this. In 2024/25, we implemented the **second year of the previously agreed two-year pay deal** (2023/24). Over the two-year period, salaries increased on average by 10%. More significantly, in December 2024 the contractual full-time equivalent (FTE) working hours reduced from 37 hours to 35 hours per week without a reduction in pay. As well as the benefits of a shorter working week and increased work-life balance, this also had a positive effect of **increasing hourly rates** of pay automatically by approximately 5.7%.

We will continue to develop our overall reward package to inspire exceptional performance, attract and retain top talent and undertake work to reduce our gender pay gap. Our reward framework follows a **"total reward" approach**, consisting of salary and a range of market-relevant benefits designed to meet our employees' diverse needs. In December 2024, we upgraded our reward and benefits hub to increase the offering available and improve access, with a new SmartSpending™ app to help save money on the go. During 2024/25 we have developed our approach to promoting "total reward" through the use of new and innovative **benefits statements**. These have been used for recruitment purposes, as well as the harmonisation of HMP Kilmarnock staff, promoting SPS terms and conditions. Through our promotional campaigns, we have seen a 77% increase in average spend in Cycle2Work Scheme, and 51% increase in average spend in our Home and Tech Benefits.

We continue to promote the **Butler Trust Awards** which recognise outstanding work in custodial and community settings for going "above and beyond", and we celebrated **Hidden Heroes Day** in September 2024. Three SPS employees were awarded a Butler Trust Commendation Award by Her Royal Highness Princess Anne at St James' Palace in March 2025. Furthermore, in July 2024, fifteen SPS employees attended the **Royal Garden Party** to recognise and reward public service.



Culture: When engaged employees, positive employment relations and fair reward systems are integrated, they create a cohesive and positive organisational culture

We are dedicated to creating a great place to work and to growing our culture by continuously enhancing our employee value proposition and strengthening employee engagement. We continue to be committed to ensuring our staff, and everyone we work with, are treated with dignity, respect, and fairness. We are committed to fulfilling and, where possible, going beyond our obligations, both as an employer and as a public sector provider under the relevant Equality and Human Rights Legislation.

October 2024 saw the commissioning of consultancy firm CROWE Advisory Services, who will work with us over the coming months to help us better understand the experiences we have, and interactions we undertake, as an organisation. This work will form the foundation for further work pertaining to our organisational understanding of our culture and how we engage with each other and those who access our services. Our **culture transformation** roadmap identifies the priority actions for getting there, ensuring employee partnership is a fundamental principle of our approach.

Governance of our key equality and human rights actions forms the primary focus for our **Equality and Human Rights Oversight Board**. In June 2024, the Board began the first steps of a review of the board and its terms of reference, seeking to provide the Chief Executive with assurance the board is effective in supporting SPS to fulfil its statutory obligations.

In line with the Public Sector Equality Duty (PSED), development work commenced on **SPS' 2025 – 2029 Equality Outcomes**, designed to support the organisational priorities within our Corporate and Annual delivery plans. Delivery of the Outcomes, focusing on key areas including engagement, user voice and lived experiences of our staff and those in custody, sets out the priorities SPS has committed to in its delivery of equality and human rights.

Equality and Human Rights Impact Assessments (EHRIA's) are an important tool to our mainstreaming approach, ensuring our policies align to with our equalities legislative obligations. As well as the inclusion of Human Rights into our impact assessments, our approach embeds consideration of our obligations under the Fairer Scotland Duty (2018). In line with our Equality Duty, this year has seen the publication of a number of EHRIA's including SPS' Mental Health Strategy, Corporate Parenting Strategy and our Development and Learning Strategy.

In the 2024/25 reporting year, 293 applicants to SPS job roles selected that they wished their application to be considered under the Disability Confident Scheme. Of these, 24% (70) were progressed to the later stages of the respective selection process (beyond application shortlisting).

Organisational Learning & Development (incl. Leadership Development)

Learning & Development is predominantly services by SPS' dedicated learning & development function, the SPS College.

During 2024/25, significant capacity has been required to meet the training demands created by high volume prison officer recruitment (SPS made 558 appointments to Operations & Residential prison officer roles during 2024/25).

Beyond operational training requirements, leadership and talent development remains a key organisational priority in support of SPS' Leadership Strategy and leadership culture more broadly. In-year, work has been progressed in relation to continuing to embed Leadership & Management Development across SPS. This work focuses on values, relationships and development in the leadership space, whilst positively contributing to cultural change and effective succession planning. SPS managers engaged in some form of leadership or management development 395 times during 2024/25, with two thirds of participants undertaking middle management roles across SPS.

Another significant development continues to be the introduction of non-pain inducing restraint techniques across our prison estate. During 2024/25, learning & development colleagues worked with our Operations Directorate to increase the roll out of non-pain inducing techniques. Work saw the conclusion of the initial pilot which introduced the techniques in three establishments which accommodate women, young people and adult males. Analysis of the pilot has highlighted reductions in violent incidents and floor restraints across all pilot sites, and work has commenced to model and cost requirements for an organisational-wide implementation.

Work has also been progressed to implement our organisational wide mentoring scheme for those in initial and middle manager positions. 58 participants (both mentors and mentees) have successfully participated in the scheme throughout 2024/25, which has been key to supporting the personal and professional development of our people. Additionally, our mentoring scheme received the Quality Award from the Scottish Mentoring Network in March 2025.

Workforce Planning

SPS continues to prioritise effective workforce planning to enable the delivery of our corporate objectives.

Staffing levels across operational uniformed grades were positive with an average of 11 prison officer vacancies throughout the year, across the prison estate. This position was supported by the appointment of 558 into Operations and Residential Officer roles during 2024-25.

Within 2024-25, SPS' overall FTE increased by 2.8% and turnover rates for all staff groups was 8.7%, a slight decrease on previous years.

SPS' Recruitment Programme for 2025-26 will see a similar level of recruitment to maintain staffing levels in support of population management, and the operationalisation of HMP Highland in 2026-27. The plan takes into account projected turnover, as well as other factors which impact overall staffing levels. The implementation of a new recruitment system in 2025-26 will provide further opportunities to attract and engage diverse talent, and support SPS in showcasing the varied and interesting work within Scottish prisons.

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.

SPS is proud to have effective partnership working arrangements in place with our constituent Trade Unions:

- Prison Officer's Association (Scotland) POA(S)
- Public & Commercial Services Union (PCS)
- Prospect
- Prison Governors Association (Scotland) (PGA(S)).

Together, we are committed to developing and supporting an environment of trust, respect and inclusion at all levels, in the shared belief that partnership will benefit the Scottish public, the organisation and individual staff members.

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 2025, is as follows:

| Number of Relevant Trade Unions Representatives | Full Time Equivalent |
|--|---|
| 123 | 120.35 |
| Of Whom: | Percentage of Time Spent on Facility Time |
| 49 | 0% |
| 43 | 1-50% |
| 5 | 51-99% |
| 26 | 100% |
| Total Facility Time Hour | Percentage of FT on paid TU Activities |
| 58,537 | 30.44% |
| Percentage of pay bill spent on FT | 0.69% |
| Total Cost of FT | £1,885,355 |
| Total Pay Bill | £271,669,773 |

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.

Parliamentary Accountability Report

Losses and Special Payments

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

| Losses statement | Cases | 2024-25 £000 | Cases | 2023-24 £000 |
|------------------------------|------------|-----------------|------------|-----------------|
| Cash losses | 156 | 6 | 158 | 17 |
| Losses of accountable stores | 181 | 9 | 271 | (12) |
| Fruitless payments | 5 | 6 | 9 | 6 |
| Total | 342 | 21 | 438 | 11 |
| Special payments | 232 | 3,403 | 391 | 3,554 |

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 note 2 of the accounts) during the year.

