

Scottish Prison Service

ANNUAL REPORT & ACCOUNTS

2021-22

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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 2021-22.



CHIEF EXECUTIVE'S FOREWORD

I am pleased to introduce our Annual Report and Accounts for 2021-22.

We have now experienced a second year of the COVID-19 pandemic, and it has been another extraordinary and extremely challenging 12 months. Some restrictions have remained – but we are now seeing access to work, rehabilitative services, and opportunities for learning, increasingly become available across the estate.

As we take this positive step forward, I remain extremely proud of the unprecedented resilience which our staff, those in our care, and their families, have shown under such circumstances this year and as we continue to transition out of the pandemic.

Our staff remain at the heart of everything we do. They work exceptionally hard in a complex environment, caring for the most vulnerable people in our society, often without the public plaudit experienced by other public services. Their commitment, flexibility and dedication, throughout the past two years in particular, is a source of great pride to me.

I would also like to express my gratitude to colleagues in the NHS, particularly those working tirelessly in our prisons, who have played such a vital role in keeping everyone safe.

Collaborative and positive working with our partners across the justice sector, with our 3rd sector partners and the Scottish Government has remained vital as we transition to recovery. I wish to pay specific tribute to our partners operating the Prison Visitor Centres and their close working with prisons. Despite challenges presented by the pandemic, this partnership working has shown real innovation in support for vulnerable families and children impacted by having a loved one in custody.

Despite the evolving nature of the pandemic this past year, we have remained committed to delivering a series of action and change.

We have published our Vision for Young People in Custody 2021, and continue work on putting its principles into practice. We welcome the reduction we have seen in the number of young people coming into our care, but we remain determined that those who do still have the potential to contribute positively to their communities and society, once they leave. We recognise that time in custody can have an adverse effect on a young person, but it also provides an opportunity – sometimes a rare hope – that they will experience learning and mentorship that will direct them to a brighter future.

We have also continued to progress with the transformational changes to the way women in our care will be supported and cared for. These new facilities, with the first due to open in Summer 2022, will meet the needs of women in a way that has not been seen before in Scotland, and better support their rehabilitation and reintegration. We have also developed and delivered bespoke training for those staff who are working with women, ensuring they can deliver trauma-informed and person-centred care.

Harnessing the opportunity brought by the pandemic – our digital ambitions have continued to progress. We have initiated plans for the introduction of in cell technology, which will create new ways to maintain crucial links with family members, access learning opportunities, and will enable greater independence as people prepare to return to their communities.

The increasing complexity of need such as mental health and substance misuse in the prison population persists and we work hard in collaboration with our partners to meet and address need. I welcome wider proposals that prison should not be used for Under-18's and the consensus that prison in Scotland should only be used to protect the public.

Lastly, we have also looked internally and made great strides in strengthening our Corporate governance arrangements with the addition of a new Interim Finance Director and changes to our Non-Executive Director group. Brigadier Hugh Monro CBE, stood down as chairman of the SPS Advisory Board in January and I am enormously grateful for the calm stewardship and support that he has shown in his time with the SPS. I am delighted to have welcomed his successor, Ann McKechin, who has brought vast experience, as a former UK Government shadow minister, and joins at an exciting and pivotal time for the organisation.

My thanks also go to Gavin Scott, who stepped down as chair of the Risk Monitoring and Audit Committee (RMAC), and I welcome his successor Ian Harley. Lastly, thank you to Rob Molan who stepped down as Non-Executive Director in December and I extend another warm welcome to Lynne Clow and Stephen Upton, who have now joined us. All four of our new Non-Executive Directors have already provided invaluable support and I looked forward to working with them in the months and years ahead.

There is undoubtedly valuable learning we have gained over the past two challenging years, which will stand us in good stead for looking forward. In doing so, there are three pillars upon which I intend to build new foundations for a modern Scottish Prison Service – relationships, trust, and transparency.

The relationships we have – with those in our care and their families, with our staff, with our partners and with our communities – are vital to everything we do and make us succeed in our missions to keep people safe and deliver effective rehabilitation.

Strong relationships require trust and transparency, and that is what we have worked to build both inside our organisation and out. We have made good progress in this area, but we recognise there is more to do and no doubt wider challenges such as fiscal pressures to overcome.

We are developing a new Corporate Plan for 2023–28, which will facilitate the longer-term alignment with the Scottish Government's new Vision for Justice in Scotland, published in February 2022. Our Corporate Plan will be influenced by the voices of our staff, and the people in our care, to ensure we journey towards the kind of organisation we need to be in the years ahead.

Teresa Medhurst

Teresa Medhurst
Chief Executive
27 July 2022

CHAIR OF THE ADVISORY BOARD FOREWORD

I was honoured to be appointed as the new Chair of the Advisory Board in mid-January and my reflections are consequently based only on a short part of what has been another very challenging year for our Prison Service. However, it has been abundantly clear to me that the commitment of the organisation and its staff in continuing to cope with the multiple issues arising from the COVID-19 pandemic is an exemplar of public service values.

I would like to pay tribute to my predecessor, Brigadier Hugh Monro CBE who so ably chaired the Board since 2016 and to thank board member, Rob Molan and Gavin Scott who chaired our RMAC Committee and who both retired from their positions at the end of 2021, for their services particularly during the extraordinary demands brought about by the pandemic.

Whilst the impact of COVID-19 as it moves to an endemic stage will continue to impact our staff and the people in our care for the foreseeable future, the Service is rightly turning its attention to a Recover, Renew and Reform phase in its development. The welcome appointment in March of Teresa Medhurst as our permanent Chief Executive is an important step in allowing the Service to now take a more strategic approach and actively engage with our partners in fulfilling the ambitions of the Scottish Government's Vision for Justice in Scotland launched in February. As part of this plan, the Board will be working closely with our senior leadership team over the coming months to support the introduction of a new Development Strategy for the Service.

The use of digital technology over the last two years such as mobile phones and virtual visits has resulted in a significant step change in deepening family contact and there is a strong appetite within the organisation to embrace the opportunities for further innovation in this sphere including extending the number of options that can be delivered within establishments through personal access to IT programs.

At the heart of the Service's work is its commitment to embed person-centred and trauma-informed practices. We have undertaken to respond positively to the recommendations of the Deaths in Custody review published in November last year and in particular, ensure that we continue to listen to the voices of families who have been directly affected. I would especially commend our Board colleague, Gill Stillie for her skilled and sensitive approach in the chairing of our DIPLAR (Deaths in Prison, Learning and Review) hearings over the past year and the positive response we have received from our staff. Work is also currently ongoing to review our internal processes around addiction treatment, mental health and wellbeing to ensure they are effectively targeted.

We look forward to the opening of the new HMP Stirling together with the Women's Community Custody Units in Dundee and Glasgow later this year which will represent an important and long awaited shift in the approach to the delivery of our services.

The Prison Service has again shown its ability to be resilient, flexible and people focused in the face of unprecedented volatility and complexity over the last year and should take pride in its achievements and its continued determination to maintain safety and security.



Ann McKechin
Chair of SPS Advisory Board
June 2022

ESTABLISHMENT HIGHLIGHTS 2021-22

HMP Barlinnie

A number of **Health and Wellbeing events** were held throughout the year including a 5k Fun Run and football competition with teams from outside partners Back-On-Side, Celtic Foundation, Street Soccer, as well as staff and prisoner teams. The day concluded with a Q&A panel with former Scottish Footballer John Gahagan. In Education, musician, writer and artist Pete Doherty led an art class and discussion, highlighting the positive impact creative outlets can have on our health and wellbeing. The paintings are now on display within the establishment.



The Resource Hub is a new initiative introduced in Barlinnie which brings together a wide range of agencies preparing individuals for release into the community. The Hub offers a drop-in service where individuals can find information, seek support and access crucial services. With the support of Glasgow Life, DWP and the Prison Homelessness Team, the dedicated Hub team have been instrumental in providing homes, jobs, and hope to individuals for the future.

To recognise **Mental Health Awareness Month**, a full timetable of activities and events were held in the Resource Hub including 'Positive Mastermind' and a 'Question of Health & Sport'. Guest speakers also included former Scottish Rugby Player Jim Hamilton, Comedian Gary Faulds and Author Graham Armstrong. Over 2,300 people engaged with the events, raising awareness of Mental Health and highlighting the importance of seeking help and support.

HMP Castle Huntly

In September, the establishment hosted a successful **Coffee Morning**, raising a total of £440 for both Macmillan Cancer Support and Mental Health UK. Cakes and sweet treats were prepared by staff and those in our care with members of the local community including local councillors, local parish ministers and the Longforgan Women's Guild joining the event.



community.

The original **Crisp Packet Project** was launched by Pen Huston in November 2019 to address the problem of flimsy sleeping bags for homeless people. A blanket made from crisp packets can protect sleeping bags for weeks in cold and wet weather, reflecting the heat, keeping individuals dry, and helping to reduce the amount of single-use plastic going to landfill. With the support of Fife College, individuals in our care produced six blankets which were distributed to homeless people in the local

During the weekly induction programme, it became apparent that a common concern amongst prisoners was securing a bank account for release. Link Centre staff set up the **Bank Account Project**, sourcing a suitable system, notifying prisoners of the campaign and supporting the completion of applications. As a team, they have initiated a successful process and have opened approximately 70 bank accounts since April 2021.

HMP & YOI Cornton Vale



Individuals in our care took part in The Prince's Foundation **'Knitwise' programme**. The aim of the programme encourages people to come together and share skills, whilst developing confidence in beginner level knitters. A group of women participated in a dedicated workshop and got to work making blankets using donations of hand-knitted squares. Their contribution then formed part of an installation showcased at Dumfries House in September, featuring over 9,000 hand-knitted squares from

individuals and groups from around the world as a way to celebrate knitting as a traditional craft form. Afterwards, the blankets were distributed to homeless and refugee organisations within the UK and overseas.

To celebrate **International Women's Day**, a full programme of events were organised including art/craft sessions, group work and quizzes. It was a huge success for all involved.

Cornton Vale's successful **'Peer Mentor' scheme** has been developed further. The role of the Peer Mentor is to provide support, guidance and information to their fellow peers in a variety of areas throughout the prison environment. Peer mentors can assist with the admission and Induction processes, education and work and can also use their experience to help others in their progression journey. The Peer Mentor group also run a daily 'gym buddies session' within the gymnasium for women with more complex needs.

HMP Dumfries

In the run up to #HiddenHeroesDay 2021, staff and prisoners within HMP Dumfries took part in the national **Hidden Heroes Charity Challenge**. Organised by the Butler Trust, they joined others from all over the UK to raise awareness and funds for mental health. Utilising the prison gymnasium, staff and prisoners at Dumfries decided to virtually run/walk/cycle around the SPS Estate, visiting all 15 establishments. They achieved a total distance of 1101.85 miles and raised £561 which was shared between Mental Health UK and Dumfries & Galloway Royal Infirmary.



The **'Winter Warmth' Project** has been running in partnership with Dumfries & Galloway Community Payback Scheme since 2018-19. The project sees D&G Community Payback supply the prison with broken pallets which are then recycled into bags of kindling and wooden blocks. Waste paper generated from prison are also recycled into briquettes; this also forms part of HMP Dumfries' sustainability project. Bagged blocks and kindling are then collected and distributed to approximately 300 homes in the D&G area by the Community Payback team.

In partnership with Fife College, staff and prisoners in Dumfries took part in the **'Through it Together' Project**. The aim of the project was to recognise the difficulties placed on us all throughout the pandemic but also to celebrate all that the establishment achieved in spite of the challenges. With contributions from education, chaplaincy, the senior management team and the offender outcomes area, prisoners produced and edited a short film.

HMP Edinburgh

Staff have been instrumental in continuing to cultivate a **culture of recovery** through the Recovery café alongside partner agencies including: CGL, Heavy Sound, Fife College and the Scottish Recovery Consortium. The establishment has champions identified in the residential function and a dynamic programme of supports and innovations and a range of events throughout the year.



Prison Chaplain Father Vasyl Kren is Ukrainian and has sought to do everything he can to help victims of the conflict in **Ukraine**. The establishment were keen to be involved by collecting supplies of clothing and hygiene products, with the women in our care helping Father Kren to pack the donations to be shipped to Ukraine.

This year, Shona Pate, Barnardo's Visitor Centre manager at HMP Edinburgh received **HRH The Princess Royal's Prize** – the most prestigious award given by the Butler Trust for her efforts in supporting families throughout the COVID-19 pandemic. During the initial Lockdown, Shona recognised that people who would normally use the Visitor Centre for support may be isolated within their communities. She therefore took the service to the visitors at home. Her team provided food, furniture, helped decorate rooms, got people out of bed and supported those struggling with not being able to see their loved ones in prison. When Christmas came, they gave presents to 88 families and 178 children, so that even during lockdown there was positivity in their lives.

HMP Glenochil

A number of individuals in our care approached the Governor wishing to make a **donation to the local foodbank**, providing items from their own funds. A contribution of £471.92 was collected, this totalled 150kg of stock and equated to 18 food parcels for the local community.



In July 2021, the Hepatitis Trust devised an event to recognise the **10th World Hepatitis Day** in one prison in each of the UK's four nations. HMP Glenochil was selected as the prison within Scotland and a team of Managers, Nurses & staff worked alongside the Hepatitis Trust to organise and deliver the three day event. During the event, over 550 prisoners and 50 staff volunteered to be tested and NHS staff were on hand to arrange follow up referral and treatment in the event of a positive test. There were also numerous stalls raising awareness of the virus and other health and wellness related issues.

Individuals at HMP Glenochil achieved 131 awards in the 2021 **Koestler Arts Awards**; more than any other prison in the UK and won a Platinum Award for the overall winning establishment.

HMP Grampian



The staff group in HMP Grampian raised over £7,000 in a series of **fundraising events and challenges** throughout the year. Activities included cold water swimming, bake sales and climbing Ben Nevis with all funds raised going to worthy charities such as Maggie's Cancer Care, the MS Society and the Scottish Poppy Appeal.

In March, staff from HMP Grampian (including a former pupil) attend Fraserburgh Academy's **Careers Fair**. Staff spoke passionately to students about their jobs and gained a real understanding for what a Prison Officer really does. SPS as an organisation was promoted as a fantastic career option with many opportunities available.

In May 2021, CFine (Community Food Initiatives North East) piloted a pre-release course for individuals in our care returning to Aberdeen City. Those attending the course were helped to secure financial assistance, substance misuse support and look for employment opportunities on release. Once back in the community, they can continue to work with CFine at their premises in Aberdeen, volunteering at their foodbank or other community initiatives. Of the 24 individuals who completed the course in the prison, nine went on to volunteer at CFine. Of these nine, three went on to full-time employment and another to full-time education.

HMP Greenock

Greenock started construction on their **new Lifeskills area** prior to the outbreak of COVID-19 and while this had to stop during the initial lockdown, it was completed and opened in 2021. The Lifeskills programme gives prisoners the opportunity to expand or develop new life skills to help them prepare for their return to their community or progress to open conditions. Prisoners are also able to gain qualifications on First Aid, Manual Handling and food hygiene as well as learning to cook for themselves and their families.



In the run up to the 2021 United Nations Climate Change Conference in November, the education department organised a number of information sessions and art competitions with themes ranging from Climate Change to Endangered Animals. The culmination of this event was as part of **Book Week Scotland 2021**, Lesley Riddoch, one of Scotland's best-known commentators and broadcasters visited the establishment and held a discussion with the students to discuss her work and writing.

The establishment engaged with **community placement** partners to plan for prisoners community access to be re-instated safely after it was suspended due to COVID-19. Significant planning and risk assessments were conducted, with partners Greenock Morton Football Club showing an incredible level of flexibility, ensuring maximise the opportunities for those in our care. Placement locations have continued to increase with females now attending the 158 Project Inverclyde Foodbank.

HMP Inverness

The **Families and Visitors Centre** has moved to a building significantly closer to the establishment to ease the access for families to engage with services. This facility offers a more family friendly and relaxed atmosphere and is open to all who want any support or information. The move will strengthen the existing close links between the SPS and Action for Children and encourage further partnership working.



With the need to continually develop services which are both trauma informed and appropriate to supporting those in our care, HMP Inverness in partnership with our NHS partners successfully bid for funding from the Local ADP for a **dedicated psychotherapist**. This role will enable targeted therapeutic interventions to those who need it the most.

Fèis Rois, based in Dingwall is widely recognised as a national leader in the arts, particularly in relation to music education. They have delivered a weekly musical project in Inverness, giving individuals the opportunity to experience and engage with music culture as well as building confidence, developing creativity and enhancing communication skills.

HMP Low Moss

This year HMP Low Moss has a multi-cultural prisoner group working in the kitchen and the **catering team** have made significant efforts to help them improve their English, develop their skills and access Education. Working with this group also gave the staff ideas to vary menus, allowing for a greater diversity of food for people living in Low Moss. The team have also worked hard to organise theme nights and meals for Christmas and New Year, Eid and Chinese New Year.



HMP Low Moss Talking Heads Group is an initiative that was set up to encourage prisoners to share their experiences of life in custody and the challenging mental health issues that some of them experience. The overall aim of the group is to provide a supportive environment and to incorporate some motivational topics and encourage people to think of ways in which they can manage their own challenges through mindfulness, poetry, and positive thinking.

During March 2022, to mark **World Book Day**, the Learning Centre distributed more than 150 books from Luath publishers, covering subjects as diverse as great Scottish speeches, the history of football, natural history, poetry as well as contemporary novels. The Learning Centre collaborated with the SPS to produce an exhibition describing the history of Low Moss to mark the 10th anniversary of the opening of the new prison. It depicts the origins of the RAF, as one of the few balloon stations during the Second World War, the range of USA and UK planes that landed here during the years of the Cold War as well as the old Low Moss prison.

HMPYOI Polmont



In autumn 2021 the **Visitors Centre** introduced the new HMPYOI Polmont mascot, 'Buddy the Polmont Puppy'! Buddy was created by one of the women in custody in response to a competition facilitated by the Arts and Crafts team in Activities. There are six large wall stickers of Buddy and his pawprints in the foyer, Visitors Centre and up the stairs to the Visit Room, so that children can follow Buddy up to where they will see their loved one. This has proven to be a real success with children who love finding Buddy on their walk up to the Visit Room, adding some fun and an age-appropriate welcome. In partnership with SPS staff, the Visitors Centre also produced a short film to show the visiting process at Polmont, so that families could have some idea of what to expect when they come to visit and therefore reduce anxiety about visiting. This included information about how to get here, what to expect for security checks and what the Visit Room looks like. This has been really well received, and families new to HMPYOI Polmont have commented on how helpful it is.

16 Days of Action is an Annual Global Event which aims to raise awareness of gendered violence, domestic abuse and sexual violence. CEA (Committed to Ending Abuse) have organised the event within Polmont for the past six years and did so again in November 2021. Individuals in our care designed awareness posters and over the course of one week, they were invited to attend information sessions, see artwork and creative writing submissions and complete activity packs. Over 600 people signed the pledge to show their support for ending domestic abuse.

The prisons' **Media Centre** have developed a number of special broadcasts and features throughout the year to mark events such as Holocaust Memorial Day, Pride and Black History Month. They have also produced an Autism Awareness radio show and worked in partnership with NHS Forth Valley to deliver a number of health promotion initiatives.

HMP Perth

The Daniel Spargo-Mabbs Foundation is a drug and alcohol education charity that aims to support young people to make safe choices about drugs and alcohol and reduce harm. The Foundation was set up in 2014 by Tim and Fiona Spargo-Mabbs in response to the death of their 16-year-old son Daniel having taken ecstasy. Award-winning playwright Mark Wheeler wrote a play about what happened to him and individuals in our care were invited to watch the performance. Afterwards, individuals participated in a hugely insightful discussion with Fiona.

Perth staff, in partnership with Perth & Kinross Council have re-introduced **family learning sessions** after they were stopped due to the pandemic. The sessions offer a range of activities and interactions to suit the ages and abilities of the children attending, helping to build relationships and strengthen family bonds. Staff were also able to secure a special viewing of the Christmas panto, Rapunzel, produced by the National Theatre of Scotland.



In August, Perth launched their new prisoner radio station, **'Insider Radio'**. The runs 24 hours a day, 7 days a week and features a diverse range of programming focusing on news, recovery, sport, and music. Individuals in our care are responsible for scripting, researching, presenting, editing and uploading all shows on the station. The station also provided the recording / editing and mixing facility for **'Heroin To Hero'** by author Paul Boggie. Individuals in our care read chapters of his book, which has subsequently been released as an audio

book, raising money for charity.

HMP Shotts

Shotts are the first prison in the SPS estate to trial a **'Kiosk System'**. The system allows individuals to make daily menu choices, check their account balances and view their financial transactions, answer surveys and read information notices. The idea is that individuals have more independence, confidence and control of their lives, which supports their rehabilitation and desistance. It also frees up staff time to allow them to focus on providing meaningful support to those in our care. Feedback has been hugely positive and it is hoped the system will be rolled out across all of our establishments.