Teresa Medhurst

Teresa Medhurst
Chief Executive

31 July 2025

**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 2025 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 2024/25 Government Financial Reporting Manual (the 2024/25 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 2025 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 2024/25 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 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

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

01 August 2025

FINANCIAL STATEMENTS AND NOTES TO THE ACCOUNTS

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025

| | Note | 2024-25 £000 | 2023-24 £000 |
|--|------|-----------------|-----------------|
| Income | | | |
| Income from sale of goods/services | 2 | (8,895) | (7,375) |
| Non-cash revenue grant | 2 | - | - |
| Other operating income | 2 | (85) | (88) |
| Total operating income | | (8,980) | (7,463) |
| Expenditure | | | |
| Staff costs | 3 | 271,662 | 238,476 |
| Other expenditure | 3 | 227,314 | 238,970 |
| Total operating expenditure | | 498,976 | 477,446 |
| Net operating expenditure | | 489,996 | 469,983 |
| Finance expense | 3 | 14,983 | 17,791 |
| Net expenditure for the year | | 504,979 | 487,774 |
| Other comprehensive net expenditure | | | |
| Items which will not be reclassified to net operating costs: | | | |
| Net gain on revaluation of property, plant and equipment | | (57,668) | (141,712) |
| Comprehensive net expenditure for the year | | 447,311 | 346,062 |

The notes on pages 93 to 123 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

| | Note | 2024-25 £000 | 2023-24 £000 |
|--|-------|------------------|------------------|
| Non-current assets | | | |
| Property, plant and equipment | 4 | 1,581,323 | 1,451,074 |
| Right of use assets | 5 | 4,129 | 4,616 |
| Intangible Assets | 6 | 79 | 146 |
| Trade and other receivables | 11 | 18 | 29 |
| Total non-current assets | | 1,585,549 | 1,455,865 |
| Current assets | | | |
| Assets classified as held for sale | 9 | - | - |
| Inventories | 10 | 5,838 | 4,906 |
| Trade and other receivables | 11 | 7,717 | 8,168 |
| Cash and cash equivalents | 12 | 1,613 | 868 |
| Total current assets | | 15,168 | 13,942 |
| Total assets | | 1,600,717 | 1,469,807 |
| Current liabilities | | | |
| Trade and other payables | 13 | (67,480) | (55,250) |
| Lease liabilities | 5 | (533) | (611) |
| Provisions | 14 | (4,587) | (5,442) |
| Total current liabilities | | (72,600) | (61,303) |
| Total assets less current liabilities | | 1,528,117 | 1,408,504 |
| Non-current liabilities | | | |
| Other Payables | 13 | (99,874) | (103,785) |
| Lease liabilities | 5 | (4,346) | (4,698) |
| Provisions | 14 | (9,828) | (9,964) |
| Total non-current liabilities | | (114,048) | (118,447) |
| Total liabilities | | (186,648) | (179,750) |
| Total assets less total liabilities | | 1,414,069 | 1,290,057 |
| Taxpayers' equity and other reserves: | | | |
| General Fund | SoCTE | 800,893 | 717,257 |
| Revaluation Reserve | SoCTE | 613,176 | 572,800 |
| Total equity | | 1,414,069 | 1,290,057 |

Teresa Medhurst

Teresa Medhurst

Chief Executive

31 July 2025

The Chief Executive authorised these financial statements for issue on 31 July 2025.

The notes on pages 93 to 123 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

| | Note | 2024-25 £000 | 2023-24 £000 |
|--|-------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Net operating expenditure | SoCNE | (504,979) | (487,774) |
| Adjustment for non-cash transactions: | | | |
| Depreciation | 4/5/6 | 47,231 | 46,841 |
| Impairment | 8 | 3,375 | 18,459 |
| Notional charges | 18 | 119 | 117 |
| Other adjustments | | - | - |
| Loss on disposal of assets | | 44 | 36 |
| Interest payable on net operating cost for financing | | 15,149 | 18,299 |
| Increase in inventories | 10 | (932) | (653) |
| Decrease in trade receivables | 11 | 463 | 1,323 |
| Increase in trade payables | | 16,134 | 5,619 |
| (Decrease)/Increase in provisions | 14 | (991) | 1,113 |
| Net cash outflow from operating activities | | (424,387) | (396,620) |
| Cash flows from investing activities | | | |
| Purchase of property plant and equipment | | (121,832) | (54,184) |
| Purchase of intangible assets | | (17) | (3) |
| Proceeds of disposal of property, plant and equipment | | 89 | 86 |
| Net cash outflow from investing activities | | (121,760) | (54,101) |
| Cash flows from financing activities | | | |
| From the consolidated fund | | 571,253 | 477,261 |
| Movement in lease liabilities | | (431) | (700) |
| Capital element of payments in respect of leases and PFI contracts | | (9,212) | (8,200) |
| Interest element of leases and PFI contracts | | (14,718) | (17,600) |
| Net financing | | 546,892 | 450,761 |
| Net increase in cash and cash equivalents in the period | | 745 | 40 |
| Cash and cash equivalents at the beginning of the period | 12 | 868 | 828 |
| Cash and cash equivalents at the end of the period | 12 | 1,613 | 868 |

The notes on pages 93 to 123 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2025

| | Note | General Fund £000 | Revaluation Reserve £000 | Taxpayers' Equity £000 |
|--|-------|-------------------------|--------------------------------|------------------------------|
| Balance at 1 April 2023 | | 749,296 | 446,280 | 1,195,576 |
| Lease liability remeasurement on PPP/PFI contracts | | (37,030) | - | (37,030) |
| Net funding from the Scottish Government | | 477,261 | - | 477,261 |
| Comprehensive net expenditure for the year | SoCNE | (487,774) | 141,712 | (346,062) |
| Auditor's remuneration | 18 | 117 | - | 117 |
| Transfers between reserves | | 15,387 | (15,387) | - |
| Revaluation of assets on PFI transfer | | 0 | 195 | 195 |
| Balance at 31 March 2024 | | 717,257 | 572,800 | 1,290,057 |
| Lease liability remeasurement on PPP/PFI contracts | | - | - | - |
| Net funding from the Scottish Government | | 571,253 | - | 571,253 |
| Comprehensive net expenditure for the year | SoCNE | (504,979) | 57,668 | (447,311) |
| Auditor's remuneration | 18 | 119 | - | 119 |
| Transfer of reserve on disposed assets | | - | (49) | (49) |
| Transfers between reserves | | 17,243 | (17,243) | - |
| Revaluation of assets on PFI transfer | | - | - | - |
| Balance at 31 March 2025 | | 800,893 | 613,176 | 1,414,069 |

The notes on pages 93 to 123 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2024-25 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 2025-26 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, where material.

Changes in Accounting Policies and New and Amended Standards Adopted

There are no changes in accounting policies and new and amended standards adopted during the year.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2024

The implementation date for IFRS 17 has been confirmed and the impact has been determined. This is being applied by the Government Financial Reporting Manual (FReM) following consultation with the Financial Reporting Advisory Board from 1 April 2025 (with limited options for early adoption). This new standard has no material impact on SPS.

Critical accounting judgements and key sources of estimation

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.

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. These are categorised as 'Level 2 - observable inputs' in the fair value hierarchy of the IFRS 13.

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, which 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 (SOFPP).

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 prison at HMP Addiewell. This was let for 25-year operating periods, commencing in December 2008.

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.

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 2024-25 are disclosed in Note 23.

2. Income

| | 2024-25 £000 | 2023-24 £000 |
|------------------------------------|-----------------|-----------------|
| Income from sale of goods/services | | |
| Income from prisoner's canteen | 6,920 | 5,877 |
| Sale of prison industries | 432 | 446 |
| Prisoner telephone system income | 1,138 | 714 |
| Profit on sale of assets | - | 18 |
| Other income | 405 | 320 |
| | 8,895 | 7,375 |
| Non-cash revenue grant | - | - |
| Other operating income | 85 | 88 |
| Total operating income | 8,980 | 7,463 |

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

| | 2024-25 £000 | 2023-24 £000 |
|---|-----------------|-----------------|
| Staff Costs | | |
| Wages and Salaries | 197,779 | 175,751 |
| Social Security Costs | 20,531 | 18,326 |
| Other Pension Costs | 53,352 | 44,399 |
| PFI service charges | 26,811 | 43,189 |
| Prisoner escort and court custody service | 38,947 | 30,340 |
| Repairs and maintenance | 13,503 | 14,192 |
| IT Purchases | 3,718 | 3,125 |
| Victualling and other supplies | 23,146 | 20,094 |
| Other current expenditure | 19,733 | 17,833 |
| Heat, light, telephone etc. | 23,352 | 19,265 |
| Interest charges | 14,724 | 17,611 |
| Rates | 8,906 | 7,760 |
| Other staff related costs | 9,189 | 7,746 |
| General expenditure | 6,756 | 5,497 |
| Prisoner earnings | 3,654 | 3,247 |
| PPP/PFI contingent rent | - | - |
| Short-term and low value leases | | |
| - Land and buildings | 81 | 88 |
| - Other | - | 12 |
| Non-cash items | | |
| Depreciation and impairment | 50,605 | 65,298 |
| Auditors' remuneration | 119 | 117 |
| Provisions (utilised)/provided for in year | (1,250) | 1,113 |
| Accruals written back in the year | - | - |
| Use of non-cash revenue grant | - | - |
| Loss on disposal of assets | 44 | 54 |
| Borrowing costs of provisions (unwinding of discount on provisions) | 259 | 180 |
| | 513,959 | 495,237 |

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 71 in the Accountability Section.

Interest charges £14,724k (2023-24: £17,611k) (which includes PPP-PFI liability remeasurement of £6,168k (2023-24: £8,903k) and borrowing costs of provisions £259k (2023-24: £180k) 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 £227,314k (2023-24: £238,970k).

Depreciation is applied to tangible, donated and intangible fixed assets. There were no impairment charges in 2024-25 (2023-24: £337k) and net downward valuation of £3,375k in 2024-25 (2023-24: £18,459).