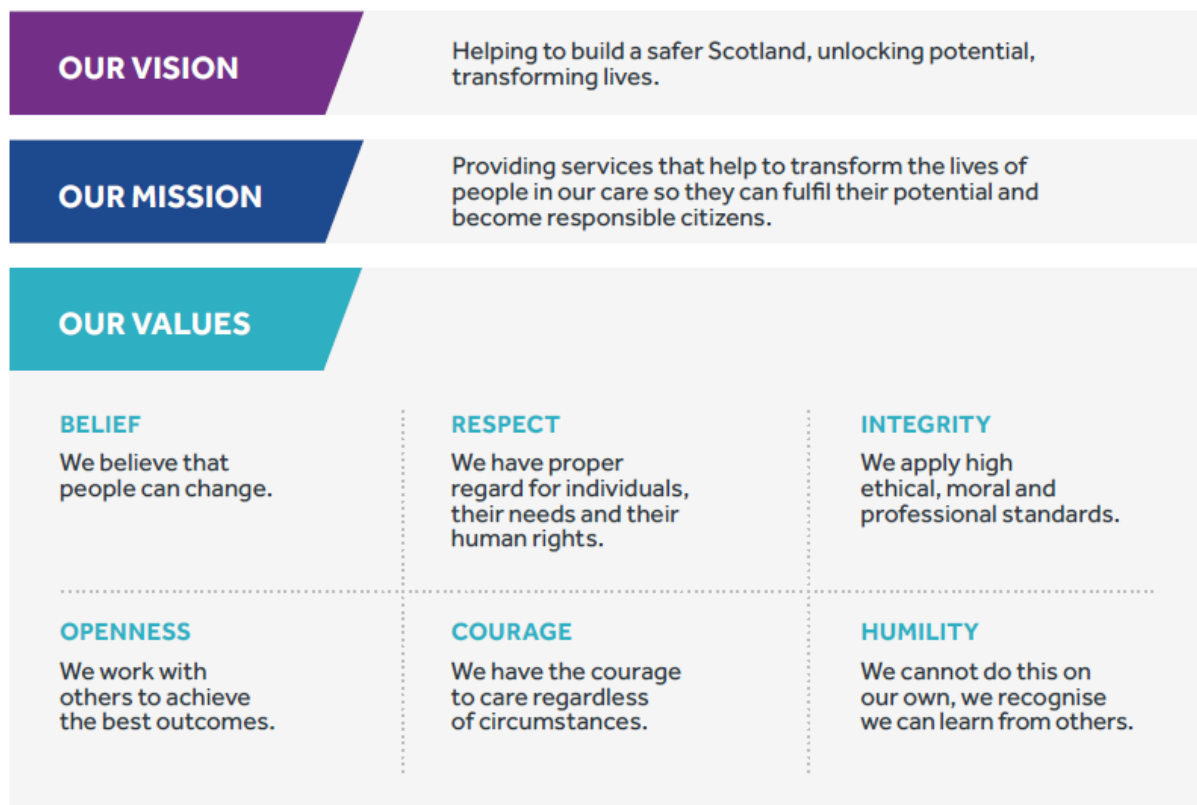
The establishment's Recognition and Rewards Group developed a **'celebration tree'** to celebrate long service and achievement within the staff group at Shotts. The tree itself and the leaves which adorn it are made by prisoners in the work sheds. Both prisoners and staff are proud of its creation and the recognition that it represents for those who have worked in Shotts.

Health Improvement Fridays is a project developed by staff, in partnership with Fife College and the NHS' Mental Health Team Health. With a focus on mental health, staff deliver an informative and hands on learning programme across four different classroom activities; Art, Crafts, ICT/Digital Media and a Reading Group. There were a variety of Health improvement areas for individuals to choose from including stigma around male mental health, suicide, bullying, sleep, physical activities, coping strategies, stress awareness and substance misuse. The project continues to run ensuring that different populations can access support and information throughout the year.

WHO WE ARE AND WHAT WE DO

The Scottish Prison Service (SPS) is an Executive Agency of the Scottish Government and was first established in April 1993. The SPS Framework Document sets out the policy and resources framework set by Scottish Ministers within which the SPS operates. As an Executive Agency, the SPS is funded by the Scottish Government.

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



Principal Objectives

Our principal objective is to contribute to making Scotland Safer and Stronger. The SPS has a duty to protect the public by keeping those who have been sentenced in safe and secure custody. Our commitment to public safety is delivered through constructive engagement with those in our care, focusing on recovery and reintegration.

At 31 March 2022, 13 prisons were directly operated by the SPS and a further two were run by private sector operators under contract to the SPS. Appendix 1 shows the location of these prisons.

We directly employ around 4,600 staff and on a daily basis accommodate around 7,500 individuals in our care. Appendix 2 details the current organisational structure in place to effectively manage Scottish Prisons.

We also manage the contract for the Scottish Court Custody and Prisoner Escorting Service (SCCPES), on behalf of multi-agency justice partners, for the provision of safe and secure transport of those in custody to and from courts and hospitals. Appendix 11 shows the core volumes for 2021-22.

National Policy Context

National Performance Framework and Outcomes

As an Executive Agency of the Scottish Government we are committed to contributing to the delivery of Scotland's National Performance Framework. The Framework was launched in June 2018 and comprises 11 National Outcomes and 81 National Indicators. SPS contributes both directly and indirectly to all of the National Outcomes but especially;

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

Justice in Scotland; Vision and Priorities

The national justice strategy for Scotland; Justice in Scotland; Vision and Priorities (Scottish Government, 2017) envisages a proportionate and person-centred approach to justice, focusing on prevention and protection which delivers better outcomes for individuals and communities. Prisons should be utilised to accommodate only those who have committed the most serious offences to ensure that society is protected from those who pose a serious risk and only "... where necessary to address offending or to protect public safety, focusing on recovery and reintegration."

The national justice strategy asserts the role of prisons in seeking to achieve a reduction in reoffending and in supporting those in custody in their safe reintegration back into their communities.

Legislation

During 2021-22, SPS took forward three amendments to The Prisons and Young Offenders Institutions (Scotland) Rules 2011. Two of the amendments were concerned with retaining some of the flexibility afforded by previous amendments designed to support our response to the exceptional pressures facing prisons during the Coronavirus outbreak. The retention of these amendments was considered necessary due to the uncertainty regarding further local 'lockdowns' and the increasing spread of new variants of COVID-19. The amendments retained provided Governors with flexibility in regards to: the suspension or restriction (if necessary) of visits, purposeful activity and recreation; isolation of large groups of individuals who are symptomatic or who have been in close contact with a person who is symptomatic or are new admissions; and extended the period prisoners could be on home leave, where they or someone in their home has Coronavirus or has developed symptoms of Coronavirus. The third amendment added psychoactive substances to the list of prohibited articles in the Prison Rules and provided Prison Governors with powers that enabled them to mitigate against the risk of illicit substances being introduced through general correspondence sent to prisoners via the prisoner mail system.

Other legislation that impacted on SPS included the Redress for Survivors (Historical Child Abuse in Care) (Scotland Act) 2021 which provides for financial and non-financial redress to survivors of historical child abuse in care settings in Scotland. The Redress Scheme provides survivors with an alternative route to seek damages as opposed to pursuing damages via civil litigation. As a

participant in the Scheme, SPS publicly apologised by way of a published letter for the abuse suffered by children in our care and fully accepted that we must do better to protect all children in our care. As a participant in the Redress Scheme we have also agreed to contribute up to two-thirds or £10,000, whichever is greater, of every application to the Scheme which Scottish Ministers determine is to be allocated to SPS.

In contributing to the delivery of our principal objectives and national outcomes, SPS has five strategic themes and outcomes:

STRATEGIC THEMES				
DEVELOPMENT	ENGAGEMENT	IMPACT	STANDARDS	COLLABORATION
STRATEGIC OUTCOME:	STRATEGIC OUTCOME:	STRATEGIC OUTCOME:	STRATEGIC OUTCOME:	STRATEGIC OUTCOME:
We will have the right people, with the right skills, in the right place at the right time.	Everyone has a voice and contributes meaningfully to our corporate improvement journey.	Our services are efficient, effective and provide value for money.	Our prisons are safe, healthy and positive places in which to live and work.	Growing and strengthening our stakeholder and partner networks and relationships to achieve better outcomes for those in and leaving our care.

OUR SERVICE TODAY

Scotland's prison system operates in an ever changing context:

- Scotland's prison population has increased in recent years, mainly due to increases in average sentence lengths and increases in the use of remand;
- The turnover of Scotland's prison population has reduced due to overall reductions in the use of imprisonment;
- Scotland's prison population is unprecedented in its complexity, mainly due to a changing mix of crime, with more serious crime as a proportion and increased reporting of sexual crimes, in particular;
- This complexity is illustrated by increasing demand for health and social care;
- Despite longer term reductions in crime, there are more upward pressures than downward for Scotland's prison population; and
- There has been a general decline in the female population and the number of young people in custody has continued to reduce.

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

The increases in people coming in to our care with histories of serious offending is drawing prison system capacity increasingly towards safety and security. This, in turn, impacts on system capacity to meet wider expectations around rehabilitation and reintegration.

The levers that would enable Scotland's prison system to unlock and shift resources more towards rehabilitation mainly lie outside the prison system itself. SPS is therefore fully supportive of steps being taken to prevent serious crime – and the long prison sentences that come with serious offending - happening in the first place, the steps to increase alternatives to imprisonment and alternatives to remand. We also recognise that we cannot manage the risks and meet the needs of Scotland's prison population on our own.

Looking forward

Managing an increasingly complex prison population with increasing risks and needs, against the backdrop of a challenging financial climate, whilst supporting wider justice system recovery, will present a formidable challenge for Scotland's prison system in the short to medium term. It is also clear that COVID-19 will have an ongoing impact on how we accommodate and provide services to those in our care.

It is critical therefore that we plan to continue on our journey to be a 'relational', rights based, trauma informed, person centred, prison service – a prison service which places staff and service users at the heart of the design, delivery and improvement of prison services. It is also critical that we build on the implementation of change initiated in response to the pandemic, continually assess

what is working well and what is not working so well, to enable us to learn and improve for the future.

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.

From 2000-01, the prison population rose from an average of 5,868 to a high of 8,179 in 2011-12. The period between 2011-12 and 2017-18 saw a reversal of this trend, with a steady decline in the average population, falling to 7,464 in 2017-18. Despite a decline of 29% in the number of individuals receiving custodial sentences over the past decade, 2018 saw the prison population increasing, with a sustained rise during the year. The population surpassed 8,000 in February 2019, reaching a high of 8,336 in October 2019. It remained over 8,000 until the end of March 2020 when the impact of COVID-19 resulted in fewer people being sent to custody due to the suspension of court business.

As a result of the restrictions imposed in the first quarter of 2020, the overall prison population saw a sharp decline. The average weekly population decreased by 15.2% over a period of 11 weeks declining to the lowest level (6,869) since December 2006. However, the resumption of court activity saw the population increase again with a rapid increase in male adult remand numbers in particular.

Our population has also become more complex as a result of the increasing proportion of those in our care who have to 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.

This complexity is further illustrated by the increase in demand for health and social care services across the prison estate in recent years. It is important to recognise that, managing this complexity within the limitations of Scotland's prison system capacity, challenges the relationship between prisons and local communities. The short term reduction in population in early to mid-2020 has not reduced this complexity, although the reduction in the volume of the population enabled us to help meet public health expectations through the accommodation of a higher proportion of individuals in single cell accommodation. The emergence of the highly infectious Omicron variant of COVID19 in the second half of 2021 and into the first quarter of 2022 has resulted in a significant number of positive cases within Scottish prisons. The population remaining lower than expected has allowed for more people to be located in Single Cell accommodation than previously anticipated.

In this reporting year, the population has maintained its differential to pre-covid across the differing prisoner groups. Remand numbers are higher than pre-covid levels at an average of 2,100 for the year 2021-22, which is an increase of 18% on 2020-21 and over 26% on 2019-20. This has led to an increase in overall population at an average of 7,505 for the year, which is an increase of over 2% on the previous year, but still over 8% lower than pre pandemic levels in 2019-20.

Against this backdrop of increasing numbers of Male adults in custody, in contrast the numbers of male Young Adults and Women that are held in custody have reduced. On average a 13% reduction in the number of Young Adults held in custody for 2021-22 compared to 2020-21, with the reduction increasing to over 40% compared to 2019-20. For women held in custody, the reduction in numbers is 5% and 30% respectively on the previous two reporting years.

With removal of restrictions on physical distancing, and the expansion of the courts to tackle the backlog in summary and solemn cases across Scotland, we may not be able to plan in terms of absolute numbers going forward but evidence suggests that we can make a reasonable planning assumption that the population will continue to increase in numbers and in complexity. Further information on Scotland's prison population can be found on the Scottish Government website here:- <https://www.gov.scot/collections/scottish-prison-population-statistics/>

We will:

- continue to work with the Scottish Government and a range of justice partners in developing an agreed understanding of how to manage the needs of the an increasingly complex prison population;
- contribute to the work of the Health and Justice Collaboration Improvement Board and the Health and Social Care in Prisons Programme Board, aimed at improving the delivery of health and social care provision in prisons;
- utilise intelligence led prison management processes;
- continually monitor the design, maintenance and use of the physical estate;
- promote a person centred approach to case management; and
- play a key role in the Justice sector's Recovery to Renewal and Transformation (RRT) programme of work. Through RRT, a stream of the Criminal Justice Board, we have been working closely, actively and creatively with our partners in community justice – not just Community Justice Scotland but also Parole Board, COSLA, Risk Management Authority, Police, Social Work, the Crown Office and Procurator Fiscal Service and Courts as well as the third sector in how we continue to recover and move forward from the pandemic as it enters its third year across Scotland's Justice sector.

Our people

We recognise that our staff are the key to maximising our contribution towards the Vision for Justice in Scotland as it is their excellent work, most often unseen by the public, which makes the difference. It is therefore incumbent on us to provide the leadership, line management, personal development and people services support which they deserve. This will allow us to transform how we provide services including ensuring that we deliver person centred services and embed trauma informed practices.

It is noted that sick absence continues to be a concern and that, on average, the pandemic accounted for a week's absence per employee in 2021-22. This explains a 20% increase in days lost to sick absence, with high levels of absence also caused by Mental Health and Musculoskeletal conditions. Our primary focus in 2021-22 was to continue supporting colleagues through the uncertainty brought about by COVID-19 and investing resources in making sure the work experience for colleagues is consistently positive. Whether this was through IT equipment to allow colleagues to work from home safely (where applicable) and stay connected, or through the promotion of our existing health and wellbeing services available to staff. In 2021-22, we increased the support available to staff by launching a new health and wellbeing SharePoint site and introduced a number of new wellbeing apps, providing greater access and flexibility. We also returned to normal working patterns which had been set aside at the first lockdown. Additionally, we have reviewed of our pre-employment screening processes, extended our physio pilot across

all sites and introduced further muscular-skeletal support services in conjunction with the Charity for Civil Servants and Remploy.

Our Resources

The Scottish Parliament approved the 2021-22 budget for SPS of £461.6m. Financial sustainability remains a challenge which is expected to continue into 2022-23 and beyond due to the current economic pressures.

An Interim Finance Director was appointed in September 2021 and a priority will be to work towards development of a medium term financial strategy linked to the 2023-28 corporate planning process. This will set out the longer term financial strategies and capital investment plans for the organisation.

To mitigate this risk, we will:

- Continue to work with colleagues in the Scottish Government on medium/longer term financial planning; and
- Continue with the senior structural review which aims to address the structure and alignment of the corporate governance arrangements to ensure we are best positioned to meet current and future demands.

PERFORMANCE SUMMARY

This Annual Report is the third in which we report on performance relating to the SPS Corporate Plan 2019-22 (the Plan). The Plan is evidence based, focuses on service development and improvement and describes our continuing journey of transformational change. It defines our contribution to the delivery of National Outcomes and the national strategy: *Justice in Scotland: Vision and Priorities* through Strategic Themes and Outcomes which define the broad areas where we will focus on improving and developing our service; and what we aim to achieve.

The Corporate Plan 2019-22 was developed to respond to the unanticipated challenges we faced in 2018-19. We saw an increase in demand for prison places and a population that was becoming more complex along with associated financial challenges as we took our share of the burden of the pressures on the public purse.

For each year of the Plan we would normally develop an Annual Delivery Plan (ADP) which would set out the Essential Actions we would deliver during course of the year in order to deliver our Strategic Outcomes.

However, towards the end of 2019-20 SPS had to address the unprecedented challenge of maintaining service provision in the face of the impact of the COVID-19 pandemic which presented unique challenges.

In order to maintain safe and secure service delivery for those in our care and for those who work in our service, the pandemic incident response was prioritised and resource diverted from non-business critical activities in order to support this. As such, SPS temporarily amended its governance arrangements to respond to the evolving crisis. This included the suspension of our Corporate Planning arrangements and in this context we indicated that we would be developing an Interim Delivery Plan.

The SPS Delivery Plan 2020-22 (DP) captures and sets out our key priorities for the period, aiming to build on positive improvements across the justice and prisons systems in response to COVID-19; and enable SPS to plan for the shifts through national responses to the pandemic by setting recovery and renewal priorities in short “bursts” of six months. Although anticipated delivery quarters are assigned to each Key Element actual delivery dates will vary subject to the pressures on the service.

The DP was noted by the Cabinet Secretary on 24 March 2021. It contains 13 actions, each of which have a number of key elements with delivery scheduled across the lifespan of the Plan.

PERFORMANCE SUMMARY 2021-22

The need for an ongoing, evolving response to COVID-19 continued to dominate during 2021-22. Throughout the pandemic, our overriding priority has been the health, safety and wellbeing of those who live and work in Scotland’s prisons.

From a high of more than 8,300 during the Winter of 2019-20 (immediately pre-pandemic), SPS saw a drastic reduction in the prison population in the Spring of 2020 as the pandemic took hold, falling to circa 6,900 in May of that year. The prison population has slowly increased over the last two years, though it has not yet reached the levels observed before the pandemic started.

The 21-22 financial year started with a population of circa 7,400. There was some fluctuation

throughout the year, rising to a high of almost 7,600 at the end of November, then falling to end the year around 7,500. Across the 21-22 financial year, the total prison population increased by 1.61%.

This small but significant increase in the total population numbers is compounded by the continued trend towards an increasingly complex population - mainly due to an increase in the remand population and a higher proportion of individuals convicted of a serious crime, particularly sexual crimes. The challenges of managing this complexity have been compounded by necessary restrictions in the provision of regimes, activities and movements.

Despite the impact of the pandemic, SPS has continued to deliver high quality custodial care within restricted parameters and succeeded in keeping infection rates low. Significant progress has been made in the delivery of our Strategic Outcomes and this is described in summary below.

STRATEGIC THEME	DEVELOPMENT
STRATEGIC OUTCOME	We will have the right people, with the right skills in the right place at the right time.

Our workforce is our most valuable asset, and we are committed to equipping and enabling our staff to take a person-centred and asset based approach to their work.

There is one Action comprising three Key Elements identified – each of which extends over the two-year duration of the Delivery Plan. Good progress has been made during 21-22 on SPS's CPD pathways for those working with women and young people, with new career development pathways being created for middle / senior operational managers and early career individuals. This development work will continue into 22-23.

STRATEGIC THEME	ENGAGEMENT
STRATEGIC OUTCOME	Everyone has a voice and contributes meaningfully to our corporate improvement journey.

Our Corporate Plan 2019-22 expressed our commitment to engage with service users and staff.

There are two Actions comprising seven Key Elements identified in the Delivery Plan, all of which extend over the two-year duration of the Delivery Plan. During 21-22, SPS rolled out a range of health and wellbeing activities/services for the staff group. Some preparatory work on user and staff voice was delivered in 21-22, with substantive development work to be taken forward in 22-23 under the auspices of the 2023-28 corporate planning and the Fair Work Strategy development processes respectively.

STRATEGIC THEME	IMPACT
STRATEGIC OUTCOME	Our services are efficient, effective and provide value for money.

This theme provides a focus for our efforts in the modernisation and redesign of the way our service operates in order to maximise efficiency and effectiveness. Whilst the pandemic has posed some challenges to this agenda, it has also presented some opportunities - including the need to implement novel types of regime, and the implementation of a range of digital technologies to facilitate virtual engagement.

There are four Actions comprising nine Key Elements identified in the Delivery Plan. Significant developments in this area during the 21-22 period include: the appointment of a new Interim Finance Director to strengthen strategic financial leadership across the SPS; partnership with Microsoft to transition SPS’s digital services to the cloud and fully implement Office 365; and good progress on the Electronic Purchase to Pay (EP2P) and WorkSmart (HQ relocation) projects.

STRATEGIC THEME	STANDARDS
STRATEGIC OUTCOME	Our prisons are safe, healthy and positive places in which to live and work.

This theme is designed to capture initiatives aimed at ensuring our compliance with a range of policy and standards requirements.

There are three Actions comprising ten Key Elements identified in the Delivery Plan. Good progress has been made during 21-22 on SPS’s major construction projects, despite ongoing issues and delays affecting contractor supply chains and the supply of labour and materials. The Improvement Framework has evolved significantly each quarter to more effectively cover the breadth of work delivered by SPS; development work will continue in 22-23, alongside SPS’s 2023-2028 corporate planning process. The Women’s Strategy is now complete, with associated work on the Equality and Human Rights Impact Assessment (EHRIA), Quality Indicators, new case management products and collaborative service delivery models ongoing into 22-23.

STRATEGIC THEME	COLLABORATION
STRATEGIC OUTCOME	Growing and strengthening our stakeholder and partner networks and relationships to achieve better outcomes for those in and leaving our care.

Partnership working arrangements have been critical during the pandemic and of particular importance was the development and implementation of arrangements for the early release of a limited number of short-term prisoners in accordance with Scottish Coronavirus regulations and in conjunction with partners.

There are three Actions comprising 12 Key Elements identified in the Delivery Plan. Good progress has been made during 21-22 on: redevelopment of the Home Detention Curfew (HDC) process; Phase 1 of the Control and Restraint Review; and, delivery against the recommendations of the Expert Review of Mental Health (EROMH). Development work was initiated on a new risk management model and improved data sharing arrangements with key partners; this will continue into 22-23.

Managing Operational Performance

We are committed to building a Safer Scotland and the safety and security of our prisons, and those living and working in them, is paramount.

Unfortunately, the challenges of the COVID-19 pandemic have continued in the past year, with varying restrictions imposed as a result of the emergence of the Delta and Omicron variants throughout 2021 and into the first part of 2022.

In order to reduce transmission and keep those living and working in prisons safe, many of the restrictions that applied in a community setting were also applied in our custodial settings.

However our Public Health Scotland status as a ‘high risk setting’ has meant that some restrictions have continued within our prisons despite ending in the community in recent months.