Higher value items within Other current expenditure included:

| | 2024-25 £000 | 2023-24 £000 |
|--------------------------------|-----------------|-----------------|
| Social work | 6,172 | 5,821 |
| Social care | 2,877 | 2,255 |
| Education fees | 5,802 | 4,832 |
| Cleaning materials & equipment | 2,620 | 2,719 |

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 2024 (restated) | 75,153 | 514,578 | 764,122 | 10,593 | 31,660 | 14,537 | 629 | 81,517 | 1,492,789 |
| Additions | - | - | - | 73 | 1,131 | 1,409 | - | 119,919 | 122,532 |
| Completed AUC | - | 12,042 | 12,474 | - | 108 | 579 | - | (25,203) | - |
| Revaluation | (104) | 3,396 | 9,521 | - | - | - | - | - | 12,813 |
| Impairment | - | - | - | - | - | - | - | - | - |
| Reclassification | - | 6,603 | (6,603) | - | - | - | - | - | - |
| Disposals | (132) | (32) | - | (122) | (1,757) | (425) | (1) | - | (2,469) |
| At 31 March 2025 | 74,917 | 536,587 | 779,514 | 10,544 | 31,142 | 16,100 | 628 | 176,233 | 1,625,665 |
| Depreciation | | | | | | | | | |
| At 1 April 2024 (restated) | - | 691 | 500 | 7,522 | 22,519 | 9,960 | 523 | - | 41,715 |
| Charged in year | - | 16,255 | 24,232 | 993 | 2,476 | 2,419 | 21 | - | 46,396 |
| Revaluation | - | (16,747) | (24,732) | - | - | - | - | - | (41,479) |
| Impairment | - | - | - | - | - | - | - | - | - |
| Reclassification | - | - | - | - | - | - | - | - | - |
| Disposals | - | (16) | - | (122) | (1,724) | (428) | - | - | (2,290) |
| At 31 March 2025 | - | 183 | - | 8,393 | 23,271 | 11,951 | 544 | - | 44,342 |
| Carrying Value at 31 March 2025 | 74,917 | 536,404 | 779,514 | 2,151 | 7,871 | 4,149 | 84 | 176,233 | 1,581,323 |
| Carrying Value at 31 March 2024 | 75,153 | 513,887 | 763,622 | 3,071 | 9,141 | 4,577 | 106 | 81,517 | 1,451,074 |
| Asset financing: | | | | | | | | | |
| Owned | 74,917 | 481,907 | 701,092 | 542 | 7,871 | 4,149 | 84 | 176,233 | 1,446,795 |
| SCA | - | - | - | 1,609 | - | - | - | - | 1,609 |
| On-balance sheet PFI/PPP | - | 54,497 | 78,422 | - | - | - | - | - | 132,919 |
| Carrying Value at 31 March 2025 | 74,917 | 536,404 | 779,514 | 2,151 | 7,871 | 4,149 | 84 | 176,233 | 1,581,323 |

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

| Including Donated Assets | Land (restated) | Buildings (restated) | Dwellings (restated) | 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 | - | - | - | 212 | 3,683 | 492 | 30 | 51,587 | 56,004 |
| Completed AUC | - | 53,605 | 33,174 | - | 65 | 730 | - | (87,574) | - |
| Revaluation* | (532) | 19,456 | 63,509 | - | - | - | - | - | 82,433 |
| Impairment | - | - | - | - | - | - | - | - | - |
| Reclassification | - | 2,295 | (2,295) | - | - | - | - | - | - |
| Disposals | - | - | - | - | (1,716) | (779) | (17) | (3) | (2,515) |
| At 31 March 2024 | 75,153 | 514,578 | 764,122 | 10,593 | 31,660 | 14,537 | 629 | 81,517 | 1,492,789 |
| Depreciation | | | | | | | | | |
| At 1 April 2023 | - | 891 | 500 | 6,542 | 22,285 | 8,480 | 522 | - | 39,220 |
| Charged in year | - | 16,780 | 24,178 | 980 | 1,923 | 2,235 | 18 | - | 46,114 |
| Revaluation* | - | (16,980) | (24,178) | - | - | - | - | - | (41,158) |
| Impairment* | - | - | - | - | - | - | - | - | - |
| Reclassification | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | (1,689) | (755) | (17) | - | (2,461) |
| At 31 March 2024 | - | 691 | 500 | 7,522 | 22,519 | 9,960 | 523 | - | 41,715 |
| 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 | - | - | - | 2,488 | - | - | - | - | 2,488 |
| On-balance sheet PFI/PPP | - | 38,561 | 89,844 | - | - | - | - | - | 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 |

*The downward valuation effect for 2023-24, initially classified under 'Depreciation' as revaluation and impairment of land, buildings, and dwellings, has been restated and reclassified to 'Cost' in accordance with the FReM. The following outlines the impact of these adjustments:

- £153k downward valuation on land previously disclosed under 'Depreciation' has been reclassified to revaluation under 'Cost', bringing total revaluation to (£532k).
- £12,779k downward valuation on buildings previously disclosed under 'Depreciation' has been reclassified to revaluation under 'Cost', bringing total revaluation to £19,456k.
- £6,774k downward valuation on dwellings previously disclosed under 'Depreciation' has been reclassified to revaluation under 'Cost', bringing total revaluation to £63,509k.

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 £3,934k) as at 31 March 2025.

Right of Use Lease Assets

| 2024-25 | Land and Buildings £000 | Other £000 | Total £000 |
|----------------------------------|----------------------------|---------------|---------------|
| Cost or valuation | | | |
| At 1 April 2024 | 4,827 | 945 | 5,772 |
| Additions | - | 263 | 263 |
| Derecognition | - | - | - |
| Remeasurement | - | - | - |
| Revaluations | - | - | - |
| Impairment | - | - | - |
| Reclassifications | - | - | - |
| Impairment | - | - | - |
| Reclassifications | - | - | - |
| At March 2025 | 4,827 | 1,208 | 6,035 |
| Depreciation | | | |
| At 1 April 2024 | 572 | 584 | 1,156 |
| Charged in year | 321 | 429 | 750 |
| Recognition | - | - | - |
| Derecognition | - | - | - |
| Revaluation | - | - | - |
| Reclassification | - | - | - |
| At 31 March 2025 | 893 | 1,013 | 1,906 |
| Carrying amount at 31 March 2025 | 3,934 | 195 | 4,129 |
| Carrying amount at 1 April 2024 | 4,255 | 361 | 4,616 |

| 2023-24 | Land and Buildings £000 | Other £000 | Total £000 |
|----------------------------------|----------------------------|---------------|---------------|
| Cost or valuation | | | |
| At 1 April 2023 | 4,827 | 945 | 5,772 |
| Additions | - | - | - |
| Derecognition | - | - | - |
| Remeasurement | - | - | - |
| Revaluations | - | - | - |
| Impairment | - | - | - |
| Reclassifications | - | - | - |
| Impairment | - | - | - |
| Reclassifications | - | - | - |
| At March 2024 | 4,827 | 945 | 5,772 |
| Depreciation | | | |
| At 1 April 2023 | 250 | 292 | 542 |
| Charged in year | 322 | 292 | 614 |
| Recognition | - | - | - |
| Derecognition | - | - | - |
| Revaluation | - | - | - |
| Reclassification | - | - | - |
| 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 |

Right of use (RoU) lease assets comprise:

| | 2024-25 £000 | 2023-24 £000 |
|---|-----------------|-----------------|
| Assets valued at net present value of future lease payments | 4,129 | 4,616 |
| Assets valued at depreciated replacement cost (DRC) | - | - |
| Assets valued at existing use value (EUV) | - | - |
| Total | 4,129 | 4,616 |

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.

| | 2024-25 | 2023-24 |
|---|---------|---------|
| | £000 | £000 |
| Amounts falling due | | |
| Not later than one year | 586 | 662 |
| Later than one year and not later than five years | 1,655 | 1,642 |
| Later than five years | 2,948 | 3,356 |
| Less interest element | (310) | (351) |
| Balance as at 31 March | 4,879 | 5,309 |
| Current | 533 | 611 |
| Non-current | 4,346 | 4,698 |
| Total lease liabilities | 4,879 | 5,309 |

Amounts Recognised in the Statement of Comprehensive Net Expenditure

| | 2024-25 | 2023-24 |
|---|---------|---------|
| | £000 | £000 |
| Depreciation | 750 | 614 |
| Interest expense | 68 | 57 |
| Low value and short-term leases | 266 | 99 |
| Irrecoverable VAT on right of use leases | 103 | 100 |
| Income from sub-leasing right of use assets | - | - |
| Expense relating to variable lease payments | - | - |
| Total | 1,187 | 870 |

Amounts Recognised in the Statement of Cash Flows

| | 2024-25 | 2023-24 |
|-----------------------------------|---------|---------|
| | £000 | £000 |
| Interest expense | 68 | 57 |
| Repayments of principal on leases | 431 | 700 |
| Total | 499 | 757 |

6. Intangible Assets

| 2024-25 | Information Technology | Software | AUC | Total |
|---------------------------------|------------------------|----------|-------|-------|
| Cost or valuation | £000 | £000 | £000 | £000 |
| At 1 April 2024 | 33 | 1,267 | 337 | 1,637 |
| Additions | - | 17 | - | 17 |
| Completed AUC | - | - | - | - |
| Impairment | - | - | - | - |
| Reclassification | (33) | 33 | (337) | (337) |
| Disposals | - | (267) | - | (267) |
| At 31 March 2025 | - | 1,050 | - | 1,050 |
| Amortisation | | | | |
| At 1 April 2024 | 33 | 1,121 | 337 | 1,491 |
| Charged in year | - | 84 | - | 84 |
| Reclassification | (33) | 33 | (337) | (337) |
| Impairment | - | - | - | - |
| Disposals | - | (267) | - | (267) |
| At 31 March 2025 | - | 971 | - | 971 |
| Carrying Value at 31 March 2025 | - | 79 | - | 79 |
| Carrying Value at 31 March 2024 | - | 146 | - | 146 |
| Asset financing: Owned | - | 79 | - | 79 |

| 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 | - | 3 | - | 3 |
| Completed AUC | - | - | - | - |
| Impairment | - | - | - | - |
| Reclassification | - | - | - | - |
| Disposals | - | (971) | - | (971) |
| At 31 March 2024 | 33 | 1,267 | 337 | 1,637 |
| Amortisation | | | | |
| At 1 April 2023 | 33 | 1,979 | - | 2,012 |
| Charged in year | - | 113 | - | 113 |
| Reclassification | - | - | - | - |
| Impairment | - | - | 337 | 337 |
| Disposals | - | (971) | - | (971) |
| At 31 March 2024 | 33 | 1,121 | 337 | 1,491 |
| Carrying Value at 31 March 2024 | - | 146 | - | 146 |
| Carrying Value at 31 March 2023 | - | 256 | 336 | 592 |
| Asset financing: Owned | - | 146 | - | 146 |

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. Revaluation and Impairment Analysis

| | 2024-25 £000 | 2023-24 £000 |
|-------------------------------------|-----------------|-----------------|
| Property, Plant and Equipment | | |
| Downward valuation charged to SoCNE | 3,411 | 19,707 |
| Impairment charge | - | 337 |
| Impairment reversal | - | - |
| Revaluation reserve | 104 | 57,947 |
| Total effect on PPE | 3,515 | 77,991 |

| Expense - SoCNE | 2024-25 £000 | 2023-24 £000 |
|-------------------------------------|-----------------|-----------------|
| Downward valuation charged to SoCNE | 3,411 | 19,707 |
| Impairment charge | - | 337 |
| Impairment reversal | (36) | (1,585) |
| Total charge to SoCNE | 3,375 | 18,459 |

The net SOCNE effect of valuations and impairment as at the 31 March 2025 was £3,375k, which primarily relates (£3,411k) to the downward revaluation following Graham + Sibbald's valuations as at 31st March 2025. This refers to HMP Stirling where additional construction works were carried out during 2024-25. This downward revaluation was charged to the SOCNE since no revaluation reserve balance exists after prior year initial impairment. Downward revaluation effect of Stirling land of £104k is charged against corresponding prior year revaluation reserve. There was also an upward revaluation for the Community Custodial Units in the valuers' valuation at 31st March which resulted in a reversal of £36k from the previous year's SOCNE charge.

9. Assets Classified as Held for Sale

| | 2024-25 £000 | 2023-24 £000 |
|------------------|-----------------|-----------------|
| At 1 April | - | 68 |
| Reclassification | - | - |
| Revaluation | - | - |
| Disposals | - | (68) |
| At 31 March | - | - |

10. Inventories

| The main categories of inventories held are: | 2024-25 £000 | 2023-24 £000 |
|--|-----------------|-----------------|
| Consumables | 2,481 | 2,143 |
| Works, estates, and locks | 1,218 | 1,157 |
| Industries raw materials, work in progress and finished goods for resale | 2,166 | 1,699 |
| Provision for obsolete stock - specific | (27) | (93) |
| | 5,838 | 4,906 |

11. Trade and Other Receivables

| Analysis by type | 2024-25 £000 | 2023-24 £000 |
|---------------------------------------|-----------------|-----------------|
| Amounts due within one year: | | |
| Recoverable VAT | 5,814 | 5,735 |
| Trade receivables | 136 | 139 |
| Other receivables | 500 | 581 |
| Prepayments and accrued income | 1,267 | 1,713 |
| | 7,717 | 8,168 |
| Amounts due after more than one year: | | |
| Other receivables | 18 | 29 |
| Total | 7,735 | 8,197 |

12. Cash and Cash Equivalents

| | 2024-25 £000 | 2023-24 £000 |
|--|-----------------|-----------------|
| Balance at 1 April | 868 | 828 |
| Net change in cash and cash equivalents | 745 | 40 |
| Balance at 31 March | 1,613 | 868 |
| The following balances at 31 March were held at: | | |
| Government Banking Service | 1,359 | 642 |
| Commercial Banks | 210 | 199 |
| Cash in hand | 44 | 27 |
| Balance at 31 March | 1,613 | 868 |

13. Trade and Other Payables

| Analysis by type: | 2024-25 £000 | 2023-24 £000 |
|---|-----------------|-----------------|
| Amounts due within one year: | | |
| Other taxation and social security | 5,003 | 4,527 |
| Trade payables | 11,385 | 6,349 |
| Accruals and deferred income | 33,988 | 29,724 |
| Other payables | 5,598 | 4,977 |
| Amounts due to Justice Department | 1,615 | 868 |
| PFI/PPP and other service concession arrangements <1 year | 9,891 | 8,805 |
| | 67,480 | 55,250 |
| Amounts due after more than one year: | | |
| PFI/PPP and other service concession arrangements >1 year | 97,843 | 101,973 |
| Other accruals | 2,031 | 1,812 |
| | 99,874 | 103,785 |
| Total | 167,354 | 159,035 |

14. Provisions for Liabilities and Charges

| | 2024-25 £000 Prisoner Claims | 2024-25 £000 Injury Benefit | 2024-25 £000 Other Charges | 2024-25 £000 Total | 2023-24 £000 Total |
|--------------------------------------|---------------------------------------|--------------------------------------|-------------------------------------|--------------------------|--------------------------|
| Balance at 1 April | 1,859 | 10,185 | 3,362 | 15,406 | 14,293 |
| Provided in the year | 440 | 380 | 3,164 | 3,984 | 6,768 |
| Provisions utilised in the year | (122) | (629) | (3,114) | (3,865) | (4,808) |
| Unwinding of discount | - | 250 | 9 | 259 | 180 |
| Provisions not required written back | (576) | (115) | (678) | (1,369) | (1,027) |
| Balance at 31 March | 1,601 | 10,071 | 2,743 | 14,415 | 15,406 |

| | 2024-25 £000 Prisoner Claims | 2024-25 £000 Injury Benefit | 2024-25 £000 Other Charges | 2024-25 £000 Total | 2023-24 £000 Total |
|---|---------------------------------------|--------------------------------------|-------------------------------------|--------------------------|--------------------------|
| Not later than one year | 1,601 | 676 | 2,310 | 4,587 | 5,442 |
| Later than one year and not later than five years | - | 2,548 | - | 2,548 | 2,506 |
| Later than five years | - | 6,847 | 433 | 7,280 | 7,458 |
| Balance at 31 March | 1,601 | 10,071 | 2,743 | 14,415 | 15,406 |

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 £65,758k (2023-24: £73,529k). 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:

| | 2024-25 £000 | 2023-24 £000 |
|---|-----------------|-----------------|
| Due within one year | 60,084 | 58,208 |
| Due later than one year and not later than five years | 216,723 | 222,447 |
| Due later than five years | 229,351 | 283,277 |
| Total | 506,158 | 563,932 |
| Less: interest element | (41,104) | (46,651) |
| Present value | 465,054 | 517,281 |

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

| | 2024-25 £000 | 2023-24 £000 |
|---|-----------------|-----------------|
| Due within one year | 42,390 | 41,369 |
| Due later than one year but not later than 5 years | 150,378 | 158,001 |
| Due later than 5 years | 164,553 | 207,132 |
| Total service elements due in future periods | 357,321 | 406,502 |

PFI Contracts

The SPS has awarded Public Private Partnership (PPP) contracts, to design, construct, manage and finance prison at HMP Addiewell. This was let for 25-year operating periods, commencing in December 2008. 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 GEOAmey 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 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:

| | 2024-25 | 2023-24 (restated) |
|-------------------------------|---------|-----------------------|
| | £000 | £000 |
| Property, plant and equipment | 933,826 | 36,644 |

The 2023-24 capital commitments have been restated to include irrecoverable VAT, in accordance with FReM. This adjustment resulted in an additional £5,259k being added to the previously disclosed amount of £31,385k, bringing the total capital commitments to £36,644k.

Significant amounts of capital commitments as at 31 March 2025 mainly relate to main construction works contracts for HMP Highland and HMP Glasgow.

17. Contingent Liabilities

The Agency has the following contingent liabilities:

| | 2024-25 | 2023-24 |
|-----------------|---------|---------|
| | £000 | £000 |
| Prisoner claims | 1,605 | 1,736 |
| Other charges | 1,609 | 771 |
| | 3,214 | 2,507 |

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.

SPS participates in the Redress Scheme of Scottish Government and that amounts of redress payments each year remain uncertain.