In a custodial setting, these restrictions have included: the temporary closure of learning centres, meeting in much smaller numbers, more time in cell (akin to the staying at home rule), as well as public health measures such as physical distancing and face masks. These restrictions have had an additional impact on the SPS’s ability to deliver against the SPS’s Key Performance Indicators (KPI’s) figures for the reporting year 2021-22. A comment against each KPI outlining the impact should be taken in context of the effect of the COVID-19 pandemic.

As a learning organisation, we continue to evolve and have introduced a number of initiatives in our commitment to reducing violence within our prisons. Our response to the safety and security of our prisons remains robust and we act in an agile manner to both new and existing threats. The Strategic Risk and Threat Group which was established in 2017 has further identified the emerging risks and trends which includes the changes in the way violence is perpetrated in our prisons.

The SPS further supported the management of this risk by deploying the Management of Risk in Extreme circumstances (MORE) policy in all cases where it is deemed appropriate i.e. where those prisoners identified of having significantly increased risk of violence to staff or prisoners will be managed under a process which mitigates some of those individually identified threats and risks.

We continue to manage the issues surrounding Serious Organised Crime Groups (SOCC) and Organised Prisoner Networks (OPN) within all Scottish prisons, the increase in use of illicit substances and misuse of medication and the effect these have on both those in our care and staff in establishments.

We have seen a significant increase in the number of people in our care being managed under the ‘Management of an Offender at Risk due to any Substance Policy’ (MORS) over the last few years. The introduction of legislation to allow the routine photocopying of general prisoner correspondence was introduced in December 2021, and early indications are that there has been a significant decrease in the volume of illicit substances drugs coming into prisons and the number of recorded ‘drug-taking’ incidents. We continue to monitor effectiveness and application.

The COVID-19 pandemic has continued to impact on our population during this reporting year. The population, while higher on average by 170 compared with 2020-21, remains lower overall than the previous four years. The numbers of Short Term Prisoners continue to decrease however the number of those on Remand has significantly increased. Additionally, our population demographic has shifted with fewer numbers of young people and women in custody but higher numbers of male adults.

Please note that for Key Performance Indicators (KPI’s) 2a to 2d, the SPS amended the definition and reporting process from 1 October 2019, therefore this is the second reporting year that the full year figures are based on this new definition. The new definition reflects the position that only those incidents that are recorded as having a confirmed Assault, either through an Orderly Room adjudication, and/or a charge that is recorded by Police Scotland will be treated as a KPI.

Additionally, where there is more than one assailant, for example in a fight, only one incident will be recorded, as against the previous definition of two assaults taken place.

KPIs 1a and 1b Escapes from Secure Custody are baseline indicators of SPS’s delivery of secure custody.

There have **been no escapes from SPS** custody of a prisoner of any supervision level in the reporting year 2021-22. This is a continuation of the position reported last year and is encouraging considering the effect that the COVID-19 pandemic has had within the prison setting as well as the continued increase in number of emergency SPS hospital escorts that were required primarily as a result of those under the influence of illicit substances and people in our care becoming unwell as a result of COVID-19.

KPI 2a Serious Prisoner on Staff assaults. The number of serious prisoner on staff assaults for 2021-22 has **increased during this reporting year in comparison to 2020-21 from eight to nine incidents.**

This small increase has to be taken in context with regards to the continued difficult work carried out by staff during a period of fluctuating restrictions as a result of the COVID-19 pandemic.

The number of people being managed under the influence of unknown substances policy (MORS) which has resulted in reactive violence is also a factor many of the violent incidents being recorded.

The requirement to manage individuals who present an extreme risk of violence and the ongoing management of people who may present with mental health issues is also an issue in circumstances where the normal routine is required to be changed, sometimes at short notice, to deal with COVID-19 outbreaks as they occur in prisons and ensure we are complying with Public Health guidance.

We continue to work with our criminal justice partners, in particular with Police Scotland and our NHS colleagues to ensure that those who have been identified as having mental health issues are managed appropriately to reduce the risk of violence.

Identification of the motivation behind all assaults has improved as a result of SPS introducing violence investigation processes across all prisons, and the additional work carried out to identify all violent incidents that occur in a prison setting

KPI 2b prisoner on staff minor and no injury assaults. The numbers recorded against this measure has **increased to 323 from 290 incidents, with the number of assaults increasing in all prisons with the exception of HMP Castle Huntly** for the reporting year 2021-22.

The majority of these incidents occur in the larger closed male establishments with over 80% of all staff assaults occurring in those establishments who receive admissions direct from the courts.

The violence against staff has occurred predominately within the residential areas where individuals are on remand or serving a short term sentence. It is assessed that the increase in prisoner interpersonal violence is a contributing factor with staff being assaulted whilst intervening in these incidents.

Additionally, the biggest issue for 2021-22 has been the fluctuating restrictions imposed on those in our care as a result of managing the spread of the COVID-19 virus, predominantly the Delta and Omicron variants. These variants were considered to be more contagious and required short impositions of restrictions as outbreaks occurred across all establishments, more frequently than what was experienced in 2020-21. This often limited interactions with staff and others, which can lead to individuals becoming frustrated. These frustrations can often escalate to violence against staff.

KPI 2c Serious prisoner on prisoner assaults. The number of occurrences of serious prisoner on prisoner violence for the **reporting year 2021-22 has increased to 108 from 67 incidents in 2020-21.** This is an increase of 61% but is similar to the figure recorded in 2019-20 of 112 incidents.

The majority of these incidents occur in the larger closed male establishments where serious prisoner on prisoner violence is carried out by multiple perpetrators. It is assessed that a number of these serious assaults are linked to Serious Organised Crime Gang (SOCCG) nominals taking action against rival groups with some individuals accepting high value contracts to carry out violence as directed by prominent individuals.

Only three incidents of Serious Prisoner on Prisoner Assault were recorded in establishments out with the large male closed estate, with one each at HMP Greenock, HMP Inverness and HMP Castle Huntly.

At HMP & YOI Cornton Vale and HMP Dumfries, there were no assaults of this serious nature.

Additionally, with many of the larger male adult SPS establishments being over capacity, despite the reduction in population, there is limited scope to manage those who perpetrate conflict by keeping them separate from others including those with SOCCG links and other OPN and the issues that arise with increased populations within limited places availability.

KPI 2d Minor and No injury prisoner on prisoner assaults. There has been an **increase in this set of recorded prisoner interpersonal violence for 2021-22 compared to the reporting period 2020-21, with 1,723 compared to 1,388 incidents.**

The majority of these incidents occur in the larger closed male establishments, specifically to those establishments who receive admissions direct from the courts. These incidents occur predominately within the residential areas, with those occurring in cell and out of sight of SPS staff.

The SPS has implemented a number of recommendations to manage the increased risk from OCC's throughout 2021-22, but the impact has not been fully tested due to the continuing COVID-19 restrictions placed on movement within and across prisons to mitigate against transmission.

KPIs 3, 4, 5 & 8 relate to personal development, rehabilitation and progression.

KPI 3a reports on the delivery of Purposeful Activity hours and 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 or Spiritual and Pastoral Care.

Attendance at counselling or rehabilitative Programmes is also recorded within this measure. SPS has focussed on the high risk groups in relation to Programme delivery which supports reduction in risk in relation to recidivism and supports people's progression through their sentence.

The need to maintain physical distancing has continued to impact on the ability to deliver group sessions at full capacity. While this changed from 2 metres to 1 metre in August 2021, Programme delivery remains limited in the last reporting year.

KPI 3a is the overall reported measure on a quantitative basis and **has increased by over 15% on the delivery of Purposeful Activity hours over the reporting period in comparison to the previous year 2020-21,** where it was severely restricted due to the COVID-19 Pandemic.

While this measure has increased from the previous year, it has not returned to pre-covid levels. This is in part due to the requirement to maintain physical distancing, meaning that classes and sessions cannot run with as many participants as previously (but it has also been impacted by staff absence). SPS staff who would normally work in the PA delivery areas of the establishment, where it was not deemed to be a critical service, were redeployed into the operational and residential setting to deal with increased staff absence as a result of the virus.

Additionally, due to the high prison numbers in those establishments where the SPS specialises in the high risk programmes; Self Change Programme (SCP) for High risk violent offenders and Moving Forward, Making Changes (MF:MC) for medium and high risk sex offenders, it has become more difficult to find suitable places for those living out with that prison to relocate a person to attend that Programme to reduce their risk.

KPI 3b average purposeful activity hours per week per convicted prisoner is the measure used to quantify the public sector establishment's ability to meet the requirement of Rule 80 of the Prison and Young Offenders Institutions (Scotland) Rules 2011, which states that every convicted prisoner is required to work.

The number of average hours per week has **increased from 14 hours per week to 17 hours per week over the reporting year 2021-22.**

The increase in Purposeful Activity (PA) availability is primarily due to the relaxation of some restrictions. However it has not increased to pre-covid levels yet. This can perhaps be explained by the increase in staff absence. Although lower than in 2020-21, levels have fluctuated, particularly during the emergence of the Delta and Omicron variants. When we combine this with the end of the 'core day' and return to an extended working day, we have seen Regimes and Activity Staff being redeployed to other areas to support operational stability, particularly when establishments were having to deal with the increase in number of COVID-19 outbreaks.

KPIs 4a and b relate to the delivery of literacy and numeracy as a percentage of the number of Prisoner Learning Hours delivered by our Learning, Skills and Education (LSE) provider.

The delivery of education has increased overall from the previous reporting year and it is encouraging that the measure relating to numeracy skills has increased from 24.5% to 26.2%. The second measure relating to literacy has decreased from 38.3% to 35.0%.

Our Fife College partners have explored new methods of providing educational opportunities to those in our care to help offset the reduced class sizes they are able to operate in due to social distancing. Although the figures are slightly different from the year before, due to the ongoing restrictions over the last reporting year, it has shown that Fife College have continued to provide alternative ways to learning. One initiative was to continue in-cell resources to ensure those in our care still had the opportunity to engage with education providers.

KPIs 5a, on vocational and employment related qualifications, demonstrates a significant increase in delivery of over 100% compared to the previous reporting year, but still only 50% of the pre COVID-19 levels.

This increase is primarily related to reduction in restrictions, in particular the removal of 2 metres physical distancing from August 2021. Although an improved position, this continues to impact during on class sizes and the ability of the service provider to work in a classroom based educational environment.

The levels of attainment were not expected to return to pre-pandemic levels this year and instead a more targeted approach has been taken with the LSE provider working to continue to deliver a more contextualised learning within establishments including gymnasiums and large production work sheds, with further qualifications achieved, but at a more individualised based method of achievement.

KPI 5b, covering those vocational and employment related qualifications at SVQ level 5 or above, demonstrates an **increase position of over 60%** compared to the final reported position last year, but it is still only about 15% of the position reported pre COVID-19.

As was the case in the community, the impact on further education was most severe, with limited availability of staff and education time, as well as no access to IT facilities in cell. The other key issue was that training for SVQ Levels 5 and above was curtailed by SPS staff having to be redeployed to ensure a safe and effective service was delivered to all those in our care during the significant periods of restrictions.

Our LSE provider also supports the delivery of qualifications at SCQF level 5 and above, primarily in literacy and numeracy as well as supporting Distance Learning at other attainment providers including the Open University, however due to the continued requirement to maintain physical distancing, this had a material impact on the number of qualifications achieved.

Particularly during this extended period of risk and concern for the safety of all in a prison setting, each qualification received is an individual success and for some, who have already attained qualifications during their time in prison, they are securing attainment at higher levels.

KPI 8 - % of ICM case conferences with CJSW in attendance is an indicator which measures the success of collaborative work which takes 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 progression, preparation for release and community reintegration.

ICM case conferences with Criminal Justice social workers in attendance increased to 93.6% for 2021-22 as against 91.0% for the year 2020-21.

ICM case conferences were facilitated online until the easing of restrictions in the second part of 2021 when physical meetings could be resumed in the prison setting. It is extremely positive to see that attendance has increased as a result. However, video conferencing remains an advantageous resource and continues to be utilised well in cases where physical attendance from Criminal Justice Social Work (CJSW) to ensure participation in ICM Case Conferences.

Financial Performance and Results for the Year

Financial performance is monitored throughout the year and reported to the Advisory Board and Risk Monitoring and Audit Committee 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 2021-22.

The Scottish Parliament approves funds to the Scottish Government 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 £461,595k, details of which are contained in the Budget (Scotland) Bill 2021-22 Supporting

Document. Details of the ABR and SBR budget revisions made by SPS can be found at <https://www.gov.scot/publications/spring-budget-revision-2021-22-supporting-document/documents/>.

At SBR £17.3m of capital funding was surrendered to the Scottish Government relating to the re-phasing of the development of the prison estate. In addition to this, SPS surrendered £3m of resource funding at SBR due to emerging underspends and received an additional £2m ring fenced budget to cover forecast Depreciation charges.

As part of the SBR process, SPS are also required to request budget cover for Annually Managed Expenditure (AME)¹ to cover potential increases/decreases of provisions and impairment charges. £214k of AME budget cover was requested and received from the Scottish Government.

A comparison of the SPS final outturn with the SBR for 2021-22 is detailed below. The table does not include notional charges of £116k (Note 17 in the Notes to the Accounts).

	Actual Outturn £000	Revised Budget £000	Over/ (Underspend) £000
Total Departmental Expenditure Limit (DEL) ²	370,255	366,940	3,315
Total Outside DEL Expenditure ³	75,328	76,363	(1,035)
Annually Managed Expenditure (AME)	(488)	214	(702)
Total Expenditure	445,095	443,517	1,578

Total expenditure for the year was £445,095k against the SBR budget position of £443,517k.

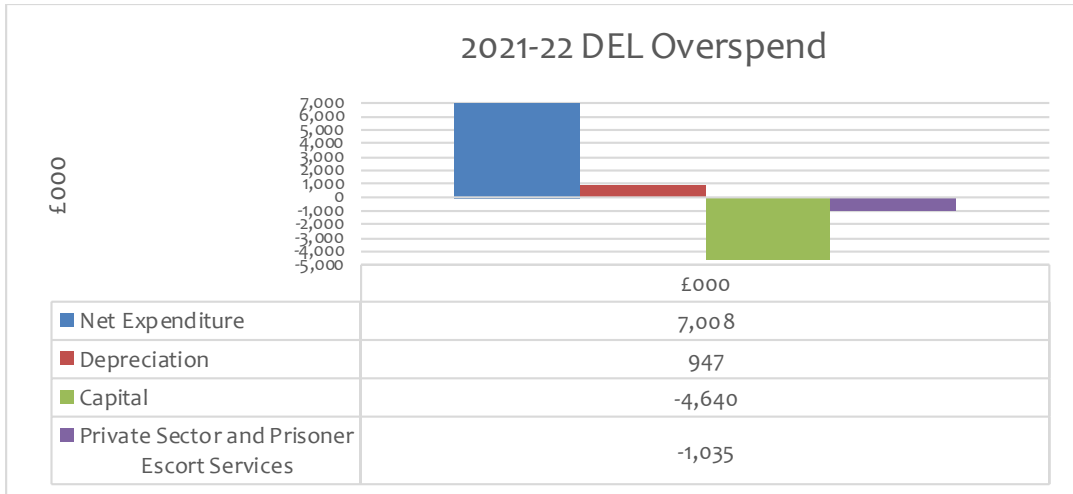
The DEL overspend of £3,315k is attributable to a resource overspend (including capital charges) of £7,955k partly offset by a capital underspend of £4,640k. The resource overspend is largely attributable to an increase in maintenance costs (£4m) and utilities (£1m). £4,176k of the capital underspend was due to slippage in the Women's National Facility project. The ODEL underspend of £1,035k relates to service credits received.

The net DEL underspend is summarised by expenditure type below:

¹ AME budgets are used to manage expenditure which is demand led or exceptionally volatile in a way that could not be controlled and where the expenditure is so large that it could not be absorbed in DEL.

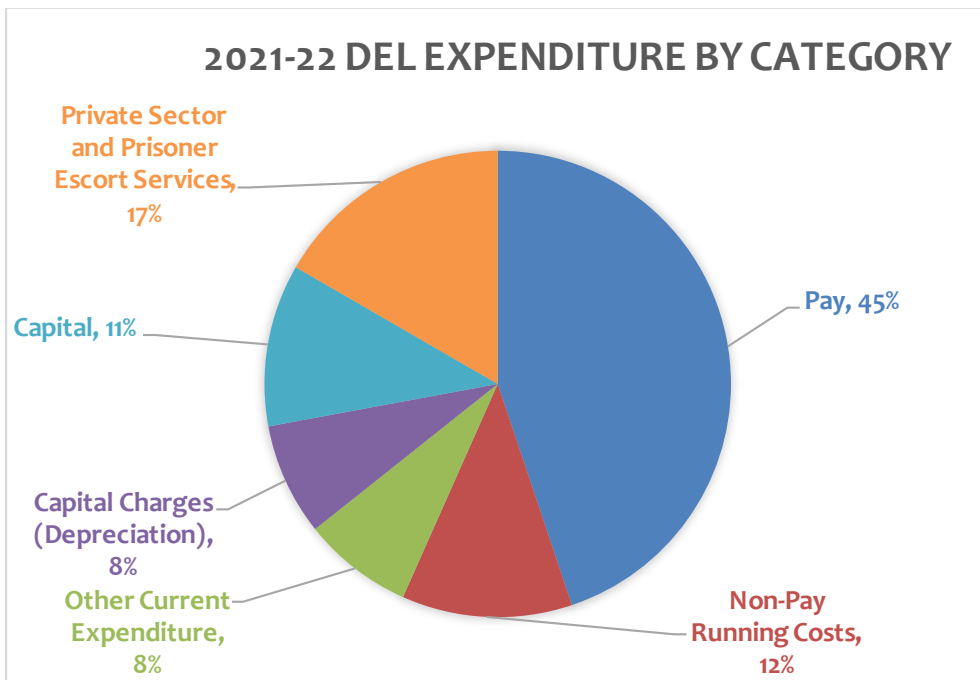
² DEL budget limits are set in the Spending Review.

³ Outside DEL expenditure includes costs associated with PPP/PFI contracts for HMP Addiewell and HMP Kilmarnock and the Court Custody and Prisoner Escort Service Contract.



Analysis of expenditure

The most significant expenditure category for SPS relates to pay (2021-22: 45%) followed by committed private sector and prisoner escort services contract expenditure (2021-22: 17%).



COVID-19 related expenditure accounted for £2,847k of SPS DEL expenditure in 2021-22 (0.8%). The most significant cost categories of COVID-19 expenditure are summarised in the table below.

SPS COVID-19 Cost Category	£'000	%
Additional Pay Costs	347	12%
Prisoner Escort Contract	401	14%
In-Cell Mobile Phones	1,069	38%
Additional Prisoner Costs	60	2%
PPE and Additional Cleaning Materials	400	14%
Virtual Visits	117	5%
Additional Food Costs	177	7%
Other COVID-19 Costs	276	10%
Total 2021-22 DEL Covid-19 Expenditure	2,847	100%

Net Expenditure for the Year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 81.

SPS has reported net expenditure for the year of £394,302k (2020-21 £375,116k). This is an increase of 5.1% from 2020-21 and is mainly attributable to increased staff costs (3.8%).

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	£000
Total expenditure		445,095
Add notional charges (Note 17)		116
		<u>445,211</u>
Less net capital expenditure (Note 4 & 5)		
Capital additions	50,915	
Book value on disposal	(6)	
		<u>(50,909)</u>
Net expenditure for the year (SoCNE)		<u><u>394,302</u></u>

Statement of Financial Position

The Statement of Financial Position is on page 82.

Changes in property, plant and equipment and intangible assets

As at 31 March 2022, SPS property, plant and equipment and intangible assets have a total net book value of £1,223,837k (2020-21 £1,148,154k). This represents an overall 6.6% increase in value from 2020-21. The increase in value of £76m relates mainly to high level of spend on construction costs for the Community Custodial Units and the Women's National Facility. In 2021-22 SPS purchased property, plant and equipment and intangible assets at a cost of £50,915k (2020-21 £41,018k).

As part of the five year rolling programme, HMP Barlinnie, HMP & YO1 Cornton Vale and surplus land sites were re-valued as at 31 March 2022, with indexation applied to all other land and buildings. As at 31 March 2022, SPS Land and Buildings have a net book value of £1,121,609k (2020-21 £1,091,458k), which represents a 2.7% increase in value from 2020-21. This increase in value is reflective of a £65,429k upward valuation and increase to the revaluation reserve. This upward

valuation reflects a 6.4% increase in the BCIS (all price) Tender Price Index (TPI) adopted for the DRC valuation method and indexation movements. This is predominantly due to improved economic market conditions which has had a positive impact on the opinions of value post the COVID-19 pandemic.

Trade and other payables

Included within payables is an amount of £77,873k (2020-21 £82,374k) representing the imputed finance lease for properties at HMP Addiewell and HMP Kilmarnock and for vehicles used in the Scottish Court Custody and Prisoner Escort Contract.

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 31 March 2022, SPS paid 98.9% (2020-21 99.1%) of all invoices received within the terms of its payment policy.

SPS has sought to achieve the Scottish Government's aspiration to pay suppliers within 10 days. Payment performance on this basis was 90.7% (2020-21 91.4%).

PERFORMANCE REPORT – PERFORMANCE ANALYSIS

The purpose of this section is to provide a detailed analysis of the development and performance of the organisation in 2021-22.

Performance Analysis 2021-22

STRATEGIC THEME	DEVELOPMENT
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STRATEGIC OUTCOME	We will have the right people, with the right skills in the right place at the right time.
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ACTION	
1	Enhance the ability for our staff to access and engage in appropriate learning and development opportunities through structured continuous professional development, further education and training.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Implementation of CPD pathways for those working with Women and Young People.	CS	Q1 20/21 Q4 20/22	In progress
Launch revised approaches for talent management of middle managers including new development approaches.	CS	Q1 20/21 Q4 20/22	In progress
Revise early career pathways including continued development of operational foundation training and new non-operational pathways including apprenticeships.	CS	Q1 20/21 Q4 20/22	In progress

Good progress has been made during 21-22 on SPS's CPD pathways for those working with women and young people. Training strategies for both groups are still in phase one of delivery, which focuses on SPS College-based training. Staff training continues to be delivered in the format of a two-day workshop for staff with experience of working with women, and a five-day course for staff without experience. As these exist as two separate packages, work is being done at SPSC to amalgamate them into one training package, for staff who work with both women and young people. This will be piloted during 22-23, alongside a wider review of the formats for training packages, as SPS moves into phase two which focuses on externally provided training.

This year, we have developed a revised Leadership Strategy for the organisation, and an accompanying Behavioural Competency Framework is currently being finalised to define and set the foundations for leadership development across middle and senior operational management roles. Work on development centres has also been progressed during 21-22, with plans in place to introduce the first development centre at operational middle management level in May 2022, after which participants will be supported on development pathways, aligned to their individual development needs and aspirations.

Latterly during 21-22, we undertook recruitment for the first of three intakes of Modern Apprentices for Estates and Technical Services. The campaign generated significant interest, with the first cohort of ten modern apprentices expected to take up employment by August 2022.

Implementation of CPD pathways for those working with Women and Young People.

The Women's and Young Persons training strategies are five day training packages that support new staff working with both women and young people respectively. A single training package that incorporates both elements is currently being developed and it is hoped to be piloted within the next 12 months.

We continue to deliver training to staff to ensure we meet the needs of supporting young people in our care at HMP&YOI Polmont. This has included a range of work such as development of an E-Learning package on Children's rights which is under pilot. This will provide staff with a greater understanding of United Nation's Convention on the Rights of the Child (UNCRC) and the ways in which to support young people in custody.

Continued with refresher training for staff on best practice for supporting and engaging with young people with a focus on the role of a Personal Officer. In addition, a Mental Health First Aid training package has also been commissioned and will be implemented in due course following pilot.

We have continued specific training for staff who work with Women in Custody as well as the development of specific training which will focus on new ways to support women in the new female estate. CCU staff will undertake additional training by way of a five day course that focuses on skills and values required for working in a CCU.

Launch revised approaches for talent management of middle managers including new development approaches.

Research and consultation has now concluded on development of a revised Leadership Strategy and Behavioural Competency Framework. The detailed design of a 2-day development centre is underway and the preliminary pilot is scheduled for May 2022.

We have continued to review our internal promotion and induction processes and undertaken a review of the initial Middle Management Induction was also completed.

Revise early career pathways including continued development of operational foundation training, and new non-operational pathways including apprenticeships.

Recruitment for the first of three intakes of Modern Apprentices, for Estates and Technical Services commenced this year and new candidates are expected to take post in August 2022.

STRATEGIC THEME	ENGAGEMENT		
STRATEGIC OUTCOME	Everyone has a voice and contributes meaningfully to our corporate improvement journey.		
ACTION			
2	Develop a framework for engagement with Service Users as part of a more transparent and balanced evidence base for organisational improvement.		
KEY ELEMENTS	BY	WHEN	PERFORMANCE
Mainstream user voice across all strands of Improvement Framework.	SSE	Q1 21/22 Q4 21/22	In progress
A programme of user voice/qualitative research based on organisational priorities.	SSE	Q1 21/22 Q4 21/22	In progress

Pilot and test quality indicators for engagement with service users.	SSE	Q1 21/22 Q4 21/22	In progress
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ACTION	
3	Develop a strategy which promotes employee voice, opportunity, wellbeing, equalities and respect, fulfilment, employment security and benefits.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Mainstream employee voice within policy and process development.	CS	Q1 20/21 Q4 20/22	In progress
Co-ordinate a wide range of employee Wellbeing activities.	CS	Q1 20/21 Q4 20/22	Complete
Achieve our published Equality Outcomes.	CS	Q1 20/21 Q4 20/22	In progress
Develop an approach which will promote the Fair Work principles of Effective Voice, Respect, Opportunity, Security and Fulfilment.	CS	Q1 20/21 Q4 20/22	In progress

We have taken forward substantive development work this year to underpin all strands of an improvement and performance framework.

The mainstreaming of user voice activity will now be taken forward into the 22-23 Delivery Plan with two significant activities in train: 1) a PhD research project that will gather service user insights to inform re-design of the prisoner survey, and 2) a targeted project to service users (alongside staff and partners) to inform the development of the SPS's 2023–2028 Corporate Plan.

During 21-22, progress has continued to deliver work across all three of SPS's Equality Outcomes, including the development of a range of health and wellbeing activities/services for the staff group. This includes: a new physiotherapy service for SPS employees; a range of wellbeing digital tools/apps to support the staff group are now available, including access to the NHS 'Silvercloud' online mental health support service; the 'shout' bluelight texting support service which offers anonymous, round-the-clock support by text message; and, the 'Access to Work Mental Health Support Service' delivered by Remploy (funded by the Department for Work and Pensions).

A new Service User Rights & Equalities Manager started in post, with a focus on supporting SPS to fulfil its obligations in terms of human rights and the Equality Act (2010). The purpose of the role is to ensure SPS strategy, policy development, analysis and practice are in line with equalities and human rights guidance.

2. Develop a framework for engagement with Service Users as part of a more transparent and balanced evidence base for organisational improvement.

Mainstream user voice across all strands of Improvement Framework.

This activity is currently paused and will now be taken forward into our 2022/2023 Delivery Plan.

3. Develop a strategy which promotes employee voice, opportunity, wellbeing, equalities and respect, fulfilment, employment security and benefits.

Co-ordinate a wide range of employee wellbeing activities.

In March 2022 a new physiotherapy service for SPS employees was launched providing physiotherapy support that aims to prevent absence to speed up a return to work, or restricted duties to enable a return to full duties. A range of wellbeing digital tools/ apps to support staff were also introduced as outlined above.

Achieve our published Equality Outcomes.

Outcome 1:

SPS has made progress by exploring the development of resources, materials and approaches to drive the engagement and attraction of the SPS employer brand across underrepresented groups. We have continued to seek new approaches to advertising, identifying platforms for advertising external vacancies, through organisations including Stonewall and Diversity Jobs, targeted specifically at underrepresented groups including homosexual men and people from a minority ethnic background. We have reviewed our recruitment and retention policy documentation to incorporate home and work life balance, through hybrid working opportunities where business needs allow.

As progress continued with the Diversity Action Plan, new opportunities to enable potential candidates to gain a greater understanding of SPS career opportunities have been promoted through attendance at career events. Following the removal of specific academic qualification requirements for Operations and Residential Officer Job Descriptions, we have continued to revise our job descriptions and focus, where applicable, on career and personal achievements designed to enable more inclusive recruitment. The development of SPS mentoring approach continues, seeking out opportunities to share learning and experiences from other public sector bodies, including Police Scotland. Following our successful membership application with the Scottish Mentoring Network, eight employees are undertaking their Scottish Mentoring Scheme with a view to achieving accreditation under the Scottish Mentoring Network Quality Standard. Following the development of the middle management induction programme, a review of the middle manager Field Based Assignments for F Band roles is being explored, with a renewed focus on diversity and inclusion values. Opportunities to enhance equalities and human rights learning for managers are being taken through a review of existing diversity learning and development training packages.

Outcome 2:

Progress continued to deliver work across all 3 Outcomes, including the development of the Mental Health Strategy for those in our care, alongside promoting of mental health wellbeing for our staff through a range of Health and Wellbeing activities.

Outcome 3:

SPS has continued to work with other Justice Partners and through our involvement in the cross justice working groups, and we will continue to seek opportunities to share learning, good practice and resources. Our involvement in the British Sign Language Justice Partner working group is giving us further insight into how we can ensure our policies and practices are inclusive to all.

Develop an approach which will promote the Fair Work principles of Effective Voice, Respect, Opportunity, Security and Fulfilment.

Plans are in place to continue engagement on this agenda with trade union partners and senior managers. We have also progressed activity within the strategic umbrella of Fair Work, including a Leadership Strategy, Wellbeing and recognition.

STRATEGIC THEME	IMPACT
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STRATEGIC OUTCOME	Our services are efficient, effective and provide value for money.
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ACTION	
4	Revise and update our medium term financial plan to ensure alignment with revised strategic priorities further to the impact of COVID-19 in order to ensure value for money.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Embed financial planning and management across all aspects of the Delivery Plan.	OCE	Q1 20/21 Q4 20/22	In progress

ACTION	
5	Implement a range of digital solutions to support those in our care and their families and facilitate smarter working opportunities for our people.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Develop New case management platform.	OCE	Q1 21/22 Q4 21/22	In progress
Develop Network upgrades (cloud hosting transition plan).	OCE	Q1 21/22 Q4 21/22	In progress
Development of 'KIOSK' modular services to support the delivery of in-cell digital services.	OCE	Q1 21/22 Q4 21/22	In progress

ACTION	
6	Mainstream delivery of our Equality and Diversity commitments in order to reflect the areas of equality that require the greatest focus, set against our commitments and obligations under the Justice Strategy and National Performance Framework alongside other requirements placed upon us as a public sector employer and service deliverer.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Publish and progress a new set of Equality Outcomes.	CS	Q1 20/21 Q2 20/21	Complete
Publish a Diversity Action Plan.	CS	Q1 20/21 Q2 20/21	Complete
Undertake a consultation process regarding the existing SPS corporate position on transgender people in our care.	SSE	Q3 20/21 Q4 20/21	In progress

ACTION	
7	Improve the design and delivery of prison services, drawing on the lessons learned from the COVID-19.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Develop the evidence base in support of any changes to service delivery.	OD/SSE/ CS	Q1 21/22 Q4 21/22	In progress
Develop and deliver a programme of service improvement.	OD/SSE/ CS	Q1 21/22 Q4 21/22	In progress

During 21-22, an Interim Finance Director was appointed to strengthen strategic financial leadership across the SPS. Work is now ongoing (into 22-23) to build capacity within the finance team and generate more accurate financial forecasts moving forward in order to underpin the development of a robust medium term financial strategy linked to the 23-28 corporate planning process.

Several significant digital projects have been underway during 21-22. A project to develop a new case management platform is underway, SPS is working in partnership with Microsoft to transition digital services to the cloud, fully implement Office 365 and gain full benefit from its E5 licence; this project is on track to conclude in late 2022. A project to develop and deliver in-cell digital services commenced, with the invitation to tender (ITT) issued in mid-March; KIOSK modular services is now considered part of this wider in-cell services project.

A new Equality Outcomes and a Diversity Action Plan were published in 21-22 and will be monitored moving forward. A new Service User Rights & Equalities Manager also started in post in January 2022, to support SPS in developing strategy, policy development, analysis and practice that is in line with equalities and human rights guidance.

A review of our transgender policy was formally launched in early 2022. The literature review was completed and engagement with staff, service users and stakeholders commenced. The policy review is on track for publication in the Autumn 2022.

Various initiatives have been taken forward during 21-22 to improve the design and delivery of prison services, including ongoing oversight of the three large private sector contracts given the ongoing challenges presented by COVID-19. During 21-22, planning started to manage the transition of HMP Kilmarnock back into the public sector in 2024. This will be ongoing during 22-23.

4. Revise and update our medium term financial plan to ensure alignment with revised strategic priorities further to the impact of Covid-19 in order to ensure value for money.

Embed financial planning and management across all aspects of the Delivery Plan.

Work has continued on financial forecasting which will underpin the development of a robust medium term financial strategy linked to the 23-28 corporate planning process. The focus during 2022/23 will be on:

- Reviewing delegated financial authorities and governance framework within SPS;
- Refreshing the finance policy manual;
- Developing & improving the budgeting cycle and periodic monitoring of the resource and capital budgets;
- Reviewing the SPS finance structure to support the delivery framework and wider organisational requirements;
- Initiating a review to look at cash and prisoner funds with the aim to minimise the use of cash within the SPS.

5. Implement a range of digital solutions to support those in our care and their families and facilitate smarter working opportunities for our people.

Develop a new case management platform.

Originally envisaged to be a bespoke replacement for the prisoner records system (PR2), built over a number of years, this project is being significantly re-scoped. Options have been explored for the purchase of an off-the-shelf system in the short term, together with improved data warehousing and extraction from our existing database.

Develop Network upgrades (cloud hosting transition plan).

SPS is working in partnership with Microsoft to transition digital services to the cloud, fully implement Office 365 and gain full benefit from its E5 licence. Part of this project also includes working with Microsoft to implement innovative solutions within SPS, including in absence reporting. This project is on track to conclude in late 2022.

Development and delivery of in-cell digital services.

A project has commenced to provide cabling to cells for both telephones and IT services with the invitation to tender issued in mid-March. The aim is to provide 'Cat 6' cabling to all cells over the course of the next reporting year to enable the installation of in cell PIN phone services in the short term and the development of IT services in the medium term. KIOSK modular services will also be considered as part of this wider in-cell services project.

Other noteworthy projects:

Implementation of the Electronic Purchase to Pay project (eP2P).

Phase one of a two-phase approach to pilot Electronic Purchase to Pay project (eP2P) in HQ was successfully concluded in 21-22; the project remains on track to achieve its end date of September 2023.

Implementation of the WorkSmart project.

During 21-22, work has been ongoing in relation to the WorkSmart project; to relocate HQ from Calton House to One Lochside Avenue, with smarter working arrangements in place. The project is on track to complete by the end of October 2022.

HR transformation and digitisation

A strategic business case for the transformation and digitisation of HR services was approved and will be taken forward. The programme is made up of four projects 1.) Integrated HR Systems; 2.) HR Delivery Model; 3.) HR Operating Model; 4.) Empowered People, and will be delivered within 3-phases of transformation.

6. Mainstream delivery of our Equality and Diversity commitments.

Publish a Diversity Action Plan.

This activity will no longer be reported on, the progress of this activity will be captured within the Equality outcomes development above.

Undertake a policy review process regarding the existing SPS corporate position on transgender people in our care.

Towards the end of the year we launched a consultation to inform a review of our transgender policy. This included engagement with staff, service users and stakeholders and the development of a Literature review. We anticipate an evidence paper to be published in Autumn 2022.

7. Improve the design and delivery of prison services, drawing on the lessons learned from the Covid-19.

Mobile Phones.

We continue to monitor use of mobile phone activity which has continued to have a positive impact for maintaining family connections for those in our care. We anticipate progress to in-cell digital solutions as we move forward to next reporting year and work is currently underway to identify and procure an in cell telephony solution across the prison estate which will replace the mobile phone devices currently in use.

Develop and deliver a programme of service improvement.

GeoAmey performance continues to be monitored and a number of challenges have been identified in relation to court arrivals and returns but performance has stabilised. A contract amendment required for Virtual Courts and a Review of Contract in a post Covid environment requires to be taken forward in 2022/23.

Ongoing contract management of HMP Kilmarnock.

We continue to monitor all ongoing contracts including those provided for HMP Kilmarnock and Addiewell. A key focus has been the commencement of a project that will support the transition of HMP Kilmarnock to return to the public sector.

Virtual Courts.

We continue to work with the Scottish Courts and Tribunals Service (SCTS) on implementation of their Recovery Strategy and work with them on Virtual Court implementation once a clear operating strategy is in place.

STRATEGIC THEME	STANDARDS		
STRATEGIC OUTCOME	Our prisons are safe, healthy and positive places in which to live and work.		
ACTION			
8	Deliver our priority commitments within the Estate maintenance and development programmes.		
KEY ELEMENTS	BY	WHEN	PERFORMANCE
Targeted refurbishment in HMP Barlinnie.	CS	Q1 20/21 Q4 20/22	In progress
Advanced stage of construction of Women's National Facility and Community Custody Units.	CS	Q1 20/21 Q4 20/22	In progress

Pre-construction phases for HMP Highland and HMP Glasgow.	CS	Q1 20/21 Q4 20/22	In progress
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ACTION	
9	Develop and implement a SPS Improvement Framework linked to the relational role of prisons, as set out in Scotland's Justice Strategy. The Improvement Framework will connect with HMIPS reporting, be underpinned by self-evaluation and quality indicators and be supported by a set of outcomes, indicators and Management Information.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Pilot a structured approach to self-evaluation.	SSE	Q3 21/22 Q4 21/22	In progress
Develop a new set of outcomes and indicators.	SSE	Q4 20/21 Q4 21/22	In progress
Develop a Management Information improvement plan.	SSE	Q4 20/21 Q4 21/22	In progress

ACTION	
10	Deliver the Women's Strategy in order to give effect to the Scottish government's vision for women in custody.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Implement a revised case management approach for women.	SSE	Q1 20/21 Q3 21/22	In progress
Agree services and a collaborative service delivery model for women, in partnership with key stakeholders.	SSE	Q1 20/21 Q3 21/22	In progress
Design and deliver staff training packages which support trauma informed practice.	SSE	Q1 20/21 Q3 21/22	In progress
Introduce new approaches which embed trauma informed practice in all aspects of service delivery.	SSE	Q1 20/21 Q3 21/22	In progress

We have continued to press on the progress of SPS's major construction projects, despite ongoing issues and delays affecting contractor supply chains and the supply of labour and materials. There is no one specific trigger for this, although the impact of Covid19 on global and UK supply chains, the ongoing 'fall-out' from COVID-19 / Brexit and latterly the supply issues flowing from the conflict in Ukraine all combine to be wider external factors contributors.

In August 2021, we established a Major Projects Management Group (MPMG) to provide senior oversight of, and strategic direction to, the portfolio of major projects within SPS. In addition we also formed a cross-functional Supply Impact Response Group (SIRG) to monitor supply impact to SPS, and to take forward mitigating actions wherever possible.

8. Deliver our priority commitments within the Estate maintenance and development programmes.

Targeted refurbishment in HMP Barlinnie.

This project has involved improvement and remedial infrastructure work to the establishment's reception and health care facilities and has required extensive input from stakeholders. It will deliver improved conditions for the remainder of the operation of HMP Barlinnie. In January 2022, the NHS facilities within each residential hall were completed. Works within the upper floor of the NHS building were completed in May. Re-design and refurbishment of the prisoner reception and NHS treatment facilities are scheduled for completion in December 2022.

The 'Bella' CCU should be operational in August 2022, the 'Lilias' CCU should be operational in October 2022; and the new HMP Stirling is scheduled to open in Summer 2023. Planning for the new HMP Highland and HMP Glasgow will be ongoing during 22-23.

Advanced stage of construction of Womens National Facility.

The construction of all three facilities has been delayed by the impact of the pandemic and Brexit on the construction industry and the subsequent impact on project timescales. The recruitment plans for the wider programme team have been re-set to allow for an effective opening of all three facilities. HMP & YO1 Stirling will provide an 80 place national facility for women together with a 24 place Assessment Centre for new admissions on the site of HMP & YO1 Cornton Vale. It is currently scheduled to be opened in Summer 2023.

Advanced stage of construction of the Community Custody Units.

Dundee: The Bella Centre will provide 16 places for women in a Community Custody Centre (CCU) and should be operational in August 2022.

Glasgow: The Lilias Centre will be a CCU that provides 24 places and should be operational open in October 2022.

As identified above, staff will receive specific training that will deliver gender specific and trauma informed care to women in new female estate.

Pre-construction phases for HMP Highland and HMP Glasgow.

HMP Highland: We have progressed with pre-construction phases of this project. The design that is yet to be finalised, will deliver a facility that will include the ability to house 200 adult males as well as small number of women and young people who will attend court locally. It is anticipated that construction will be completed and operational opening will both now be 2024.

HMP Glasgow: It is intended that HMP Glasgow, a replacement for HMP Barlinnie, will provide 1,200 places for adult males, 120 doubled places as contingency accommodation, together with additional units for separation & integration, accessible care and observation; the overall contingency capacity would be around 1,392 places. The aim is to provide places in smaller 20 place units to create a safe environment for residents, designed to contribute to a regime focussed on addressing their health care needs while providing future operational flexibility. An Invitation to Tender for a pre-construction contract was issued in March 2022 with a view to appointing a contractor in July. The project aims to complete the construction of the prison in 2026.

SPS Carbon Management Strategy.

A Net Zero Working Group was established this year to undertake a comprehensive review of the implications of SG's net zero ambitious across SPS, taking account statutory duties and responsibilities.

9. Develop and implement a SPS Improvement Framework linked to the relational role of prisons, as set out in Scotland's Justice Strategy.

Development of SPS's 2023 – 2028 Corporate Plan.

The development plan for the work required to inform the process for development of a new Corporate Plan 2023-28 has been completed during 2022, the Improvement team will develop the 23-28 Corporate Plan based on two core workstreams: 1) development of an evidence paper that brings together a range of corporate priorities & outcomes, and inform the ongoing planning for the development of the new HMPs Glasgow & Highland; and 2) consultation with staff, service users and partners to inform the development of the corporate priorities & outcomes in line with the SG justice Strategy.

Incremental development of SPS's risk management approach and systems.

We continue to take forward work on the new Corporate Risk Register including an assessment of defining the Risk Appetite and Risk Tolerance in order to create corporate Target Risk scores.

10. Deliver the Women's Strategy in order to give effect to the SG's vision for women in custody.

Work has continued on the development of a new women's strategy to support the care of women in the new female estate.

Implement a revised case management approach for women.

Work is ongoing to test the new case management products, with a case management workshop re-scheduled in early April.

Introduce new approaches which embed trauma informed practice in all aspects of service delivery, including staff training packages.

Staff training continued to be delivered in the format of a two day workshop for staff with experience of working with women, and a five day course for staff without experience.