18. Notional Charges

The following notional charge has been included in the accounts:

| | 2024-25 £000 | 2023-24 £000 |
|------------------------------|-----------------|-----------------|
| Statutory audit services | 119 | 117 |
| Total auditor's remuneration | 119 | 117 |

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 2024-25 was £52,260 (2023-24: £47,140).

For information purposes, the actual annual average cost per prisoner place, calculated on a resource accounting basis (including depreciation and impairment charges), in 2024-25 was £58,627 (2023-24: £54,992).

The actual annual average cost per prisoner place including exceptional payments in 2024-25 was £52,243 (2023-24: £47,221). 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 2024-25, 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

| | 2024-25 £000 | 2023-24 £000 |
|--------------------------------|-----------------|-----------------|
| Balance as at 1 April | 1,431 | 1,174 |
| Funds paid In during the year | 12,978 | 10,716 |
| Funds paid out during the year | (12,834) | (10,459) |
| Balance at 31 March | 1,575 | 1,431 |

21.2 Common Good Fund

| | 2024-25 £000 | 2023-24 £000 |
|--------------------------------|-----------------|-----------------|
| Balance as at 1 April | 182 | 205 |
| Funds paid In during the year | 397 | 273 |
| Funds paid out during the year | (411) | (296) |
| Balance at 31 March | 168 | 182 |

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 2024-25 there were sixteen publicly managed prisons and one privately managed prison.

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.

| | 2024-25 | | | | 2023-24 | | | |
|------------------------------|------------------------|-------------------------|----------------|---------------|------------------------|-------------------------|----------------|---------------|
| | Public Prisons £000 | Private Prisons £000 | SCCPES £000 | Total £000 | Public Prisons £000 | Private Prisons £000 | SCCPES £000 | Total £000 |
| Operating income | (8,980) | 0 | 0 | (8,980) | (7,463) | 0 | 0 | (7,463) |
| Expenditure | 433,552 | 41,111 | 39,296 | 513,959 | 404,166 | 60,095 | 30,976 | 495,237 |
| Net expenditure for the year | 424,572 | 41,111 | 39,296 | 504,979 | 396,703 | 60,095 | 30,976 | 487,774 |
| Non-current assets | 1,451,020 | 132,919 | 1,610 | 1,585,549 | 1,324,972 | 128,404 | 2,489 | 1,455,865 |

23. Events after Reporting Date

In accordance with the requirements of IAS 10 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.

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 (FReM) 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.

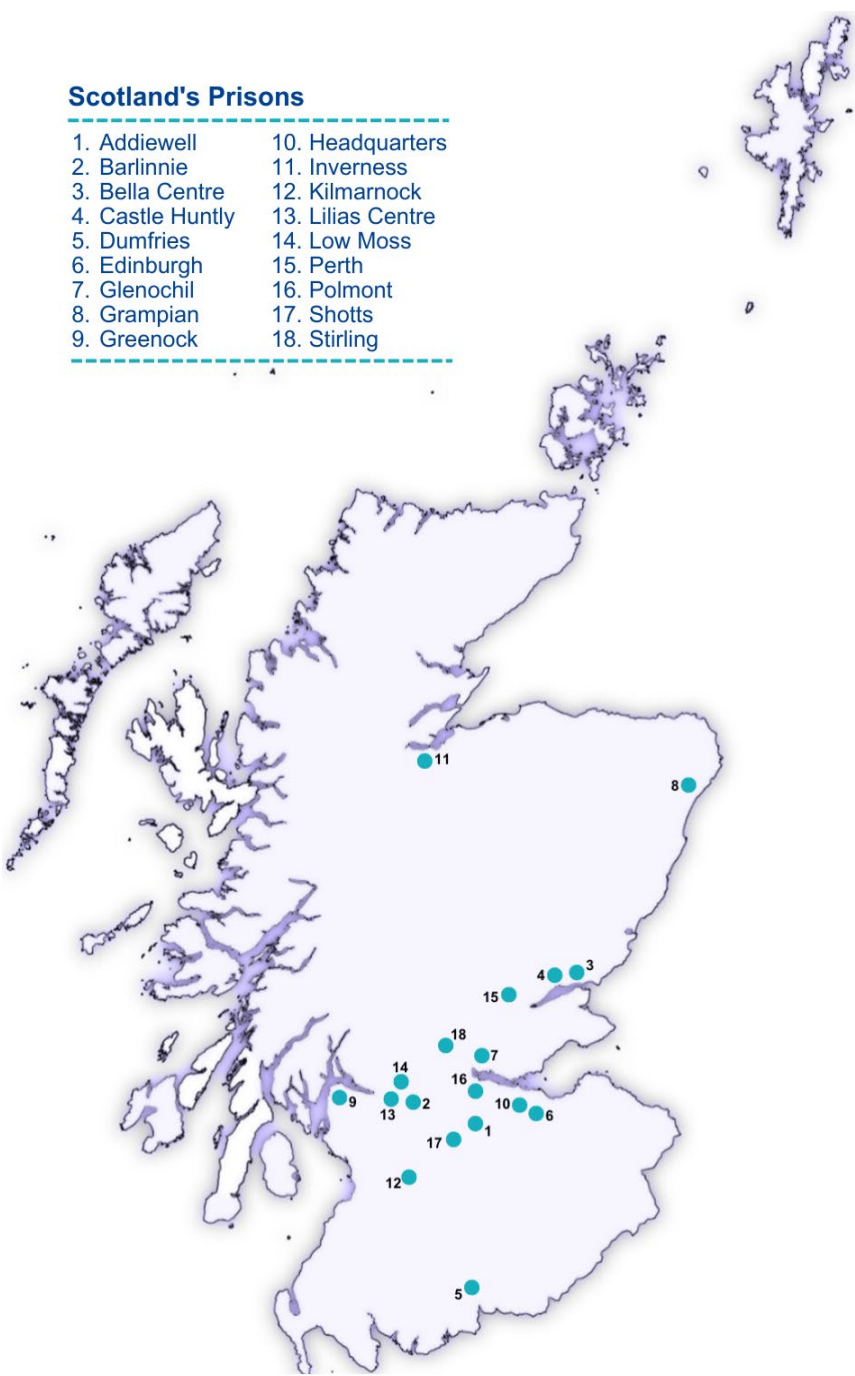
A handwritten signature in blue ink, appearing to read 'Alison Stelfox'.

Signed by the authority of the Scottish Ministers

Dated 17 January 2006

APPENDICES

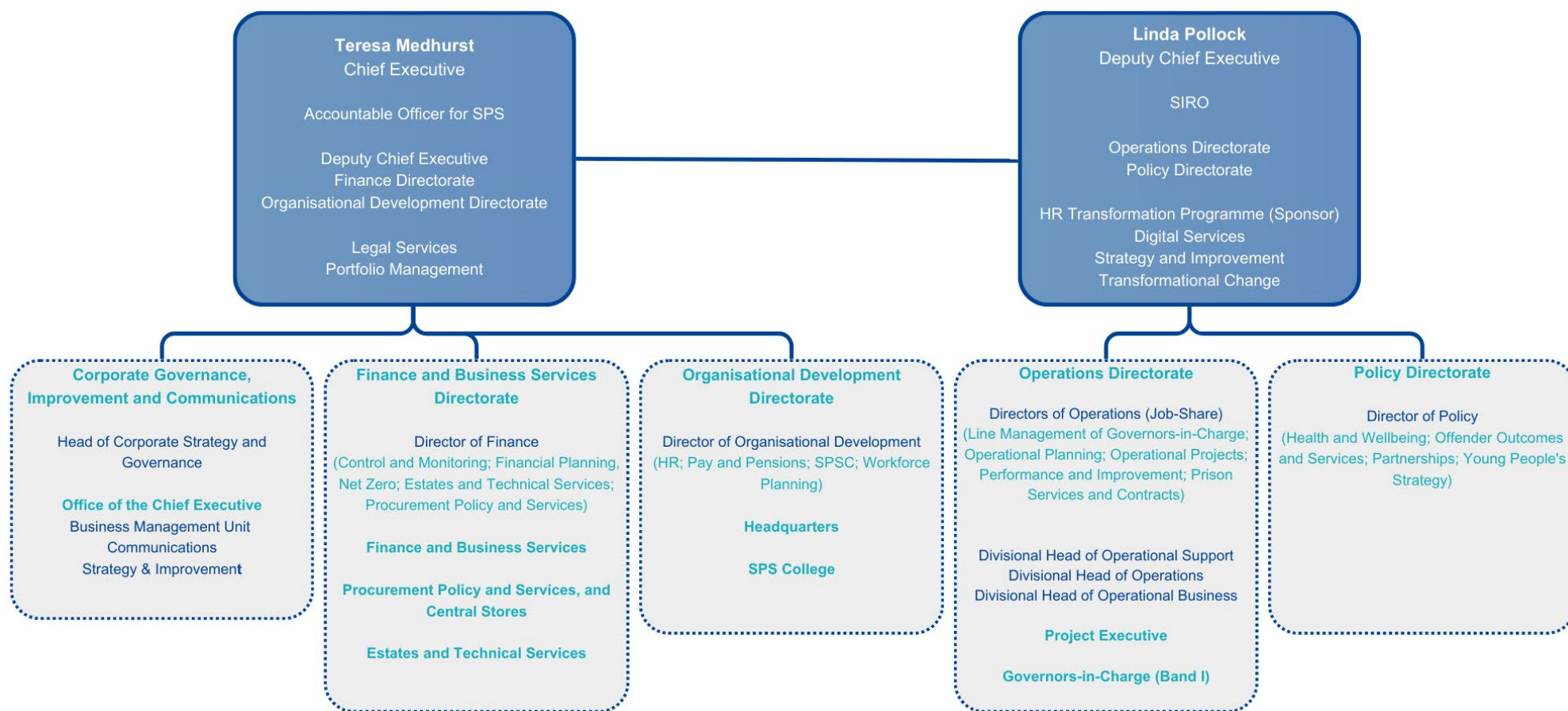
APPENDIX 1 – Location of Establishments



APPENDIX 2 – Organisational Structure



SPS Chief Executive and Directors



APPENDIX 3 – Average Daily Population and Maximum Number by Establishment 2024-25