STRATEGIC THEME	COLLABORATION		
STRATEGIC OUTCOME	Growing and strengthening our stakeholder and partner networks and relationships to achieve better outcomes for those in and leaving our care.		
ACTION			
11	Develop a health and wellbeing strategy for those in our care that recognises the changing and more complex prison population and includes a specific focus on children and young people.		
KEY ELEMENTS	BY	WHEN	PERFORMANCE
Deliver against recommendations of the Expert Review of Mental Health (EROMH).	SSE	Q1 20/21 Q4 20/22	In progress

Undertake an analysis of how SPS will be affected by the introduction of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Bill and develop and implement a cross SPS action plan.	SSE	Q1 20/21 Q4 20/22	In progress
Complete the redesign of the Control and Restraint policy and training manual and achieve approval from the dedicated steering group.	SSE	Q1 20/21 Q2 20/21	Complete
Undertake outline discovery work for phase 2 of the control and restraint review, this will include determining the scope and developing a terms of reference.	SSE	Q3 20/21 Q4 20/21	Complete

ACTION	
12	Manage the prison population effectively, in accordance with the role of prisons in the Justice Strategy and aligned to the pandemic plan.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Implement early release arrangements in accordance with the Coronavirus (Scotland) Act 2020.	SSE	Q1 20/21 Q2 20/21	Complete
Develop a Home Detention Curfew (HDC) process which maximises the opportunity for individuals in custody to be managed under HDC licence; providing a managed return to their communities.	OD	Q3 20/21 Q4 20/21	Complete
Develop and embed a culture, shared by our partners, that allows for risk reduction to be demonstrated by a range of different means during an individual's progression journey.	OD	Q4 20/21 Q4 21/22	In progress
Develop and embed a revised framework for Risk, enhancing SPS wide understanding and application of: The Guiding Principles, The Language of Risk and The Practice Standards (RMA FRAME 2011).	SSE	Q4 20/21 Q4 21/22	In progress
Develop policy and tactical responses to Scotland's increasingly complex prison population.	OD	Q1 20/21 Q4 20/22	In progress

ACTION	
13	Work intensively with Justice and other partners, including third sector, to identify, develop and implement a range of policy and other solutions in order to achieve a sustainable prison population.

KEY ELEMENTS	BY	WHEN	PERFORMANCE
Support the development of alternatives to remand and imprisonment, including Electronic Monitoring.	SSE	Q1 20/21 Q4 20/22	In progress
Remove barriers to reintegration, including the expedition of warrants and homelessness as part of HDC.	SSE	Q1 20/21 Q4 20/22	In progress
Improve data sharing arrangements with key partners.	SSE	Q1 20/21 Q4 20/22	In progress

Throughout this year, a key focus has been on preparation for United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Bill with progression of Phase 2 of the Control and Restraint Review as well as ongoing delivery in collaboration with health partners of the recommendations of the Expert Review of Mental Health for Mental Health Support Services at HMP&YOI Polmont (EROMH) which provide a range of support to meet the needs of vulnerable young people in our care.

Various tactical initiatives have been taken forward during 21-22, most notably on 16 December 2021 a change was made to Prison Rules which provided SPS with the power to photocopy prisoner's general correspondence as an operational mitigation against the risk of the introduction of illicit substances through contaminated paper entering prisons. All establishments (including private) are utilising this power to some degree, and monitoring will be maintained through HQ Public Protection Unit (HQ PPU).

During 21-22, a new risk management model was piloted in three establishments; namely, Grampian, Edinburgh and Perth. Further work and engagement is required through SPS establishments to progress this work and move towards full implementation in 22-23. Latterly, the SPS also supported the Risk Management Authority-led (RMA) Taskforce to address the technical IT issue that emerged in relation to Level of Service/Case Management Inventory (LSCMI).

Throughout 21-22, the SPS has supported the Scottish Government on work to develop alternatives to remand and imprisonment.

We have continued to maximise the opportunity for individuals in custody to be managed under HDC licence and return to their communities through our HDC Hub which has been operational since October 2020. The Hub includes a new national HDC information portal in order to provide central oversight of the process and provide enhanced Management Information data and statistics. Wider work on sustainable reintegration is ongoing, and will be taken forward in the SPS's 22-23 Delivery Plan.

The first Public Information Page (PIP) was published in September 2021, providing a centralised reference point on our external webpage which provides a comprehensive overview of key data and analysis of a range of corporate and operational information. It will be updated quarterly going forward.

11. Develop a Health and Wellbeing strategy for those in our care that recognises the changing and more complex prison population and includes a specific focus on children and young people.

We have focused on building the resource of the Health team who have commenced with preparatory work for development of a Mental Health and Drugs & Alcohol strategies. These will be finalised during 2022-2023 once the Scottish Government has published its health and social care needs assessments reports. These reports will also inform the creation of SPS's Health & Wellbeing Strategy, which will be drafted to align with the development of SPS's new 2023-2025 corporate plan.

Deliver against recommendations of the Expert Review of Mental Health (EROMH).

We have continued to deliver a range of work in collaboration with health partners to fulfil the recommendation of EROMH. We contributed to the Scottish Government's final roundtable in

January on response to recommendations. User voice findings are feeding in to plans for improvement to safer cells within HMP & YOI Polmont.

Undertake an analysis of how SPS will be affected by the introduction of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Bill and develop and implement a cross SPS action plan.

The new curriculum of physical interventions continued to be the focus of the UNCRC action plan, however the family policy work is being progressed and membership of the UNCRC steering group has been extended to include the Families & Parenting and Service User Rights & Equalities Managers.

The Control and Restraint Review.

Progress continues to be made towards a pilot roll-out in the first half of 2022, and communications with establishments are ongoing to ensure local needs are met from the commencement of the pilot; the curriculum of physical interventions had been developed and successfully undergone independent assessment of risk.

12. Manage the prison population effectively, in accordance with the role of prisons in the Justice Strategy and aligned to the pandemic plan.

The National Coronavirus Response Group (NCRG) has continued to monitor all aspects of our response to Covid-19, including support for those in our care, and our staffing teams, and has provided oversight to the Local Coronavirus Response Groups (LCRG) within establishments.

Throughout the pandemic, the Pandemic Plan has evolved to reflect changes in practice and policy within the SPS. Any changes in practice have been communicated to establishments to share with their teams and implement within their areas.

Develop and embed a culture and framework, shared by our partners, that allows for risk reduction to be demonstrated by a range of different means during an individual's progression journey, including RMA FRAME 2011.

We have supported the work of the RMA-led LSCMI Taskforce convened by the Cabinet Secretary for Justice and Veterans.

Develop tactical responses to Scotland's increasingly complex prison population.

During the year a paper was submitted to EMG with some minor changes required regarding the management of TACT Offenders, before final approval following which policy will be launched and training developed in partnership with the SPS College. Revised paper now due for EMG submission in May.

13. Work intensively with Justice and other partners, including third sector, to identify, develop and implement a range of policy and other solutions in order to achieve a sustainable prison population.

Support the development of alternatives to remand and imprisonment, including Electronic Monitoring.

We have continued to support the Scottish Government with initiation of a GPS Pilot, for Electronic Monitoring.

Remove barriers to reintegration, including the expedition of warrants and homelessness as part of HDC.

Outstanding warrants at point of release continues to be an issue and subject to further discussion at Scottish Government Recovery, Renewal and Transformation meetings. It is anticipated that this will continue to be monitored.

Teresa Medhurst

Teresa Medhurst
Chief Executive
27 July 2022

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

Teresa Medhurst was appointed Chief Executive of the Scottish Prison Service on 07 March 2022. Prior to this, Teresa has fulfilled the role in an Interim capacity since 30 March 2020.

The Chief Executive

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

SPS operates a three directorate model; Operations, Strategy and Stakeholder Engagement and Corporate Services. An interim Director of Finance was also appointed to the Senior Leadership Team in September 2021 to strengthen strategic financial management across the organisation.

SPS Advisory Board

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

The Advisory Board is chaired by Non-Executive Director Ann McKechin, who took up the role in January 2022. Prior to this, the Board has been chaired by Brigadier Hugh Monro CBE since 2016. The Advisory Board comprises SPS Executive Directors and Non-Executive Directors, who collectively act in an advisory capacity. In 2021-22, the board met formally on six occasions. Minutes of these meetings are published on the SPS website <https://www.sps.gov.uk/Corporate/Publications/Publications.aspx>.

A Register of Interests of Advisory Board members is held by the SPS and is reviewed twice a year. The register is also published on our website at [What Governs the Scottish Prison Service \(sps.gov.uk\)](https://www.sps.gov.uk/WhatGovernsTheScottishPrisonService).

Risk Monitoring and Audit Committee (RMAC)

The Risk Monitoring and Audit Committee supports the Chief Executive and the Advisory Board by advising on the effectiveness of SPS corporate governance arrangements including risk management, performance management, systems of internal control; and assurance arrangements.

The committee comprises three Non-Executive Directors in addition to SPS staff. The committee was chaired by Gavin Scott until December 2021, with Ian Harley, Non-Executive Director, taking over this role in January 2022. The committee met on five occasions during 2021-22.

Information Security

The SPS takes Information Security very seriously and, at Board level, is the responsibility of the Senior Information Risk Owner. An Information Governance forum meets throughout the year.

There is an Information Security Unit based in HQ and a network of trained Information Security Officers throughout SPS. Robust information security policies are in place and staff are made aware of these policies through leaflets and presentations. All staff undertake the compulsory Cabinet Office e-learning course on protecting information.

An internal process for reporting and investigating information security and personal data related incidents is in place. During 2021-22, the SPS had no personal data related incidents that were reported to the Information Commissioner.

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 Azets will be the appointed auditor for SPS for the financial years 2016-17 to 2021-22.

Azets carried out the audit of SPS' accounts for the financial year ending 31 March 2022. Azets determined that the notional fee for this service was £116,370 (2020-21 £113,278).

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 110. 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 Managing Public Money published by the HM Treasury.

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.

Governance Statement

Scope of responsibilities

I was appointed Chief Executive on 7 March 2022 having previously held the role of Interim Chief Executive since 30 March 2020 and therefore the Accountable Officer (AO) throughout this 2021-22 reporting year. This was following a recruitment campaign for the post of Chief Executive Officer that concluded in March 2022.

The AO has 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 whilst safeguarding the public funds and departmental assets for which they are personally responsible in accordance with the responsibilities assigned to them.

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 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 requires refresh and this will be progressed early in the next reporting year. The existing document can be found on SPS's web site at the following link <http://www.sps.gov.uk/Corporate/Publications/Publication-3925.aspx>

The Advisory Board role and function is consistent with the remit detailed in the existing Framework Document. Brigadier Hugh Monro CBE, Non-Executive Director, chaired the board prior to stepping down following his last Advisory Board meeting on 26 January 2022. Ann McKechin has succeeded him chairing the Advisory Board on 30 March 2022. 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. During the year 2021-22, the Advisory Board met on six occasions.

The role of the Advisory Board includes:

- Strategy – constructively challenging and contributing to the development of strategy, suggesting ambitious targets and innovative approaches for delivery;
- Performance – scrutinising the performance of management in meeting goals and objectives and monitoring the reporting of performance; and
- Risk – satisfying themselves of the reliability and integrity of risk management and internal control arrangements. Providing assurance that the framework for organisational governance is operating effectively.

The Advisory Board has undergone change throughout this year. As noted above, Brigadier Hugh Monro CBE stepped down as chair and ended his tenure with SPS on 26 January 2022 having chaired his final Board. Gavin Scott stepped down as chair of RMAC and ended his tenure with SPS in December 2021. In addition, Rob Molan, Non-Executive Director who participated on both the

Advisory Board and RMAC, concluded his tenure in December 2021. SPS therefore undertook a recruitment campaign for Non-Executive Directors during the reporting year in anticipation of the changes. This campaign also targeted applications for Chair of the Advisory Board and Chair of RMAC. Following a successful campaign, SPS secured the appointment of four individuals to fill the vacancies and support SPS moving forward. The new appointees are:

- Ann McKechin – Chair of the Advisory Board from February 2022 and Non-Executive Director
- Ian Harley – Chair of RMAC and Non-Executive Director
- Lynn Clow – Non-Executive Director
- Stephen Uphill – Non-Executive Director

The new appointees have joined Professor Kay Hampton and Gill Stillie, Non-Executive Directors, both of whom have agreed to extend their tenure with SPS.

To support this process SPS has engaged with colleagues in Scottish Government Department for Internal Audit and Assurance (DIAA) to develop support opportunities, training and to plan workshops; the first of which is planned for April 2022 focusing on Governance. As part of a development plan, the Advisory Board is committed to taking part in an overall improvement focus, driven by the Chair, including an annual development session, 1:1 support meetings, a skills matrix and changes to the agenda, which will include operational staff presentations and staff observer spaces at meetings. With a continued impact of COVID-19, early engagement and support from Advisory Board members has been sought throughout.

The Risk Monitoring and Audit Committee (RMAC), chaired by Ian Harley Non-Executive Director, supports the Advisory Board in its work. The RMAC is responsible for overseeing risk, control and governance arrangements in place throughout the SPS and considers SPS exposure to financial risks, fraud and corruption as well as operational risk and its capacity to respond. The RMAC met on five occasions during 2021-22.

I attended the meetings as Chief Executive with three Non-Executive Directors and both internal and external auditors.

COVID-19 Governance Arrangements

Due to the continuing nature of the Pandemic and the impact on those who live and work within prisons, enhanced governance arrangements have been maintained. The SPS National Coronavirus Response Group (NCRG), chaired by the Director of Operations, continued to run. The NCRG provides the link between strategic direction and the SPS' operational estate, communicating with both internal and external stakeholders to translate change into operational policy, practice and procedure.

In addition, the Clinical Professional Advisory Group, formed in 2020-21, continued to meet to ensure the link between SPS, Public Health and policy colleagues in relation to the changing response to the Pandemic. This has focused primarily on the balance of restrictions against public health measures, ensuring the management of prisons continues to focus on safety, vaccination and testing.

The Local Coronavirus Response Groups (LCRG) have continued at each establishment to co-ordinate local response and to ensure, where restrictions have been specific to geographical regions, that practice is in line with national guidance.

Risk Management

The SPS operates a governance framework including a risk management strategy and formal systems of internal control. Following internal audit of both governance and risk within SPS there have been a number of measures and developments planned and progressed. SPS is committed to operating a risk management strategy that underpins and supports the delivery of SPS objectives set out in the Corporate Plan for 2019-22 and contributes positively to the wider Justice Strategy and Programme for Government.

The existing risk strategy is compliant with the Scottish Public Finance Manual requirements and relevant guidance issued by Scottish Ministers. However, improvements are being taken forward. These include better alignment between risk, planning and performance at functional and corporate level. The risk strategy update has been initiated with resource in place to develop this further. We will continue to progress this work into the next reporting year, which will include support/training.

SPS considers governance and risk management as a critical component of effective business management. Throughout the 2021-22 year the operational response to COVID-19 has been highly effective. However, we have also focused on building the enablers and foundations to ensure optimum governance in the medium to long term. Supported by an internal audit of governance and risk, I have taken forward the recommendations provided by an external review of the internal audit function. This led to significant change across the internal audit function, which has been supported and led, as an interim measure, by Scottish Government Directorate for Internal Audit and Assurance (DIAA). A memorandum of understanding has now been drawn up which commissions a shared service, provided by DIAA, of internal core audit for SPS in 2022 and beyond. I welcome the improvements made in 2021-22 to the scope of audits and the assurance they provide and look forward to the provision of this service by DIAA going forward.

In addition to the successful recruitment processes for Chief Executive and Non-Executive Directors, I have also secured an interim position of Finance Director within the year with this post being filled on 28 September 2021. The position of Interim Finance Director will remain in place whilst I progress work against the corporate structure. In the reporting year 2021-22 I commissioned a review and recommendations against the current corporate structure. This work has supported the changes in governance arrangements and planning for the 2022-23 year in which I will develop plans to ensure the business functions and directorate portfolios align to the strategic intent of the organisation.

As Accountable Officer I recognise that whilst the operational response to COVID-19 has continued to be a priority and requirement of our focus throughout the 2021-22 year, we are committed to continuous improvement and self-assessment. Over the last year the actions I undertook were primarily to assess, understand and consider the requirements and next steps through a process of transparent self-assessment and external review. The actions noted above reflect the progress made. In addition, SPS is moving into a phase of major capital investment primarily in the physical estate and digital transformation. Plans in 2020-21 for a Major Projects Management Group (MPMG) have now been realised with the appointment of a Senior Portfolio Manager in June 2021 to initiate and administer this group. The MPMG is a deployment of the Executive Management Team specifically to focus on governance and oversight of Major Project Delivery in SPS. Alongside this group SPS jointly chair a governance group with the Director General of Justice to ensure oversight and governance of major construction projects. As the organisation moves forward in this period of significant capital investment, our structure and governance is critical in ensuring effective, agile delivery against objectives.

I accept the recommendations arising from the internal governance review and am content that the actions being undertaken in both governance and the SPS risk management strategy are addressing this. Whilst there is progress still to make, the work undertaken over the course of this year has addressed some fundamental needs in relation to governance, which we expect to continue to develop. The systems of governance, management and risk control in place in the SPS throughout the year ended 31 March 2022 and up to the date of the approval of the Annual Report and Account accords with Scottish Government guidance. In highlighting the issues noted above by means of these systems, the process is operating effectively in all material respects.

Internal Audit

As noted above, an external review of our internal audit function was completed and resulted in a number of recommendations that will be considered and progressed. Interim arrangements were put in place, supported by the Scottish Government DIAA to provide the overall annual assurance opinion level provided to me, RMAC and the Advisory Board. This was a limited annual assurance opinion for 2021-22. This in summary reflected weaknesses in the current risk, governance and/or control procedures that either do, or could, affect the delivery of any related objectives. Exposure to the weaknesses identified was assessed as moderate and are being mitigated.

In relation to the operational work undertaken, which forms assurance to me on compliance with delivery standards at an operational level, a Reasonable Assurance level has been noted by the team.

Review of Effectiveness

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

- The work of the Audit and Assurance Unit, which provided an overall limited annual assurance opinion;
- Meetings of the Advisory Board within the financial year;
- Meetings of the Executive Management Group to deal with operational and other issues;
- Monitoring and reporting of performance against key performance indicators;
- A refined and improved Statement of Assurance process which has been introduced and provided by every Executive Director to myself. The effectiveness of this process is reported to RMAC;
- Reports and assurance to EMG, the Advisory Board and RMAC regarding Information Management;
- Annual report to the SPS Advisory Board from the Chairman of the RMAC concerning corporate governance and the control environment;
- Attendance of the Chairman of the RMAC at Advisory Board meetings, where RMAC minutes are received and a verbal update of RMAC business is provided;
- Reports from internal assurance providers (i.e. Head of Health and Safety, Head of Fire Safety and Divisional Head of Operational Support) on the adequacy and effectiveness of the

arrangements, together with recommendations for improvements and the action management proposes taking to implement these;

- External Audit who report to the RMAC on SPS controls through management letters and other reports;
- Progression of management action from internal and external audit reports;
- Regular reviews of progress on the Annual Delivery Plan by 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 planning benchmarking against the Scottish Government Cyber Resiliency Framework;
- The use of Project Management structures and a Major Project Management Group in addition to SG Justice Governance on construction. The support and scrutiny of gateway review processes for major projects;
- The Fraud Response Group (FRG) chaired by the Chief Executive and attended by a Non-Executive Director focusing on fraudulent activity within the organisation at an early stage. This group reviews lessons learnt, promotes awareness of fraudulent activity and influences policy development. The Chair of the FRG was transferred to the Director of Corporate Services during September 2021. Due to competing priorities, the group's policy and terms of references were not reviewed as planned in 2020-21, however this is scheduled to take place within the next reporting year; and
- The SPS Financial Policy Guidance Manual provides standard authority for establishments, SPS College, Central Stores and Headquarters Directorates. Compliance with its contents is mandatory and maintains propriety in the control of Government expenditure and income. It ensures assets are properly safeguarded, that proper accounting records are maintained and ensures compliance with current legislation and Government financial procedures.

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

External Audit

Azets are the SPS' external auditors appointed by the Auditor General for Scotland (Auditor General). 2021-22 will be last year of audit by Azets with the role of external audit to be carried out by Audit Scotland from 2022-23 to 2026-27.

Significant Matters

There have been significant issues identified during the year in relation to the overall governance framework. These were:

Resourcing (including capability and capacity):

The level of absence within the SPS during the pandemic has continued to be an area which has required a high level of monitoring. At the corporate level the interim nature of senior roles and the capacity of the senior structure has been a continued point of risk. Progress within the year has been made. There have been successful recruitment campaigns for the Non-Executive Directors and the Chief Executive. A review of the corporate structure was commissioned and completed in 2021. Whilst this did not provide detailed options for an optimal structure, work has since progressed to scope out the requirements and possible structures at a corporate level. This will be taken forward in 2022-23. Alongside this work, I secured an interim position of a temporary Finance Director, which will continue and be reflected in the future structural options.

Although progress has been made at functional level, for example the Head of Improvement role was successfully recruited which is responsible for risk within SPS, there has been on-going consideration of how effective workforce planning is at a corporate level. Within the reporting year we commissioned an audit to review this and I look forward to the recommendations this will make.

Population management:

Details of how the SPS manages the prison population are included in the 'Our Service Today' section. The impact of the Pandemic on related justice structures such as the Court system has led to difficulties in trend analysis and uncertainty in the population make up. Whilst it is still expected that increasing Court business will lead to increasing numbers of people in custody, the ability to accurately predict is still not something that can confidently be achieved.

Financial sustainability:

The Scottish Parliament approved the 2021-22 budget for SPS of £461.6m. During the year, changes to the budget were made at the budget revision stage, with SPS revising the budget for resource funding with a reduction of £3m as a result of the delays to the opening of the new woman's facilities. An additional £2m ring fenced budget was received to cover depreciation charges and capital funding of £17.3m was surrendered to Scottish Government during the year relating to the re-phasing of the development of the prison estate which has continued to be adversely affected by delays due to the COVID-19 pandemic and the impact of Brexit. Further information on the financial performance for the year can be found in the Performance Analysis and in the Financial Statements and Notes to the Accounts sections of this report.

Financial sustainability remains a challenge and further work is required to develop the medium term financial strategy to underpin the Corporate Plan and the longer term strategies and capital investment plans of SPS. As noted, the senior structural review aims to address the structure and alignment of the corporate portfolio to ensure we deliver on our obligations as a public body, prison service and as an Executive Agency of the Scottish Government.

Governance:

SPS is committed to developing its people and senior leaders and is committed to providing secondment opportunities, which benefit individual staff, the SPS and the broader civil service cadre. Because of this commitment, two substantive Directors have been on secondment with one returning at the end of this reporting year. The Chief Executive recruitment has now concluded and therefore progress has been made. However, it is acknowledged that the interim position of temporary Finance Director is one that I hope to resolve in the consideration of the future corporate structure alongside

a change in portfolio and structure, which will provide SPS with the optimal directorates, and senior leadership structure as we move through to a period of significant capital investment. Throughout this interim arrangement, some of the governance issues have been addressed and this has provided me with the continued assurance of the commitment to make further changes.

COVID-19:

The continued nature of the COVID-19 pandemic has been a period of unprecedented challenge in maintaining a service delivery in the face of a constantly changing environment.

The SPS has adapted and adheres to required measures designed to limit the spread of the virus however, as with the rest of our community, this has not been without challenge. The required focus on COVID-19 has drawn resource in a way that we have not previously experienced and, although restrictions are now eased in the community, we as a service continue to manage our way through this pandemic and the fragility of the situation we face on a daily basis cannot be underestimated. Although this has been a significantly challenging time for both those in our care and our staffing teams, those who live and work in our prisons should be commended for how they have safely managed their way throughout this time. Also, SPS has experienced successful, and rapid, implementation of forward thinking Digital initiatives. The application of Digital Strategy initiatives including in-cell mobile telephony and Virtual Visit services, has been significantly beneficial to those in our care during a time where family contact has been instrumental in supporting their mental wellbeing. However, this pandemic still continues to impact on those who work and live in prisons. As we try to navigate towards a post pandemic management SPS will incorporate ongoing public health measures.

Teresa Medhurst

Teresa Medhurst
Chief Executive
27 July 2022

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.civilservice.gov.uk 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.ome.uk.com.

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 Advisory Board members.

Remuneration (salary and pensions)

Single total figure of remuneration	Salary £000		Benefits in kind (to nearest £100)		Pension benefits to nearest £000 ⁴		Total to nearest £000	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
T Medhurst ⁵ Chief Executive	85-90 plus Acting Up Allowance 5-10	85-90 plus Acting Up Allowance 5-10	-	-	6	103	105-110	200-205
J Kerr ⁶ Deputy Chief Executive	0-5 (85-90 Full Year Equivalent)	-	-	-	12	-	15-20 (100-110 Full Year Equivalent)	-
C Johnston Interim Director of Corporate Services	75-80 plus RRA ⁷ 5-10	75-80 plus RRA 5-10	-	-	31	33	120-125	115-120
A Purdie ⁸ Interim Director of Operations	75-80 plus RRA 5-10	75-80 plus RRA 5-10	-	-	19	35	105-110	120-125
S Brookes ⁹ Interim Director of Strategy & Stakeholder Engagement	75-80 plus RRA of 5-10	75-80 plus RRA of 5-10	-	-	25	50	115-120	135-140
G O'Donnell ¹⁰ Interim Director of Finance	40-45 (80-85 Full Year Equivalent)	-	-	-	16	-	55-60 (85-95 Full Year Equivalent)	-
H Monro ¹¹ Non-Exec Director	0-5	0-5	-	-	-	-	0-5	0-5
R Molan ¹² Non-Exec Director	0-5	0-5	-	-	-	-	0-5	0-5
K Hampton Non-Exec Director	0-5	0-5	-	-	-	-	0-5	0-5

⁴ 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.

⁵ T Medhurst re-statement of 2020-21 acting up allowance remuneration.

⁶ J Kerr outward secondment to Scottish Government 16 March 2020 to 17 March 2022 (salary costs for this period fully met by Scottish Government)

⁷ Recruitment and Retention Allowance.

⁸ A Purdie Interim Director of Operations from 17 March 2020.

⁹ S Brookes Interim Director of Strategy & Stakeholder Engagement from 23 March 2020.

¹⁰ G O'Donnell commenced employment with SPS 28 September 2021.

¹¹ H Monro left SPS 31 January 2022.

¹² R Molan left SPS 31 December 2021.

Single total figure of remuneration	Salary £000		Benefits in kind (to nearest £100)		Pension benefits to nearest £000 ¹³		Total to nearest £000	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
GC Stillie Non-Exec Director	5-10	0-5	-	-	-	-	5-10	0-5
G Scott ¹⁴ Chair of the Risk Monitoring and Audit Committee	0-5	5-10	-	-	-	-	0-5	5-10
I Harley ¹⁵ Non-Exec Director	0-5	-	-	-	-	-	0-5	-
A McKechin ¹⁶ Non-Exec Director	0-5	-	-	-	-	-	0-5	-
L Clow ¹⁷ Non-Exec Director	0-5	-	-	-	-	-	0-5	-
S Uphill ¹⁸ Non-Exec Director	-	-	-	-	-	-	-	-

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.

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 2021-22 (2020-21 – nil).

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonuses paid during the year (2020-21 – nil).

¹³ 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.

¹⁴ G Scott left SPS 31 January 2022.

¹⁵ I Harley joined SPS 6 December 2021.

¹⁶ R McKechin joined SPS 10 January 2022.

¹⁷ L Clow joined SPS 10 January 2022.

¹⁸ S Uphill joined SPS 10 January 2022. No remuneration payments made in 21-22.

Pay multiples (audited)

The highest paid Director had banded remuneration of £115,000-£120,000 in 2021-22 (2020-21 £95,000-£100,000). This is an increase of 23% from the previous financial year.

In the reporting year, the average remuneration in respect of the employees taken as a whole was £33,163 (2020-21 £32,025). This is 3.55% increase over the previous financial year.

The range of remuneration in SPS in the financial year 2021-22 was £18,624 - £120,000 (2020-21, £18,234-£97,822). These remuneration figures exclude pension benefits.

The pay ratio information is shown in the table below:

	2021-22	2020-21
Highest Paid Director Salary Component	120,000	87,343
Highest Paid Director Total Pay and Benefits	120,000	97,822
25th Percentile Salary Component	26,903	25,868
25th Percentile Total Pay and Benefits	26,903	25,868
25th Percentile Ratio	4.46:1	3.78:1
50th Percentile Salary Component	34,998	33,651
50th Percentile Total Pay and Benefits	34,998	33,651
50th Percentile Ratio	3.43:1	2.91:1
75th Percentile Salary Component	34,998	33,651
75th Percentile Total Pay and Benefits	34,998	33,651
75th Percentile Ratio	3.43:1	2.91:1

The 2021-22 increase in pay ratios is attributable to the highest paid Directors salary increasing at a higher rate than average for the organisation as a whole after becoming permanently appointed into the role of Chief Executive Officer.

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 pension age as at 31/3/2022 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/22 £000	CETV at 31/3/21 £000	Real increase in CETV £000
T Medhurst Chief Executive	40-45 plus lump sum of 130-135	0-2.5 plus lump sum of 0	1,071	1,006	2

Officials	Accrued pension at pension age as at 31/3/2022 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/22 £000	CETV at 31/3/21 £000	Real increase in CETV £000
J Kerr Deputy Chief Executive	40-45 plus lump sum of 85-90	0-2.5 plus lump sum of 0	841	791	2
C Johnston Interim Director of Corporate Services	20-25	0-2.5	342	306	20
A Purdie Interim Director of Operations	35-40 plus lump sum of 105-110	0-2.5 plus lump sum of 0	887	823	11
S Brookes Interim Director of Strategy & Stakeholder Engagement	40-45 plus lump sum of 100-105	0-2.5 plus lump sum of 0	891	829	12
G O'Donnell Interim Director of Finance	0-5	0-2.5	13	0	10
H Monro Non-Exec Director	No Pension Entitlement				
R Molan Non-Exec Director	No Pension Entitlement				
K Hampton Non-Exec Director	No Pension Entitlement				
GC Stillie Non-Exec Director	No Pension Entitlement				
G Scott Chair of the Risk Monitoring and Audit Committee	No Pension Entitlement				
I Harley Non-Exec Director	No Pension Entitlement				
A McKechin Non-Exec Director	No Pension Entitlement				
L Clow Non-Exec Director	No Pension Entitlement				
S Uphill Non-Exec Director	No Pension Entitlement				

Civil Service Pensions

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

on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

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

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

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

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

Cash Equivalent Transfer Values

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

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

Real Increase in CETV

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

Compensation for loss of office

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

Staff Report

As at 31 March 2022 there were 4,589 staff in post including six Non-Executive Directors. The split across grade and gender is detailed in the table below. This section is audited.

	2021-22			2020-21		
	Male	Female	Total	Male	Female	Total
Senior Civil Servants*	2	1	3	0	1	1
Directors	1	2	3	1	2	3
Non-Executive Directors	2	4	6	3	2	5
Employees	2,955	1,622	4,577	2,978	1,520	4,498
Total	2,960	1,629	4,589	2,982	1,525	4,507

* SPS has one female Senior Civil Servant inwardly seconded to SPS and one female Senior Civil Servant outwardly seconded to Scottish Canals. These individuals have been included within the Average Number of Persons Employed table on page 69, but do not show in the table above.

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 2022 along with the prior year comparisons.

	2021-22	2021-22	2021-22	2020-21
	Permanently employed staff	Others	Total	Total
Staff Costs	£000	£000	£000	£000
Wages and salaries	146,720	2,980	149,700	144,731
Social security costs	15,061	33	15,094	14,555
Other pension costs	38,271	73	38,344	36,542
Sub Total	200,052	3,086	203,138	195,828
less recoveries in respect of outward secondments	(340)	0	(340)	(402)
Total net costs	199,712	3,086	202,798	195,426

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

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes but Scottish Prison Service is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation

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

For 2021-22, employers’ contributions of £37,956k were payable to the PCSPS (2020-21 £36,227k) at one of four rates in the range 26.6% to 34.1% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2021-22 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a **partnership** pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £276k 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 £8k, 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the **partnership** pension providers at the balance sheet date were nil. Contributions prepaid at that date were nil.

During the reporting year five individuals (2020-21 four persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to NIL (2020-21 £24k).

Average number of persons employed

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

	2021-22	2020-21
Directly employed	4,282	4,182
Other	8	4
Total	4,290	4,186

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 (5)	13 (5)
£10,000 - £25,000	-	6 (6)	6 (6)
£25,000 - £50,000	-	13 (13)	13 (13)
£50,000 - £100,000	-	41 (21)	41 (21)
£100,000 - 150,000	-	1 (0)	1 (0)
£150,000 - £200,000	-	2 (0)	2 (0)
Total number of exit packages	-	76 (45)	76 (45)
Total resource cost/£	-	£3,900,800 (£2,089,467)	£3,900,800 (£2,089,467)

Comparative data is shown (in brackets) for previous year

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2021-22. £3,901k exit costs were paid in 2021-22, the year of departure (2020-21 £2,089k). Where the agency has agreed early retirements, the additional costs are met by the agency and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table. There were no Voluntary Exit Schemes (VES) approved by Cabinet Office.

Attendance and Wellbeing

The Scottish Prison Service (SPS) considers the contribution of its employees to be paramount in delivering services to those in our care, and is committed to promoting health and wellbeing to all employees. As such, a new Attendance Management policy was implemented in April 2021, designed to promote early intervention, person centred support and provide a clear framework to encourage managers and employees to take action to remove barriers to attendance at work whilst minimising disruption to service provision. Whilst some absence due to sickness is inevitable, the SPS's objective is to ensure that high levels of attendance at work are encouraged through a positive culture and working environment in which individuals are valued and where fair, consistent and supportive

management practices are applied. To support the publication of our new employee Attendance Management Policy we have delivered a series of manager learning webinars with over 300 managers attending the sessions between February and June 2021.

Continuing to reduce sickness absence remains a priority for the SPS and an average of 18.3 days per employee was lost to sickness absence for 2021-22, which is a 20% increase on 2020-21. There is no doubt, that the COVID-19 pandemic continues to have significant implications for employee health and wellbeing, and how the SPS effectively manage sickness absence. Sick absences attributable to COVID-19 accounted for 5.1 days per employee for 2021-22.

Our primary focus in 2021-22 was to continue supporting colleagues through the uncertainty brought about by COVID-19 and investing resources in making sure the work experience for colleagues is consistently positive. Whether this was through IT equipment to allow colleagues to work from home safely (where applicable) and stay connected, or through the promotion of our existing health and wellbeing services available to staff. We also returned to normal working patterns which had been set aside at the first lockdown. In 2021-22, we increased the support available to staff by launching a new health and wellbeing SharePoint site and introduced a number of new wellbeing apps, providing greater access and flexibility. Additionally, we have reviewed our pre-employment screening processes, extended our physiotherapy pilot across all sites and introduced further muscular-skeletal support services in conjunction with the Charity for Civil Servants and Remploy.

Employment Relations and Reward

As a future focused and flexible employer, 2021-22 saw the implementation of an improved flexible working policy, making the right to request flexible working a day one right, aimed at supporting employee work/life balance. Furthermore, SPS is embracing hybrid ways of working as part of our HQ relocation in 2022-23, recognising that the world of work is changing as we transition into a post-COVID-19 future. The aim is to create even greater flexibility in our working lives whilst positively impacting our carbon footprint and will form the basis of how we extend our hybrid working vision more widely across the SPS at a later date.

Additionally, the past two years has provided the opportunity for the SPS to re-imagine how we work together. During 2021-22, Corporate Services have undertaken a scoping exercise to inform the end to end design and implementation of a future state, digitally enabled, HR function. The key elements of our HR transformation are to evolve our people practices through the creation of new ways of working, maximising technology whilst maintaining a people-centred approach.

The SPS continues to be an Equal Pay and Living Wage employer and 2021-22 represented the final year of our previous three-year pay offer. In addition to pay, we have reviewed our employee benefits package, promoted new health and wellbeing initiatives and maximised awareness of existing benefits, such as Cycle-to-Work Scheme and employee lifestyle screenings. Following the success of last year's Hidden Heroes Day, in September 2021, we again celebrated the exceptional efforts of colleagues and everyone else working within the prison setting for continuing to deliver a critical public service. Whilst our work may be largely hidden from public view, the contribution we make is most definitely not and we are proud of what we have achieved, and what we continue to achieve on a daily basis.

In our Delivery Plan 2020-22, we committed to developing an approach which will promote the Fair Work principles of Effective Voice, Respect, Opportunity, Security and Fulfilment. The SPS is committed to the Fair Work agenda and this is reflected in our long standing partnership agreement, Forward Together, with the Trade Union Side (TUS). The SPS are committed to developing a Fair Work

Strategy, shaped around the five principles to bring together the variety of work currently being undertaken or planned which promotes employee engagement and supports an environment of trust, respect and inclusion at all levels.

Employee engagement levels for staff are measured through the annual Civil Service People Survey which seeks employees' views on nine key themes that are known to shape peoples' motivation and experiences at work, benchmarked against other areas of the Civil Service. Whilst the overall SPS engagement index demonstrated a slight decrease from 59% in 2020-21 to 56% in 2021-22, colleagues have rated the ability to access Learning & Development opportunities and working for SPS gives a sense of personal accomplishment more positively.

Equality and Diversity

We are committed to ensuring our people, and everyone we work with, are treated fairly, with dignity, and with respect for their human rights. We are committed to fulfilling and, where possible, going beyond our obligations as both an employer and as a public sector provider under the relevant Equality and Human Rights legislation.

Our Equality Outcomes (the Outcomes) reflect the areas of equality that require the greatest focus, set against our commitments and obligations under the Justice Strategy and National Performance Framework, alongside other requirements placed on us as a public sector employer and service deliverer. Our Outcomes activities in 2021 included attendance at recruitment virtual open days taking the opportunity to share information regarding career opportunities available within SPS; working with external expert organisations including Stonewall and the Coalition for Racial Equality and Rights to better understand potential recruitment barriers and inform our practices. We have reviewed our diversity data collection as part of our recruitment activities; developed socio-economic monitoring questions for candidates and reviewed the diversity data questions asked of those in custody as part of the work being undertaken pertaining to the bi-annual Prisoner Survey. Revised diversity monitoring classifications have been informed through our collaborative working as part of Cross Justice Race Data and Evidence, and Cross Justice Race and Workforce working groups.

Our Mental Health Strategy development work commenced early in 2021. There will be a focus on the role SPS has in meeting the needs of all of those in our care and how we dovetail into the specific treatment and support interventions delivered by our partners with specific reference to young people to ensure shared support plans are in place. We are working in partnership with Children & Adolescent Mental Health Services, Adult Mental Health Services, Youth Justice, Public Health Scotland, Scottish Government and various Third Sector organisations in this development. At the heart of this is the lived and living experience of those in our care and the role of families and carers.

In 2021 we published our 2019-2021 Mainstreaming Update report, detailing the actions we take to embed equality, diversity and inclusion into our daily practices, including developing policies and procedures with full consideration of equality issues. We recognise that Equality and Human Rights Impact assessments (EHRIA's) are an important mainstreaming tool, and we continue to carry out EHRIA's as part of our approach to our policy review and development, allowing us to consider how our policies may impact, positively or negatively, on groups or individuals in relation to one or more of the protected characteristics. In line with our equality duty, all EHRIA's are published on our external website. In October 2021 the work, contribution and support undertaken by the Chair of our LGBTI Network (PRISM) to embedding diversity within SPS was recognised when they won the Public Sector Category Award at the 2021 Scotland Proud Awards.

Alongside our Mainstreaming Update, in 2021 we published our Occupational Segregation and Equal Pay Statement, setting out our continued commitment to being a Living Wage employer, and our Gender Pay Gap report 2021. In response to the Commitment given at Scotland's Public Sector Leadership Summit on Race Equality in Employment to confront, and address, issues of race inequality, in April 2021 we published our Ethnicity Pay Gap report. We have recognised improving diversity across an organisation takes time, and those from diverse backgrounds need to have the confidence that they have the access to the same opportunities, and to support our diversity activities we have committed to addressing potential barriers through our 2020-23 Diversity Action Plan (DAP). Our DAP outlines the actions we are taking forward to realise our ambition to have a workforce that reflects Scottish society, and links firmly to our other diversity activities being taken forward through our Public Sector Equalities Duties. Progress has been made across the Plan, and our key achievements include the publication of our aspiration to increase the diversity of the workforce, specifically with regard to people with disabilities, gay men and people from a minority ethnic background; annual publication of the breakdown of employees by protected characteristics and pay band; extending our external recruitment routes; reviewing job descriptions and role requirements; removing academic qualifications where possible and considering the applicants' journey from both an ethnicity and socio-economic perspective. We have developed different attraction methods for Prison Officer roles; utilising female voiceovers on radio advertisements and increasingly using female focused imagery in our advertising campaigns, increasing the percentage of women in middle management roles by 2%. Of the applicants who submitted an application between 1st April 2021 and 31st March 2022, 280 selected that they wished their application to be considered under the Disability Confident Scheme. Of these, 59 were progressed to the interview stage; 25 were successful in their application, 45 withdrew their application mid-process and 27 remain active within the selection process at this time.

Trade Union Regulations

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

Currently, SPS has four recognised trade unions, the Prison Officer's Association (Scotland) POA(S), the Public & Commercial Services Union (PCS), Prospect and the Prison Governors Association (Scotland) (PGA(S)). Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2017 sets out what information should be published, which to the year end 31 March 2022, is as follows:

Number of Relevant Trade Unions Representatives	Full Time Equivalent
103	101.15
Of Whom:	Percentage of Time Spent on Facility Time
46	0%
31	1-50%
13	51-99%
13	100%
Total Facility Time Hours	Percentage of FT on paid TU Activities
55,859	20.38%

Percentage of pay bill spent on FT	0.7%
Total Cost of FT	£1,448,317
Total Bill	£202,798,408

Workforce Planning

This year brought a continued focus on maintaining operational workforce stability in line with the development of the prison estate through the delivery of an effective recruitment and training schedule, leading to the appointment and development of over 400 Prison Officers. As a result, Prison Officer staffing levels have been maintained within 1% of complement across the year. The second half of the year introduced some workforce planning challenges as a result of changing employment market conditions, alongside the rising costs of living. This has brought an increase in turnover on the previous year, although turnover remains relatively low and in line with historical levels. The turnover rate for all staff groups within the 2021-22 reporting year was 8%; this was a 2% increase on the previous year and remains in line with SPS' average turnover trend. SPS' recruitment delivery programme is aligned to projected turnover rates taking account of internal and external factors which may impact overall staffing levels. Aligned to our stated Equality Outcome of having a workforce which represents Scottish society, our activities and approaches continue to explore and maximise opportunities to become a more inclusive employer and to attract and engage underrepresented groups. Leadership capability and capacity has been supported in year through the development of a refreshed Leadership Strategy and a revised Competency Framework, underpinned by relational practice and values based leadership. A suite of internal recruitment campaigns has successfully filled a range of middle and senior management positions.

ACCOUNTABILITY REPORT – PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

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

Accountability Report – Parliamentary Accountability and Audit Report

Parliamentary Accountability

Losses and special payments

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

	2021-22		2020-21
	Cases	£000	Cases
			£000
Losses Statement			
Cash losses	154	7	167
Losses of accountable stores	273	8	285
Fruitless payments	10	291	9
Total	<u>437</u>	<u>306</u>	<u>461</u>
Special Payments			
Special payments	<u>320</u>	<u>5,424</u>	<u>277</u>
			<u>3,758</u>

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 12 and 16).

Other Notes

In response to the COVID-19 pandemic, a significant amount of Personal Protective Equipment (PPE) was purchased and is being held as Inventory. A review of slow moving items was carried out at the end of the financial year and in accordance with IAS2 Inventories, the stock was revalued to its net realisable value. This resulted in a provision for obsolete stock relating to these items being recorded as an expense in year of £270k (see notes to the accounts 8).

Teresa Medhurst

Teresa Medhurst
Chief Executive
27 July 2022

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

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Scottish Prison Service for the year ended 31 March 2022 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. 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 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 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 2021/22 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

We conducted our 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. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 May 2016. The period of total uninterrupted appointment is six years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We 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 we have performed, we 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, we 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

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our 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

Our 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 our 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. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing 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 our 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 our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our 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 our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are 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 part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has 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 part of the Remuneration and Staff Report.