| Establishment | 2024-25 | | | | | |
|---------------------|--------------------|------------|--------------|--------------------|------------|--------------|
| | Average Population | | | Maximum Population | | |
| | Male | Female | Total | Male | Female | Total |
| Adults | | | | | | |
| Addiewell | 727 | - | 727 | 749 | - | 749 |
| Barlinnie | 1,370 | - | 1,370 | 1,477 | 1 | 1,477 |
| Bella | - | 13 | 13 | - | 16 | 16 |
| Dumfries | 183 | 1 | 184 | 198 | 1 | 198 |
| Edinburgh | 928 | - | 928 | 963 | 1 | 963 |
| Glenochil | 727 | - | 727 | 765 | - | 765 |
| Grampian | 420 | 46 | 466 | 447 | 52 | 492 |
| Greenock | 183 | 50 | 233 | 188 | 53 | 241 |
| Inverness | 115 | - | 115 | 134 | - | 134 |
| Kilmarnock | 622 | - | 622 | 657 | - | 657 |
| Lillas | - | 19 | 19 | - | 24 | 24 |
| Low Moss | 823 | 1 | 824 | 856 | 1 | 857 |
| Open Estate | 166 | - | 166 | 181 | - | 181 |
| Perth | 680 | - | 680 | 707 | 1 | 707 |
| Polmont | 218 | 127 | 345 | 280 | 145 | 425 |
| Shotts | 540 | 1 | 541 | 547 | 1 | 548 |
| Stirling | 1 | 80 | 86 | 2 | 101 | 101 |
| Young Adults | | | | | | |
| Grampian | - | - | - | 1 | - | 1 |
| Polmont | 167 | - | 167 | 198 | - | 198 |
| Stirling | - | 5 | - | - | 10 | 10 |
| Total | 7,871 | 343 | 8,214 | 8,024 | 373 | 8,379 |

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.

| Establishment | 2023-24 | | | | | |
|---------------------|--------------------|------------|--------------|--------------------|------------|--------------|
| | Average Population | | | Maximum Population | | |
| | Male | Female | Total | Male | Female | Total |
| Adults | | | | | | |
| Addiewell | 721 | - | 721 | 728 | - | 728 |
| Barlinnie | 1,367 | - | 1,368 | 1,442 | 2 | 1,442 |
| Bella | - | 9 | 9 | - | 13 | 13 |
| Dumfries | 188 | - | 188 | 195 | 1 | 195 |
| Edinburgh | 861 | 41 | 901 | 936 | 106 | 939 |
| Glenochil | 741 | - | 741 | 752 | - | 752 |
| Grampian | 410 | 37 | 447 | 429 | 47 | 464 |
| Greenock | 182 | 47 | 230 | 191 | 53 | 241 |
| Inverness | 119 | - | 119 | 133 | - | 133 |
| Kilmarnock | 571 | - | 571 | 599 | 1 | 599 |
| Lilias | - | 13 | 13 | - | 20 | 20 |
| Low Moss | 804 | 1 | 805 | 835 | 3 | 836 |
| Open Estate | 161 | - | 161 | 182 | - | 182 |
| Perth | 658 | - | 658 | 691 | - | 691 |
| Polmont | 56 | 102 | 158 | 115 | 120 | 95 |
| Shotts | 538 | 1 | 539 | 549 | 1 | 549 |
| Stirling | - | 75 | 81 | 1 | 95 | 95 |
| Young Adults | | | | | | |
| Grampian | - | 1 | 1 | - | 4 | 4 |
| Polmont | 165 | 2 | 166 | 180 | 9 | 189 |
| Stirling | - | 4 | 4 | - | 7 | 7 |
| Total | 7,543 | 316 | 7,859 | 7,734 | 336 | 8,040 |

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
2024-25**

Average Daily Population in Establishments by Type of Custody

| | 2024-25 | 2023-24 | % increase |
|--|---------|---------|------------|
| Remand | 2,203 | 2,178 | 1.15 |
| Convicted Prisoners | | | |
| Under four years | 2,383 | 2,288 | 4.15 |
| Four Years and over (including life sentence and lifer recalls) | 3,628 | 3,393 | 6.93 |
| Total | 8,214 | 7,859 | 4.52 |

APPENDIX 5 – Absconds and Failures to Return 2024-25

Absconds and Failures to Return - 2024/25

| | Barlinnie | Grampian | Greenock | Open Estate | Polmont | Total |
|-------------------|-----------|----------|----------|-------------|---------|-------|
| Abscond | 0 | 0 | 0 | 0 | 0 | 0 |
| Failure to Return | 0 | 0 | 0 | 3 | 0 | 3 |

*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 2024-25

Breaches of Discipline for

2024/2025

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

| Average Daily Population | 7704 | 338 | 167 | 5 | 7871 | 343 | 8214 |
|--|--------------|--------------|------------|-------------|--------------|---------------|-----------------|
| 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; | 3,657 | 65 | 79 | | 3,736 | 65 | 3,801 |
| 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 | 1,653 | 88 | 39 | | 1,692 | 88 | 1,780 |
| 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 | 511 | 31 | 26 | | 537 | 31 | 568 |
| Possessing an unauthorised/prohibited article/quantity of an article | 5,821 | 184 | 144 | | 5,965 | 184 | 6,149 |
| breaches the requirements of rule 62A (9) without reasonable excuse; | | | | | | | |
| uses an authorised personal communication device in breach of the requirements of any direction made by the Scottish Ministers under rule 62A (11); | | | | | | | |
| fails without reasonable excuse to return an authorised personal communication device to an officer as ordered in accordance with rule 62A (10); | | | | | | | |
| 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); | 2 | | | | 2 | | 2 |
| Breaches on using an authorised Mobile phone in a prison setting | 2 | | | | 2 | | 2 |
| 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; | 5 | | | | 5 | | 5 |
| disobeys any lawful order; | 3,105 | 166 | 205 | | 3,310 | 166 | 3,476 |
| uses threatening words or behaviour; | 1,854 | 191 | 111 | | 1,965 | 191 | 2,156 |
| uses abusive or insulting words or behaviour; | 975 | 203 | 55 | | 1,030 | 203 | 1,233 |

| | | | | | | | |
|---|--------------|------------|------------|--|--------------|------------|--------------|
| using threatening/abusive/insulting words or behaviour | 2,829 | 394 | 166 | | 2,995 | 394 | 3,389 |
| 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; | 6 | | | | 6 | | 6 |
| consumes, takes, injects, ingests, conceals inside a body orifice, inhales or inhales the fumes of any substance which is a prohibited article; | 2,341 | 20 | 7 | | 2,348 | 20 | 2,368 |
| consumes, takes, injects, ingests, conceals inside a body orifice, inhales or inhales the fumes of any substance which is unauthorised property; or | 5 | 3 | | | 5 | 3 | 8 |
| 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 | 216 | 66 | 1 | | 217 | 66 | 283 |
| Consuming/taking/injecting/inhaling or concealing an unauthorised or prohibited article | 2,568 | 89 | 8 | | 2,576 | 89 | 2,665 |
| fights with any person; | 1,858 | 108 | 316 | | 2,174 | 108 | 2,282 |
| destroys or damages property | 2,127 | 175 | 287 | | 2,414 | 175 | 2,589 |
| intentionally endangers the health or personal safety of others; | 311 | 24 | 36 | | 347 | 24 | 371 |
| recklessly endangers the health or personal safety of others. | 6,443 | 78 | 538 | | 6,981 | 78 | 7,059 |
| Intentionally or recklessly endangering the health or personal safety of others | 6,754 | 102 | 574 | | 7,328 | 102 | 7,430 |
| Assault | 1,694 | 121 | 281 | | 1,975 | 121 | 2,096 |
| Unauthorised absence or presence in any part of the establishment | 628 | 7 | 22 | | 650 | 7 | 657 |
| Disobeying a rule or direction | 273 | 69 | 4 | | 277 | 69 | 346 |
| intentionally refusing to work or failing to work properly | 62 | 4 | 6 | | 68 | 4 | 72 |
| sale or delivery of an article allowed only for prisoners' own use | 40 | 1 | 1 | | 41 | 1 | 42 |
| sells or delivers to any person any article which he or she is not authorised to have; | 99 | 4 | 2 | | 101 | 4 | 105 |
| sale or delivery of an article allowed only for prisoners' own use | 139 | 5 | 3 | | 142 | 5 | 147 |
| takes improperly any article | 118 | 11 | 3 | | 121 | 11 | 132 |