Our 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 our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we 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 our 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 we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

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

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of our 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 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Gary Devlin

Gary Devlin (for and on behalf of Azets Audit Services)
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

28 July 2022

FINANCIAL STATEMENTS AND NOTES TO THE ACCOUNTS

Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Income			
Income from sale of goods/services	2	(5,955)	(6,631)
Non-cash revenue grant	2	(979)	(737)
Other operating income	2	(217)	(176)
Total operating income		(7,151)	(7,544)
Expenditure			
Staff costs	3	202,798	195,433
Other expenditure	3	192,656	180,896
Total operating expenditure		395,454	376,329
Net operating expenditure		388,303	368,785
Finance expense	3	5,999	6,331
Net expenditure for the year		394,302	375,116
Other comprehensive net expenditure			
Items which will not be reclassified to net operating costs:			
Net (gain)/loss on revaluation of property, plant and equipment		(65,249)	27,873
Comprehensive net expenditure for the year		329,053	402,989

The notes on pages 85 to 110 form part of these accounts.

Statement of Financial Position as at 31 March 2022

	Note	2021-22 £000	2020-21 £000
Non-current assets			
Property, plant and equipment	4	1,223,060	1,145,397
Intangible assets	5	777	2,757
Other receivables	9	38	48
Total non-current assets		1,223,875	1,148,202
Current assets			
Inventories	8	3,965	4,231
Trade and other receivables	9	6,948	5,798
Cash and cash equivalents	10	813	769
Total current assets		11,726	10,798
Total assets		1,235,601	1,159,000
Current liabilities			
Trade and other payables	11	(48,635)	(39,942)
Provisions	12	(3,833)	(3,543)
Total current liabilities		(52,468)	(43,485)
Total assets less current liabilities		1,183,133	1,115,515
Non-current liabilities			
Other payables	11	(75,157)	(77,895)
Provisions	12	(13,399)	(14,312)
Total non-current liabilities		(88,556)	(92,207)
Total assets less total liabilities		1,094,577	1,023,308
Taxpayers' equity and other reserves			
General Fund	SoCTE	709,329	690,541
Revaluation Reserve	SoCTE	385,248	332,767
Total equity		1,094,577	1,023,308

Teresa Medhurst
Chief Executive

Teresa Medhurst

The Chief Executive authorised these financial statements for issue on 27 July 2022.

The notes on pages 85 to 110 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2022

		2021-22	2020-21
	Note	£000	£000
Cash flows from operating activities			
Net operating expenditure	SOCNE	(394,302)	(375,116)
Adjustments for non-cash transactions:			
Depreciation	4/5	39,551	37,362
Impairment	7	691	502
Notional charges	17	116	113
Other Adjustments		234	0
Interest payable in net operating cost for financing		5,968	6,274
Decrease/(Increase) in inventories	8	266	(725)
(Increase) in trade receivables	9	(1,140)	(615)
Increase in trade payables		20,526	9,526
(Decrease)/Increase in provisions	12	(623)	719
Net cash outflow from operating activities		(328,713)	(321,960)
Cash flows from investing activities			
Purchase of property, plant and equipment		(56,387)	(39,342)
Purchase of intangible assets		(46)	(1,902)
Proceeds of disposal of property, plant and equipment		6	2
Net cash outflow from investing activities		(56,427)	(41,242)
Cash flows from financing activities			
From the Consolidated Fund		400,206	378,940
Capital element of payments in respect of finance leases and on balance sheet PFI/PPP contracts		(9,054)	(9,403)
Interest element of finance leases and on balance sheet PFI/PPP contracts		(5,968)	(6,274)
Net financing		385,184	363,263
Net increase/(decrease) in cash and cash equivalents in the period		44	61
Cash and cash equivalents at the beginning of the period	10	769	708
Cash and cash equivalents at the end of the period	10	813	769

The notes on pages 85 to 110 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	Note	General Fund £000	Revaluation Reserve £000	Total Equity £000
Balance at 1 April 2020		674,431	372,813	1,047,244
Net funding from Scottish Government		378,940	0	378,940
Comprehensive Net Expenditure for the year	SoCNE	(375,116)	(27,873)	(402,989)
Auditors' remuneration	17	113	0	113
Transfer between reserves		12,173	(12,173)	0
Balance at 31 March 2021		690,541	332,767	1,023,308
Net funding from Scottish Government		400,206	0	400,206
Comprehensive Net Expenditure for the year	SoCNE	(394,302)	65,249	(329,053)
Auditors' remuneration	17	116	0	116
Transfers between reserves		12,768	(12,768)	0
Balance at 31 March 2022		709,329	385,248	1,094,577

The notes on pages 85 to 110 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2021-22 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.

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 2022-23 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 property, plant and equipment and intangible assets.

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 within the next financial year are addressed below within the individual accounting policies and notes to the accounts.

The most significant estimates made by the Agency 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 Agency with the estimates in valuing property in accordance with the FReM, the SPS commission a professionally qualified Royal Institute of Chartered Surveyors (RICS) accredited firm to undertake a five year rolling programme of valuations, with annual indexation considerations for the years in between. The valuations are prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National

Supplement, commonly known together as the Red Book. UK VPGA 5 addresses the valuation of central government assets for accounting purposes.

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

Change in Accounting Estimate

Indexation

The indexation adjustment recorded in the 2021-22 accounts is calculated as the movement between the opening index as at 31 March 2021 and the closing index as at 31 March 2022. The index applied to buildings is based on a quarterly forecast which may be subject to change.

Property, Plant and Equipment

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

Land

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

Dwellings and other buildings

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

Specialised Operational dwellings and other buildings 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 the District Valuer Services (DVS), a division of the Valuation Office Agency. Valuations are carried out by a Royal Institute of Chartered Surveyors (RICS) Registered Valuer, and have been conducted in accordance with the professional standards of the RICS Valuation – Global Standards 2017 and the RICS Valuation – Professional Standards UK Edition (January 2014, revised April 2015).

The Valuer has regard to the RICS UK GN titled ‘Depreciated Replacement Cost (DRC) Method of Valuation for Financial Reporting’, as supplemented by Treasury guidance.

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. Appropriate indices provided by the Valuer are used to restate values in the intervening years between full valuations. 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 of 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 IFRS5, 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 donor 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.

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 includes 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 (SFP).

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 has awarded Public Private Partnership (PPP) contracts, to design, construct, manage and finance prisons at HMP Kilmarnock and HMP Addiewell. Both contracts were let for 25 year operating periods, commencing in March 1999 for HMP Kilmarnock and in December 2008 for HMP Addiewell.

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 IAS 17 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 of the projects, 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. The replaced asset's existing value is written out of property, plant and equipment and either impaired or debited to the revaluation reserve.

In accordance with IAS 17 Leases, contingent rentals are defined as the 'portion of the lease payments that is not fixed in amount but is based on the future amount of a factor that changes other than with

the passage of time'. Examples of contingent rents include payments governed by movements in future price indices. Both financial models calculate contingent rent as follows:

- The change in cash unitary charge arising from indexation is offset against the impact of applying the same indexation factor to the real terms operating and lifecycle costs; and
- Any remaining cash difference between the change in unitary charge and the indexation factor's effect on operating costs is charged to contingent rent.

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 finance lease is treated according to IAS17 Leases, and the asset and corresponding liability is capitalised. This includes the deferred residual interest which is recognised as a long term liability and reflects the liability to make future capital payments.

Income

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

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

Employee Benefits

Short-term Employee Benefits

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

Pension Costs and other post-retirement benefits

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS), which are unfunded multi-employer defined benefit schemes but the SPS is unable to identify its share of the underlying assets and liabilities. The schemes are accounted for as a defined contribution schemes under the multi-employer exemption permitted in IAS19 Employee Benefits. The SPS recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS/CSOPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS/CSOPS.

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

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

Termination Benefits

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

Leases

Operating leases

Other leases, that are not finance leases, are regarded as operating leases and the rentals are charged to expenditure on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to expenditure over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease unless title to the land is expected to transfer.

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 outwith 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 2021-22 are disclosed in note 22.

Accounting standards issued but not yet effective

All International Financial Reporting Standards, Interpretations and Amendments to published standards effective at 31 March 2022 have been adopted where applicable to SPS.

There is a new accounting standard which has been issued but not yet applied. This standard is considered relevant to SPS and the anticipated impact on the annual accounts is as follows:

- IFRS 16 – Leases

In light of COVID-19 pressures, HM Treasury and the Financial Reporting Advisory Board (FRAB) made the decision to defer implementation of IFRS 16 in the public sector to January 2022. This standard will now be mandatory in the public sector for accounting periods commencing on or after 1 January 2022 and SPS will therefore apply IFRS 16 from 1 April 2022.

The new standard provides a single lessee accounting model, eliminating the distinction between operating and finance leases. A right of use asset and lease liability will require to be recognised in the Statement of Financial Position for all leases with a contract term of 12 months or more unless the asset is classed as low value. SPS consider contracts with a total value of less than £1,000 to be low value.

HM Treasury has made the following adaptations to IFRS 16 for application within the public sector:

- Expanded the definition of a lease contract to include intra-government agreements which are not legally enforceable;
- Required the use of the HM Treasury discount rate as the incremental borrowing rate where the interest rate implicit in the lease cannot readily be determined;
- The subsequent measurement basis of all right of use assets is to be consistent with the principles for subsequent measurement of owned assets;
- Withdrawn the option to re-assess whether a contract is or contains a lease at initial date of application;
- Mandated the cumulative effect option of initially applying the standard at the date of initial application as an adjustment to the opening balance of taxpayer' equity to be used;
- Mandated measurement of the right of use asset at an amount equal to the initial lease liability, adjusted by the amount of any prepaid or accrued lease payments recognised immediately before the date of initial application;
- Mandated election of the option not to recognise assets or liabilities where the underlying asset is of low value; and
- Mandated election of the option not to recognise assets or liabilities for leases of 12 months or less;

SPS have leased assets in the following categories which will be accounted for under IFRS 16 from 1 April 2022:

- Land
- Buildings
- Other (including motor vehicles)

It is expected that the opening balances in 2022-23 will be adjusted as follows:

£000

Closing balance (note 13)	13,252
Less Leases not transitioning to IFRS 16 (low value & under 12 months)	(542)
Less Lease not transitioning to IFRS 16 (committed but lease not yet commenced)	(8,157)
Less Adjustment for non-recoverable VAT	(609)
Less Adjustment for discounting of cashflows	(61)
Less Equity Adjustment	(237)
Different lease term under IFRS 16	72
Right of Use Asset to be Recognised at 1/4/22	<u>3,718</u>

- IFRS 17 – Insurance Contracts

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

2. Income

	2021-22	2020-21
	£000	£000
Income from sales of goods/services		
Income from prisoner's canteen	4,954	4,858
Sales of prison industries	311	883
Prisoner telephone system income	509	844
Profit on Sale of Assets	16	9
Other income	165	37
	5,955	6,631
Non-cash revenue grant	979	737
Other operating income	217	176
Total operating income	7,151	7,544

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.

Non-cash revenue grant relates to PPE and Lateral Flow Tests donated from NHS.

3. Other Expenditure	Restated*	
	2021-22 £000	2020-21 £000
Staff costs		
Wages & salaries	149,461	144,449
Social security costs	15,065	14,520
Other pension costs	38,272	36,464
PFI service charges	35,719	35,169
Court custody and prisoner escort service	24,628	27,231
Repairs and maintenance	19,036	10,606
IT Purchases	1,725	1,120
Victualling and other supplies	16,052	15,581
Other current expenditure	15,907	16,405
Heat, light, telephone etc.	11,584	10,438
Interest charges	5,976	6,279
Rates	6,425	6,438
Other staff related costs	8,386	5,766
General expenditure	4,106	3,411
Prisoner earnings	2,645	3,154
PPP/PFI contingent rent	4,553	5,208
Rentals under operating leases		
- Land and buildings	862	726
- Other	336	260
Finance lease	2	2
Non-cash items		
Depreciation and impairment	40,242	37,864
Auditors' remuneration	116	113
Provisions (utilised)/provided for in year	(647)	667
Use of non-cash revenue grant	979	737
Borrowing costs of provisions (unwinding of discount on provisions)	23	52
	401,453	382,660

*Restated to show IT Purchases separately

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 68 in the Accountability Section. The increase in other staff related costs relates mainly to an increase in compensation payments.

Interest charges £5,976k and borrowing costs of provisions £23k 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 (£192,656k).

Depreciation is applied to tangible, donated and intangible fixed assets. There were impairment charges of £715k in 2021-22 (2020-21 £502k).

Other current expenditure includes fees paid for education contracts, £4,560k (2020-21 £4,107k) and social work costs £4,847k (2020-21 £4,976). The increase in repairs and maintenance of £9,035k relates to an increase in both computer and building maintenance.

Use of non-cash revenue grant relates to PPE and Lateral Flow Tests donated from NHS.

4. Property, Plant and Equipment

Including Donated Assets Cost or Valuation	Land £000	Buildings £000	Dwellings £000	Motor Vehicles £000	Plant & Equip £000	Comp Equip £000	Fixtures & Fittings £000	AUC £000	Total £000
At 1 April 2021	74,768	410,663	626,427	10,370	26,121	11,003	722	40,495	1,200,569
Additions	0	14	9	157	1,575	311	1	48,802	50,869
Completed Assets under Construction	0	332	382	0	338	4,878	0	(4,237)	1,693
Revaluation	47	25,403	38,581	0	0	0	0	0	64,031
Impairment	(55)	(160)	(242)	0	0	0	0	(279)	(736)
Reclassification	0	0	0	0	0	0	0	(118)	(118)
Disposals	0	0	0	(105)	(921)	(264)	(85)	0	(1,375)
At 31 March 2022	74,760	436,252	665,157	10,422	27,113	15,928	638	84,663	1,314,933
Depreciation									
At 1 April 2021	0	8,303	12,097	4,847	21,013	8,307	605	0	55,172
Charge	0	14,127	21,296	954	1,399	1,542	16	0	39,334
Revaluation	0	(460)	(758)	0	0	0	0	0	(1,218)
Impairment	0	(18)	(27)	0	0	0	0	0	(45)
Reclassification	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	(105)	(914)	(264)	(87)	0	(1,370)
At 31 March 2022	0	21,952	32,608	5,696	21,498	9,585	534	0	91,873
Carrying Value at 31 March 2022	74,760	414,300	632,549	4,726	5,615	6,343	104	84,663	1,223,060
Carrying Value at 31 March 2021	74,768	402,360	614,330	5,523	5,108	2,696	117	40,495	1,145,397
Asset financing:									
Owned	74,760	374,673	543,937	481	5,615	6,343	104	84,663	1,090,576
Finance Leased	0	0	0	4,245	0	0	0	0	4,245
On-balance sheet PFI contracts	0	39,627	88,612	0	0	0	0	0	128,239
Carrying Value at 31 March 2022	74,760	414,300	632,549	4,726	5,615	6,343	104	84,663	1,223,060

4. Property, Plant and Equipment (Continued)

Including Donated Assets Cost or Valuation	Land £000	Buildings £000	Dwellings £000	Motor Vehicles £000	Plant & Equip £000	Comp Equip £000	Fixtures & Fittings £000	AUC £000	Total £000
At 1 April 2020	74,992	448,354	682,430	10,426	25,556	9,081	628	11,888	1,263,355
Additions	2,553	52	87	83	1,818	873	96	33,554	39,116
Completed Assets under Construction	0	1,768	1,947	0	107	1,120	0	(4,942)	0
Revaluation	(2,352)	(39,957)	(57,591)	0	0	0	0	0	(99,900)
Impairment	(425)	0	0	0	0	0	0	(9)	(434)
Reclassification	0	446	(446)	0	0	0	0	4	4
Disposals	0	0	0	(139)	(1,360)	(71)	(2)	0	(1,572)
At 31 March 2021	74,768	410,663	626,427	10,370	26,121	11,003	722	40,495	1,200,569
Depreciation									
At 1 April 2020	0	23,040	34,660	4,037	21,241	7,988	603	0	91,569
Charge	0	13,718	21,009	949	1,130	390	4	0	37,200
Revaluation	0	(28,536)	(43,491)	0	0	0	0	0	(72,027)
Reclassification	0	81	(81)	0	0	0	0	0	0
Disposals	0	0	0	(139)	(1,358)	(71)	(2)	0	(1,570)
At 31 March 2021	0	8,303	12,097	4,847	21,013	8,307	605	0	55,172
Carrying Value at 31 March 2021	74,768	402,360	614,330	5,523	5,108	2,696	117	40,495	1,145,397
Carrying Value at 31 March 2020	74,992	425,314	647,770	6,389	4,315	1,093	25	11,888	1,171,786
Asset financing:									
Owned	74,768	354,193	531,052	399	5,108	2,696	117	40,495	1,008,828
Finance Leased	0	0	0	5,124	0	0	0	0	5,124
On-balance sheet PFI contracts	0	48,167	83,278	0	0	0	0	0	131,445
Carrying Value at 31 March 2021	74,768	402,360	614,330	5,523	5,108	2,696	117	40,495	1,145,397

As part of the five year rolling programme, HMP Barlinnie, HMP & YOI Cornton Vale and surplus land sites were re-valued at 31 March 2022. Formal inspections and valuations were carried out by the District Valuer Services (DVS), a division of the Valuations Office Agency. The valuations have been carried out by a Royal Institute of Chartered Surveyors (RICS) Registered Valuer, and have been conducted in accordance with the RICS Valuation – Global Standards 2017.

Specialised Operational Buildings (Establishments) have been valued using the Depreciated Replacement Cost (DRC) approach in accordance with the FReM. The NBV of these buildings as at 31 March 2022 is £48,972k. Land associated with Establishments valued to DRC plus non-operational surplus land sites have been assessed at fair value in accordance with IFRS 13. The NBV of this land as at 31 March 2022 is £27,364k.

Land, Buildings and Dwellings include properties for the Public Private Partnerships (PPPs) at HMP Kilmarnock and HMP Addiewell. The tenure of the contracts is 25 years, at which time the assets revert to SPS at nil cost.

The Scottish Government's Infrastructure and Investment Plan (IIP) 2021-22 to 2025-26 details prison development plans from 2021-22 onwards. It can be viewed at the following link: <http://www.gov.scot/Topics/Government/Finance/18232/IIP>.

Included within the carrying values of buildings is the Visitors' Reception Centre at HMP Edinburgh, donated in March 2000. Covenants of the donation required that the building is leased to the developer, for a peppercorn rent for a period of 35 years, to be used solely as a Visitors' Reception Centre. The net book value at 31 March 2022 was £695k.

5. Intangible Assets

	Information			
	Technology	Software	AUC	Total
Cost	£000	£000	£000	£000
At 1 April 2021	1,437	2,692	2,175	6,304
Additions	0	14	32	46
Completed AUC	0	31	(1,724)	(1,693)
Reclassifications	(306)	306	(116)	(116)
Disposals	0	(8)	0	(8)
At 31 March 2022	1,131	3,035	367	4,533
Amortisation				
At 1 April 2021	1,174	2,373	0	3,547
Charge	1	216	0	217
Reclassifications	(45)	45	0	0
Disposals	0	(8)	0	(8)
At 31 March 2022	1,130	2,626	0	3,756
Carrying Value as at 31 March 2022	1	409	367	777
Carrying Value as at 31 March 2021	263	319	2,175	2,757
Asset financing: Owned	1	409	367	777

	Information Technology	Software	AUC	Total
Cost	£000	£000	£000	£000
At 1 April 2020	1,437	2,462	586	4,485
Additions	0	90	1,812	1,902
Completed AUC	0	171	(171)	0
Impairment	0	(27)	(48)	(75)
Reclassifications	0	0	(4)	(4)
Disposals	0	(4)	0	(4)
At 31 March 2021	1,437	2,692	2,175	6,304
Amortisation				
At 1 April 2020	1,173	2,223	0	3,396
Charge	1	161	0	162
Impairment	0	(7)	0	(7)
Disposals	0	(4)	0	(4)
At 31 March 2021	1,174	2,373	0	3,547
Carrying Value as at 31 March 2021	263	319	2,175	2,757
Carrying Value as at 31 March 2020	264	239	586	1,089
Asset financing: Owned	263	319	2,175	2,757

6. 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.

7. Impairment Analysis

	2021-22	2020-21
	£000	£000
Property, Plant and Equipment		
Impairment charge	715	502
Impairment reversal	(23)	0
Revaluation reserve	178	29,454
Total	870	29,956

The net impairment as at the 31 March 2022 was £870k.

Impairment charges to the Statement of Comprehensive Net Expenditure (SOCNE) were £691k in 2021-22 mainly relating to the impairment of design and development costs in relation to HMP Inverdyde and impairment charges to reflect upgrades and replacements within HMP Castle Huntly and HMP & YOI Polmont.

Impairment charges of £178k taken through the revaluation reserve are reflective of the downward valuation of land sites by the DVS. Notably, the downward valuation of HMP and YOI Cornton Vale land resulted in an impairment of £128k taken through the revaluation reserve.

8. Inventories

The main categories of stock held are:	2021-22	2020-21
	£000	£000
Consumables	3,125	3,362
Works, estates and locks	1,076	1,081
Industries raw materials, work in progress and finished goods for resale	994	732
Provision for obsolete stock – specific	(1,230)	(944)
	<u>3,965</u>	<u>4,231</u>

The Provision for obsolete stock has been increased to account for items of PPE stock deemed to have a Net Realisable value of NIL.

9. Trade Receivables and Other Current Assets

Analysis by type	2021-22	2020-21
	£000	£000
Amounts due within one year:		
Recoverable VAT	4,003	4,612
Trade receivables	84	49
Other receivables	140	334
Prepayments and accrued income	2,721	803
	<u>6,948</u>	<u>5,798</u>
Amounts due after more than one year:		
Other receivables	<u>38</u>	<u>48</u>

The increase in prepayments and accrued income relates to prepaid software licences.