| | | | | | | | |
|---|------------|-----------|-----------|--|------------|-----------|------------|
| denies access to any part of the prison to any person other than a prisoner; | 5 | | 1 | | 6 | | 6 |
| intentionally obstructs any person, other than a prisoner, in the performance of that person's work at the prison; | 147 | 14 | 6 | | 153 | 14 | 167 |
| intentionally obstructs any person, other than a prisoner, in the performance of that person's work at the prison; | 152 | 14 | 7 | | 159 | 14 | 173 |
| Smoking in an area where smoking is not permitted | 24 | 17 | | | 24 | 17 | 41 |
| commits any indecent or obscene act; | 124 | 28 | 9 | | 133 | 28 | 161 |
| Arson | 23 | 2 | 23 | | 46 | 2 | 48 |
| disrespectful to any officer, worker or visitor | 67 | 6 | 5 | | 72 | 6 | 78 |
| fails to return to prison when he or she should return after being temporarily released under Part 15; | 1 | 1 | | | 1 | 1 | 2 |
| fails to comply with any condition upon which he or she is temporarily released under Part 15; or | 29 | | | | 29 | | 29 |
| Failing to return from temporary release or comply with a condition of such release | 30 | 1 | | | 30 | 1 | 31 |
| fails, without reasonable excuse, to open his or her mouth for the purpose of enabling a visual examination | 11 | 2 | | | 11 | 2 | 13 |
| detains any person against his or her will; | 4 | | | | 4 | | 4 |
| escapes or absconds from prison or from legal custody; | 2 | | | | 2 | | 2 |
| attempts/incites/assists another prisoner to commit or attempt to commit, any of the above | 355 | 5 | 35 | | 390 | 5 | 395 |
| Total: | 28,775 | 1,510 | 2,098 | | 30,873 | 1,510 | 32,383 |

| Punishments Awarded | Male Adults | Female Adult | Male YA's | Female YA's | Total Males | Total Females | Number of Cases |
|---|-------------|--------------|-----------|-------------|-------------|---------------|-----------------|
| Forfeiture of privileges | 25,474 | 959 | 1,657 | | 27,131 | 959 | 28,090 |
| Stoppage or deduction from earnings or other cash | 26,946 | 774 | 2,132 | | 29,078 | 774 | 29,852 |
| Caution | 2,057 | 99 | 110 | | 2,167 | 99 | 2,266 |
| Confinement to Cell | 3,242 | 108 | 153 | | 3,395 | 108 | 3,503 |

| | | | | | | |
|--|--------|-------|-------|--------|-------|--------|
| Forfeiture of other entitlements | 1,028 | 122 | 2 | 1,030 | 122 | 1,152 |
| Total: | 58,747 | 2,062 | 4,054 | 62,801 | 2,062 | 64,863 |
| Breaches of discipline per head of average prison population | 4 | 4 | 13 | 4 | 4 | 4 |

APPENDIX 7 – Staff in Post

Staff in Post

As at 31 March 2025 there were 5,113 staff in post

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

| Employees in Post - As at March 2025 | Total | Full Time | Part Time | Full Time Equivalent (FTE) | Disabled (Self-Declared) |
|---|-------|-----------|-----------|-------------------------------|-----------------------------|
| Female | 2,004 | 1,746 | 258 | 1,900 | 149 |
| Male | 3,109 | 2,714 | 395 | 2,909 | 248 |

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

SPS Board – This table reflects the gender spilt for SPS Board Members as at 31/03/2025.

| As at March 2025 | Chief Executive | Directors | Non - Executive Directors | Total |
|------------------|-----------------|-----------|------------------------------|-------|
| Female | 1 | 2 | 3 | 6 |
| 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 2025 | 16 - 24 | 25 - 34 | 35 - 44 | 45 - 54 | 55 - 64 | Over 65 | Total |
|------------------|---------|---------|---------|---------|---------|---------|-------|
| Female | 162 | 697 | 516 | 399 | 212 | 18 | 2,004 |
| Male | 145 | 656 | 704 | 599 | 923 | 82 | 3,109 |

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 2025

| Ethnicity | Total |
|-------------------------------|-------|
| Asian Other | <5 |
| Black African | 18 |
| Black Caribbean | <5 |
| Black Other | <5 |
| British African | <5 |
| British Asian Other | <5 |
| Indian | <5 |
| Mixed Other | <5 |
| Mixed White and Asian | <5 |
| Mixed White and Black African | <5 |
| Not Advised | 3188 |
| Pakistani | <5 |
| Prefer not to Disclose | 270 |
| Scottish Asian Other | <5 |
| White | 440 |
| White English | 86 |
| White Gypsy Traveller | <5 |
| White Irish | 8 |
| White Northern Irish | 11 |
| White Other | 19 |
| White Polish | 8 |
| White Scottish | 1041 |
| 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 01/04/2024 to 31/03/2025.

| As at March 2025 | 16 - 24 | 25 - 34 | 35 - 44 | 45 - 54 | 55 - 64 | Over 65 | Total |
|------------------|---------|---------|---------|---------|---------|---------|-------|
| Female | 12 | 36 | 40 | 15 | 20 | 5 | 128 |
| Male | 15 | 62 | 47 | 21 | 86 | 54 | 285 |

Recruitment

Recruitment - This table details the gender split, ethnic group, disability declarations and non-full time employment types for all employees who have joined the organisation in the 12-month period 01/04/2024 to 31/03/2025.

| Appointments 2024-2025 | Male | Female | Ethnic Minority Group | | Disabled (Self-Declared) | Part Time / Job Share |
|---------------------------|------|--------|------------------------|-----|-----------------------------|--------------------------|
| 585 | 337 | 248 | Not Advised | 532 | 5 | 27 |
| | | | Black African | <5 | | |
| | | | Black or Black British | 6 | | |
| | | | Prefer not to Disclose | <5 | | |
| | | | White | 32 | | |
| | | | White English | <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 01/04/2024 to 31/03/2025.

| As at March 2025 | 16 - 24 | 25 - 34 | 35 - 44 | 45 - 54 | 55 - 64 | Over 65 | Total |
|------------------|---------|---------|---------|---------|---------|---------|-------|
| Female | 58 | 95 | 51 | 34 | 10 | 0 | 248 |
| Male | 59 | 131 | 83 | 41 | 21 | 2 | 337 |

* 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 | Secondments |
|-----------------------|------------------------|-------------|
| 6 | 4 | 1 |

There were no exceptions in the following Categories:

- Support for Government 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
- Transfers of organisations into Civil Service – TUPE
- Conversion to permanency of suitable candidates appointed under Exceptions 1 and 2

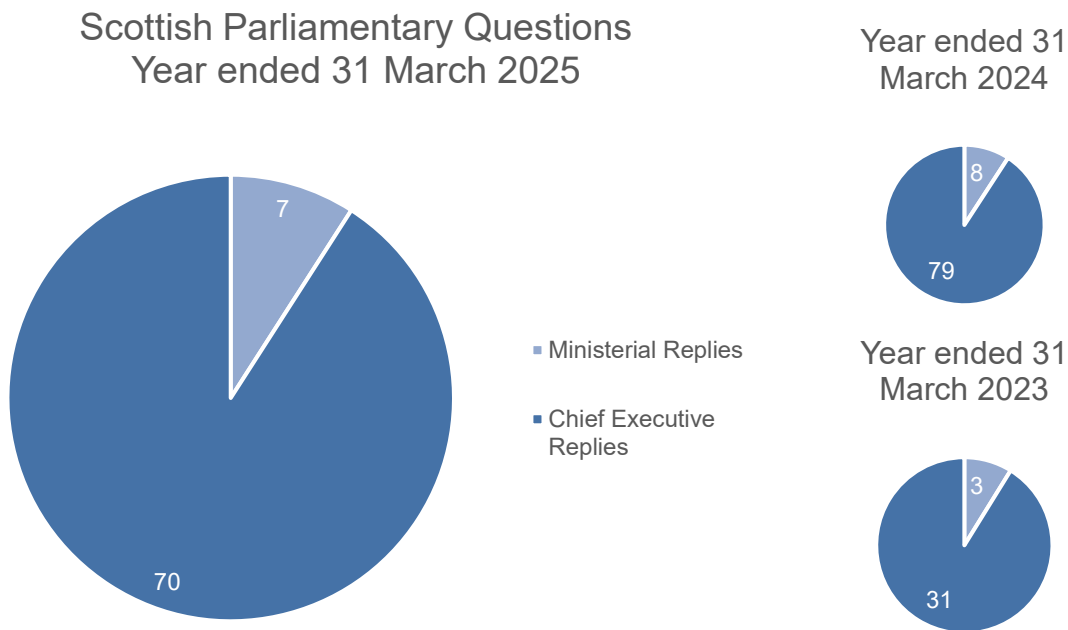
Promotion

Promotion - This table details the gender split, ethnic group, disability declarations and non-full time employment types for all employees who were promoted within the organisation in the 12-month period 01/04/2024 to 31/03/2025.

The following personnel were promoted:

| Promoted 2024-2025 | Male | Female | Ethnic Minority Group | Disabled (Self-Declared) | Part Time / Job Share |
|-----------------------|------|--------|---------------------------|-----------------------------|--------------------------|
| 258 | 128 | 130 | Not Advised | 186 | 6 |
| | | | Black African | <5 | |
| | | | Mixed Other | <5 | |
| | | | Prefer not to Disclose | 10 | |
| | | | White | 24 | |
| | | | White English | <5 | |
| | | | White Irish | <5 | |
| | | | White Other | <5 | |
| | | | White Scottish | 29 | |

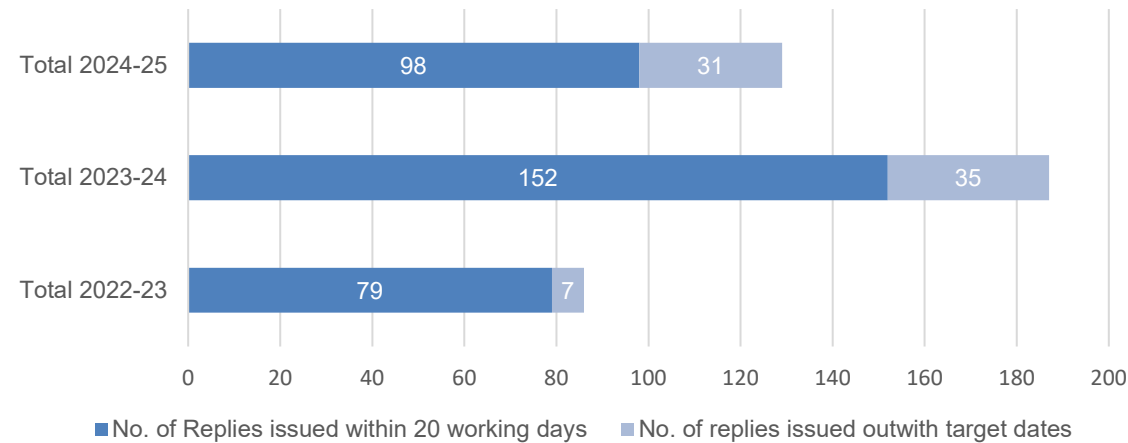
APPENDIX 8 – Parliamentary Accountability 2024-25



Scottish Parliamentary Questions

| | Ministerial Replies | Chief Executive Replies |
|--------------------------|---------------------|-------------------------|
| Year ended 31 March 2025 | 7 | 70 |
| Year ended 31 March 2024 | 8 | 79 |
| Year ended 31 March 2023 | 3 | 31 |

MSP Letters for Chief Executive Reply



MSP Letters for Chief Executive Reply

| | No. of Replies issued within 20 working days | No. of replies issued out with target dates |
|---------------|--|---|
| Total 2022-23 | 79 (73.8%) | 7 (6.5%) |
| Total 2023-24 | 152 (81.3%) | 35 (18.7%) |
| Total 2024-25 | 98 (76.0%) | 31 (24.0%) |

APPENDIX 9 – Key Performance Indicators 2024-25

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.

From 2023-24 onwards, 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 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 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 | 1 | 0 | |
| Absconds | 0 | 1 | 0 | 1 | [3] |
| Incidences of failure to return | 3 | 0 | 1 | 6 | |
| Serious prisoner on staff assaults | 11 | 9 | 5 | 9 | [1] |
| Serious prisoner on prisoner assaults | 93 | 114 | 91 | 108 | |
| Minor or no injury prisoner on staff assaults | 349 | 309 | 259 | 323 | |
| Minor or no injury prisoner on prisoner assaults | 1,756 | 1,681 | 1,409 | 1,723 | |
| Average % of population housed in single cells | 63.2% | 64.8% | | | [2] |
| Average number of single cells used as double cells | 1,005 | 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 | 61 | 54 ¹⁸ | | | [2] |
| Number of Talk to Me incidents | 3,940 | 3,811 | | | |

¹⁸ The number of deaths reported in 2023-24 has been revised in line with data quality improvements.

| | | | | | |
|---|-----------|-----------|-----------|-----------|-----|
| Self-harm incidents - % of the population | 1.1% | 1% | | | |
| Complaints lodged - % of the population | 10.4% | 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) | 58.5% | 56.6% | | | [2] |
| Total hours of purposeful activity | 5,956,123 | 5,387,430 | 4,766,653 | 3,967,795 | |
| Average hours of purposeful activity per week, per convicted individual | 19 | 18 | 19 | 17 | [1] |
| % of case conferences held within relevant timescales | 92% | 92.1% | 88.9% | 87.9% | [3] |
| % of case conferences with Criminal Justice Social Work (CJSW) in attendance | 94.3% | 95.5% | 95.3% | 93.6% | [1] |
| % of case conferences with family in attendance | 21.3% | 20.4% | 17.1% | 11.6% | |
| Compliance with parole timescales | 72.3% | 69.7% | 73.9% | 84.3% | |
| % of individuals leaving custody having secured accommodation or housing provider referral | 83% | 85.6% | 86.8% | 98.0% | [3] |
| Average number of people on Home Detention Curfew (HDC) | 106 | 63 | | | [2] |

| | | | | |
|---|---|----------------------|---------|---------|
| % of education classes spent delivering literacy skills | 41.8% | 40.9% | 39.8% | 35.0% |
| % of education classes spent delivering numeracy skills | 25.8% | 26.9% | 26.1% | 26.2% |
| Vocational and employment related qualifications | 19,994 | 19,437 ¹⁹ | 19,391 | 12,327 |
| Vocational and employment related qualifications at SCQF level 5 or above | 735 | 995 | 926 | 234 |
| Employability prospects increased* | SPS no longer holds necessary data for this KPI | | | |
| Reduced substance abuse ^{11*} | - | - | - | |
| Average annual cost per prison place ¹² | £52,260 | £47,140 | £44,620 | £41,786 |
| Reducing carbon emissions* | See 'Environmental Matters' section, above, for separate reports. | | | |

[4]

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

¹⁹ This number has been corrected from the 2023-24 Annual Report and Accounts

APPENDIX 10 – Court Custody and Prisoner Escort Service

| | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | 2024-25 Total | 2023-24 Total | 2022-23 Total | 2021-22 Total | 2020-21 Total | 2019-20 Total | % change on 23/24 | % change (COVID 20/21) |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|------------------------|
| Number of Court Arrivals | 6,691 | 7,277 | 6,109 | 6,768 | 6,648 | 6,242 | 6,278 | 6,025 | 5,538 | 5,877 | 5,607 | 6,029 | 75,089 | 73,825 | 66,253 | 50,114 | 44,544 | 103,123 | 2% | 69% |
| % Arrived on time | 55.81% | 58.10% | 59.73% | 62.35% | 58.71% | 57.2% | 57.33% | 56.32% | 58.81% | 57.21% | 63.42% | 64.24% | 59.1% | 53.5% | 55.3% | 74.5% | 89.9% | 80.5% | 10% | -34% |
| Non court escorts | 1,510 | 1,610 | 1,430 | 1,521 | 1,489 | 1,428 | 1,521 | 1,433 | 1,223 | 1,389 | 1,331 | 1,377 | 17,262 | 19,392 | 19,079 | 12,257 | 9,744 | 34,340 | -11% | 77% |
| Court Cell Areas Operated | 695 | 718 | 641 | 720 | 697 | 662 | 724 | 689 | 583 | 644 | 630 | 669 | 8,072 | 8,104 | 9,730 | 10,979 | 8,214 | 8,933 | 0% | -2% |
| Court Docks Staffed | 2,130 | 2,179 | 1,966 | 2,174 | 2,211 | 2,117 | 2,281 | 2,087 | 1,544 | 1,957 | 2,,061 | 2,169 | 24,876 | 21,972 | 25,520 | 24,269 | 14,776 | 25,704 | 13% | 68% |
| Number of Prisoners Unlawfully at large | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 2 | 6 | 6 | 3 | 2 | 6 | -67% | 0% |
| Total Secure Journeys | 2,950 | 2,993 | 2,692 | 2,976 | 2,915 | 2,823 | 3,021 | 2,859 | 2,445 | 2,700 | 2,789 | 2,973 | 34,136 | 31,633 | 32,605 | 30,408 | 23,532 | 461,37 | 8% | 45% |
| Total Community Journeys | 468 | 452 | 532 | 659 | 393 | 599 | 611 | 457 | 318 | 430 | 496 | 587 | 6,002 | 3,935 | 4,425 | 4,546 | 844 | 6,488 | 53% | 711% |

Still subject to contractual ratification