10. Cash and Cash Equivalents

	2021-22 £000	2020-21 £000
Balance as at 1 April	769	708
Net change in cash and cash equivalents	44	61
Balance as at 31 March	<u>813</u>	<u>769</u>

The following balances at 31 March were held at:

Government Banking Service	588	569
Commercial banks	182	165
Cash in hand	43	35
Balance at 31 March	<u>813</u>	<u>769</u>

11. Trade Payables and Other Current Liabilities**Analysis by type:**

	2021-22 £000	2020-21 £000
Amounts due within one year:		
Other taxation and social security	3,912	3,497
Trade payables	8,736	2,261
Accruals and deferred income	26,355	25,104
Other payables	3,990	3,811
Amounts due to Justice Department	813	769
PFI/PPP and other service concession arrangements <1 year	4,829	4,500
	<u>48,635</u>	<u>39,942</u>

Amounts due after more than one year:

PFI/PPP and other service concession arrangements >1 year	73,044	77,874
Other accruals	2,113	21
	<u>75,157</u>	<u>77,895</u>

12. Provisions for Liabilities and Charges

	2021-22 £000	2021-22 £000	2021-22 £000	2021-22 £000	2020-21 £000
	Prisoner Claims	Injury Benefit	Other Charges	Total	Total
Balance at 1 April	859	12,774	4,222	17,855	17,136
Provided in the year	854	1,839	1,036	3,729	2,797
Provisions utilised in the year	(319)	(550)	(2,608)	(3,477)	(1,530)
Unwinding of discount	0	(10)	33	23	52
Provisions not required written back	(284)	(58)	(556)	(898)	(600)
Balance at 31 March	1,110	13,995	2,127	17,232	17,855

	2021-22 £000	2021-22 £000	2021-22 £000	2021-22 £000	2020-21 £000
	Prisoner Claims	Injury Benefit	Other Charges	Total	Total
Not later than one year	1,110	596	2,127	3,833	3,543
Later than one year and not later than five years	0	2,442	0	2,442	4,324
Later than five years	0	10,957	0	10,957	9,988
Balance at 31 March	1,110	13,995	2,127	17,232	17,855

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.

13. Commitments under Leases

Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

Obligations under operating leases for the following periods comprise:

	2021-22 £000	2020-21 £000
Land		
Not later than one year	135	41
Later than one year and not later than five years	19	20
Later than five years	<u>241</u>	<u>0</u>
	<u>395</u>	<u>61</u>
Buildings		
Not later than one year	2,832	864
Later than one year and not later than five years	388	422
Later than 5 years	<u>5,074</u>	<u>0</u>
	<u>8,294</u>	<u>1286</u>
Other		
Not later than one year	2,080	1,795
Later than one year and not later than five years	<u>2,483</u>	<u>4,432</u>
	<u>4,563</u>	<u>6,227</u>

The increase in leases under land and buildings relates to the lease of a new HQ building.

14. 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 £64,900k (2020-21 £67,608k). 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:

	2021-22	2020-21
	£000	£000
Due within one year	65,870	64,072
Due later than one year and not later than five years	227,843	241,085
Due later than five years	331,033	384,182
	<u>624,746</u>	<u>689,339</u>
Less interest element	(39,283)	(45,251)
Present value	<u>585,463</u>	<u>644,088</u>

Service elements due in future periods, included above, are:

	2021-22	2020-21
	£000	£000
Due within one year	55,402	53,603
Due later than one year and not later than five years	186,115	199,144
Due later than five years	266,072	308,967
Total service elements due in future periods	<u>507,589</u>	<u>561,714</u>

PFI Contracts

The SPS has awarded Public Private Partnership (PPP) contracts, to design, construct, manage and finance prisons at HMP Kilmarnock and HMP Addiewell. Both contracts were let for 25 year operating periods, commencing in March 1999 for HMP Kilmarnock and in December 2008 for HMP Addiewell. Both contracts 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 in respect of HMP Kilmarnock and HMP Addiewell. The annual payments will vary over the remaining life of each contract in accordance with the specified indexation and unitary charge mechanisms. The capital liability for HMP Kilmarnock is now nil, however, payments for the service element continue to the end of the contract.

Other Service Concession Arrangements

In March 2018, the SPS awarded a contract for Scottish Court Custody and Prisoner Escort services to GEOAmev PECS. The contract was let for an eight year period with an option to extend for a further four years. The service commenced in January 2019 and expires in January 2027. The vehicles provided with the service are treated as on balance sheet in accordance with IFRIC 12, Service Concession Arrangements. The minimum lease payments that SPS is committed to make over the remainder of the respective contract periods are included in the above table. The annual payments will vary over the remaining life of the contract in accordance with the specified indexation and unitary charge mechanisms.

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

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

15. Capital Commitments

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

	2021-22	Restated 2020-21
	£000	£000
Property, plant and equipment	27,354	76,612

16. Contingent Liabilities

The Agency has the following contingent liabilities:

	2021-22	2020-21
	£000	£000
Prisoner claims	1,173	347
Other charges	477	582
	1,650	929

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. Also included are amounts relating to staff relocation where the outcome of a future events gives rise to a potential liability.

Prisoner claims relate to amounts for potential liability in cases where challenges have been made against SPS but which await court consideration. Also included in prisoner claims is an amount in relation to the Redress Scheme in response to the Redress for Survivors (Historical Child Abuse in Care) (Scotland Act) 2021 which provides for financial and non-financial redress to survivors of historical child abuse in care settings in Scotland.

17. Notional Charges

The following notional charge has been included in the accounts:

	2021-22	2020-21
	£000	£000
Statutory audit services	116	113
Total auditor's remuneration	116	113

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

18. 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 contracts, in 2021-22 was £41,858 (2020-21 £39,350).

For information purposes, the actual annual average cost per prisoner place, calculated on a resource accounting basis (including depreciation and impairment charges), in 2021-22 was £46,892 (2020-21 £44,150).

The actual annual average cost per prisoner place including exceptional payments in 2021-22 was £41,786 (2020-21 £39,343). Exceptional payments include charges/release of provisions for prisoner compensation and related costs.

19. 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 2021-22, none of the Board Members, members of key management staff or other related parties has undertaken any material transactions with the SPS.

20. Third Party Assets

At 31 March 2022 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.

20.1 Prisoners Funds

	2021-22	2020-21
	£000	£000
Balance as at 1 April	1,133	962
Funds paid in during the year	8,982	9,325
Funds paid out during the year	(9,078)	(9,154)
Balance as at 31 March	<u>1,037</u>	<u>1,133</u>

20.2 Common Good Fund

	2021-22	2020-21
	£000	£000
Balance as at 1 April	229	267
Funds paid in during the year	372	416
Funds paid out during the year	(348)	(454)
Balance as at 31 March	<u>253</u>	<u>229</u>

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

21. 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 2020-21 there were thirteen publicly managed prisons and two privately-managed prisons. The location of each of the establishments is listed in Appendix 1. SPS agrees a service framework with each public sector prison and manages private sector providers of prisons and custodial services under contract arrangements. Copies of the services agreements with the publicly managed prisons and contracts with the privately managed providers of custodial services are available on the SPS website www.sps.gov.uk.

	2021-22				2020-21			
	Public Prisons £000	Private Prisons £000	SCCPES £000	Total £000	Public Prisons £000	Private Prisons £000	SCCPES £000	Total £000
Operating income	(7,151)	0	0	(7,151)	(7,544)	0	0	(7,544)
Expenditure	330,584	45,928	24,941	401,453	308,778	46,292	27,590	382,660
Net expenditure	323,433	45,928	24,941	394,302	301,234	46,292	27,590	375,116
Non-current assets	1,087,306	131,445	5,124	1,223,875	1,011,633	131,445	5,124	1,148,202

22. Events after the reporting date

SPS entered into a contract with Kier Group on 12 July 2022 for pre-construction works associated with the development of HMP Glasgow as a replacement for HMP Barlinnie. HMP Barlinnie remains fully operational and a formal decision on any replacement facility has not yet been made by Scottish Ministers. Our impairment review confirms that the carrying value of HMP Barlinnie remains unaffected by this development.

The financial statements were authorised for issue by the Chief Executive on 27 July 2022.

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 (FRM) 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 'Hysan Staffin', is written over a faint circular stamp.

Signed by the authority of the Scottish Ministers

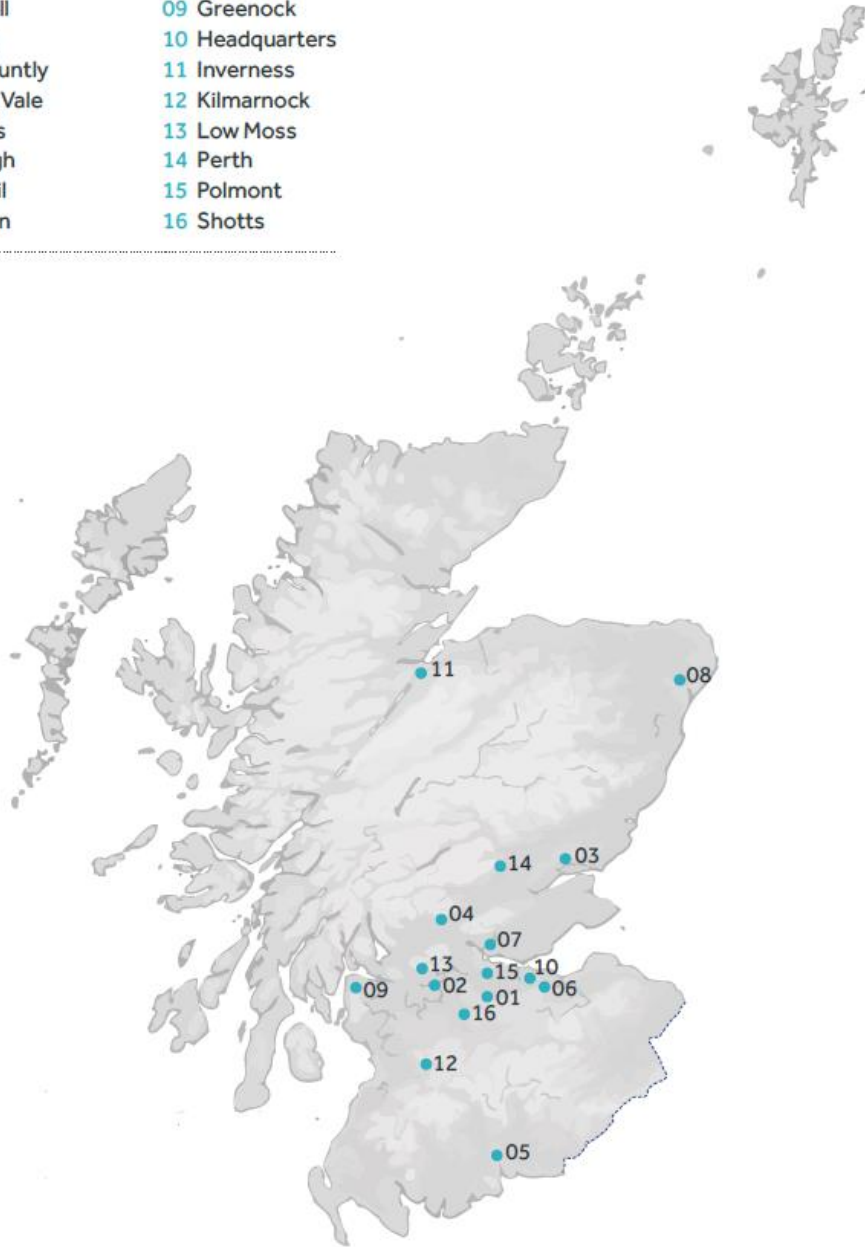
Dated 17 January 2006

APPENDIX 1

LOCATION OF ESTABLISHMENTS

Scotland's Prisons

- | | |
|------------------|-----------------|
| 01 Addiewell | 09 Greenock |
| 02 Barlinnie | 10 Headquarters |
| 03 Castle Huntly | 11 Inverness |
| 04 Cornton Vale | 12 Kilmarnock |
| 05 Dumfries | 13 Low Moss |
| 06 Edinburgh | 14 Perth |
| 07 Glenochil | 15 Polmont |
| 08 Grampian | 16 Shotts |



APPENDIX 2

ORGANISATIONAL STRUCTURE

OFFICE OF THE CHIEF EXECUTIVE		
<ul style="list-style-type: none"> • Audit and Assurance • Legal Services • Financial Policy & Services • Communications and branding • Executive Secretariat • Digital Services 		
CHIEF EXECUTIVE		
DIRECTORATE OF STRATEGY AND STAKEHOLDER ENGAGEMENT	DIRECTORATE OF OPERATIONS	DIRECTORATE OF CORPORATE SERVICES
<ul style="list-style-type: none"> • Policy and Strategy • Offender Outcomes and Services • Health and Wellbeing • Research • Stakeholder Engagement • Corporate Planning and Performance • Women’s Strategy Team • Young Peoples Strategy 	<ul style="list-style-type: none"> • Governors in Charge of Operational Delivery (Prisons and YOI) • Public Protection • Prison Services and Contracts • Operational Planning and Policy • Performance and Improvement 	<ul style="list-style-type: none"> • Human Resource Management • Organisational Development • Procurement Policy and Services • Estates and Technical Services • SPS College

APPENDIX 3

AVERAGE DAILY POPULATION AND MAXIMUM NUMBER BY ESTABLISHMENT 2021-22

	Average Population			Maximum Population		
	Male	Female	Total	Male	Female	Total
Establishment						
Adults						
Addiewell	707	-	707	726	1	726
Barlinnie	1,215	-	1,215	1,273	1	1,273
Cornton Vale	-	54	54	1	66	66
Dumfries	186	-	186	195	-	195
Edinburgh	797	71	868	826	83	900
Glenochil	717	-	717	750	-	750
Grampian	399	31	430	418	39	458
Greenock	142	48	190	148	56	202
Inverness	110	-	110	122	1	122
Kilmarnock	532	-	532	552	1	552
Low Moss	835	-	835	882	-	882
Open Estate	137	-	137	159	-	159
Perth	647	-	647	676	-	676
Polmont	73	69	142	81	77	155
Shotts	542	-	542	547	-	547
Young Adults						
Cornton Vale	-	2	2	1	4	4
Grampian	-	1	1	2	3	3
Polmont	184	5	189	203	7	208
Total	7,223	283	7,505	7,346	308	7,634

Source: Data are based on the Scottish Prison Service PR2 information management system archived aggregate tables. Figures published prior to 2012-13 were from datasets managed by Scottish Government Justice Analytical Services, but it has not been possible to replicate this analysis since 2011-12 due to on-going technical issues. The most notable difference between the two data sources is that the figures shown in this annual report do not include prisoners classified as unlawfully at large.

Notes:

1. Components may not add to totals due to rounding.
2. The figures in these columns cannot be added to produce a total maximum number as the individual establishment figures relate to different days during the year.

APPENDIX 4

AVERAGE DAILY POPULATION IN ESTABLISHMENT BY TYPE OF CUSTODY 2021-22

		2020-21	%age increase/decrease	
Remand: Sub Total		2,109	1,788	17.95%
Persons under sentence: Sub Total				
	Under four years	2,212	2,326	-4.90%
	Four Years and over (including life sentence and lifer recalls)	3,184	3,224	-1.24%
	Total	7,505	7,338	2.28%

Source: Data are based on the Scottish Prison Service PR2 information management system archived aggregate tables. Figures published in annual reports prior to 2012-13 were based on datasets managed by Scottish Government Justice Analytical Services, but it has not been possible to replicate this analysis since 2011-12 due to on-going technical issues. The most notable difference between the two data sources is that the figures shown in this annual report do not include prisoners classified as unlawfully at large. The classification of long-term determinate prisoners recalled from licence is also different between the two data sources: these are classified as long-termers in the Scottish Government statistics as they are still subject to parole procedures. On PR2, these prisoners will be classified as short-termers if the recalculated sentence on recall is less than four years.

Notes: Components may not add to totals due to rounding. Remand figures include a small number of persons awaiting deportation as these are classified as untried on PR2. The way the data are held on the PR2 aggregate tables does not allow an accurate breakdown by sentence and age.

APPENDIX 5

ABSCONDS AND FAILURES TO RETURN 2021-22

Absconds and Failures to Return – 2021-22								
		Barlinnie	Cornton Vale	Grampian	Greenock	Open Estate	Polmont	Total
Abscond		0	0	0	0	1	0	1
Failure to Return		0	0	0	0	5	0	5

APPENDIX 6

BREACHES OF DISCIPLINE AND OUTCOME IN PENAL ESTABLISHMENTS BY SEX AND AGE 2021-22

Average Daily Population	7,039	275	184	8	7,223	283	7,505
Breach of Discipline	Male Adults	Female Adults	Male YA's	Female YA's	Total Males	Total Females	Number of Cases
Possessing an unauthorised/prohibited article/quantity of an article	5,063	156	172	3	5,235	159	5,394
Breaches on using an authorised Mobile phone in a prison setting	1,713	119	218	1	1,931	120	2,051
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;	502	18	22	0	524	18	542
disobeys any lawful order;	2,753	101	144	3	2,897	104	3,001
using threatening/abusive/insulting words or behaviour	2,083	135	77	7	2,160	142	2,302
Consuming / taking /injecting /inhaling or concealing an unauthorised or prohibited article	1,792	35	5	0	1,797	35	1,832
fighters with any person;	1,892	48	420	0	2,312	48	2,360
destroys or damages property	1,525	63	249	0	1,774	63	1,837
Intentionally or recklessly endangering the health or personal safety of others	2,951	82	468	1	3,419	83	3,502
Assault	1,472	87	374	1	1,846	88	1,934

Unauthorised absence or presence in any part of the establishment	171	2	13	0	184	2	186
Disobeying a rule or direction	345	24	13	0	358	24	382
intentionally refusing to work or failing to work properly	68	2	7	0	75	2	77
sale or delivery of an article allowed only for prisoners own use	175	13	15	0	190	13	203
takes improperly any article	82	5	4	0	86	5	91
intentionally obstructs any person, other than a prisoner, in the performance of that person's work at the prison;	174	9	10	0	184	9	193
Smoking in an area where smoking is not permitted	5	0	3	0	8	0	8
commits any indecent or obscene act;	71	3	2	0	73	3	76
Arson	26	0	18	0	44	0	44
disrespectful to any officer, worker or visitor	52	5	0	0	52	5	57
Failing to return from temporary release or comply with a condition of such release	9	4	0	0	9	4	13
fails, without reasonable excuse, to open his or her mouth for the purpose of enabling a visual examination	4	0	0	0	4	0	4
detains any person against his or her will;	4	0	0	0	4	0	4
escapes or absconds from prison or from legal custody;	2	0	0	0	2	0	2
attempts/incites/assists another prisoner to commit or attempt to commit, any of the above	184	11	30	1	214	12	226
Total:	23,118	922	2,264	17	25,382	939	26,321

Punishments Awarded	Male Adults	Female Adult	Male YA's	Female YA's	Total Males	Total Females	Number of Cases
Forfeiture of privileges	20,970	436	1,510	5	22,480	441	22,921
Stoppage or deduction from earnings or other cash	20,921	385	1,568	5	22,489	390	22,879
Caution	1,755	123	214	2	1,969	125	2,094
Confinement to Cell	2,250	81	125	0	2,375	81	2,456
Forfeiture of other entitlements	627	9	16	0	643	9	652
Total:	46,523	1,034	3,433	12	49,956	1,046	51,002
Breaches of discipline per head of average prison population	3	3	12	2	4	3	4

Source: Data are derived from the Scottish Prison Service PR2 information management system archived aggregate tables.

Notes: It is possible for more than one punishment to be awarded for one breach of discipline, and conversely one punishment may be given for several breaches of discipline. Components may not add to total due to rounding. Changes to prison rules were implemented during 2012, headings may therefore differ slightly from previous years. Headings have been reordered and some have been combined in the interests of clarity.

APPENDIX 7

STAFF IN POST

As at 31 March 2022 there were 4,589 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 2022	Total	Full Time	Part Time	Full Time Equivalent (FTE)	Disabled (Self Declared)
Female	1,629	1,389	240	1,535	121
Male	2,960	2,567	393	2,761	247

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

SPS Board – This table reflects the gender spilt for SPS Board Members as at 31/03/2021.

As at March 2022	Chief Executive	Directors	Non - Executive Directors	Total
Female	1	2	4	7
Male	0	2	2	4

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 2022	16 - 24	25 - 34	35 - 44	45 - 54	55 - 64	Over 65	Total
Female	113	593	404	327	178	14	1,629
Male	101	573	526	731	952	77	2,960

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 2021	
Ethnicity	Total
Asian Other	<5
Black African	<5
Black Caribbean	<5
Black Other	<5
British African	<5
British Asian Other	<5
British Pakistani	<5
Indian	<5
Mixed Other	<5
Mixed White and Asian	<5
Not Advised	2,590
Other Ethnic Group	<5
Pakistani	<5
Prefer not to Disclose	357
Scottish Pakistani	<5
White	450
White English	84
White Gypsy Traveller	<5
White Irish	9
White Northern Irish	12
White Other	13
White Polish	<5
White Scottish	1,042
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 01/04/2021 to 31/03/2022.

As at March 2022	16 - 24	25 - 34	35 - 44	45 - 54	55 - 64	Over 65	Total
Female	10	30	15	15	24	4	98
Male	11	34	30	26	113	32	246

Recruitment

Recruitment - This table details the gender split, ethnic group, disability declarations and non-full time employments types for all employees who have joined the organisation in the 12 month period 01/04/2021 to 31/03/2022.

Appointments 2021 - 2022	Male	Female	Ethnic Minority Group		Disabled (Self Declared)	Part Time / Job Share
412	216	196	Mixed Other	<5	1	18
			Not Advised	374		
			Prefer not to Disclose	<5		
			White	7		
			White English	<5		
			White Other	<5		
			White Polish	<5		
			White Scottish	24		

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 01/04/2021 to 31/03/2022.

As at March 2021	16 - 24	25 - 34	35 - 44	45 - 54	55 - 64	Total
Female	56	83	34	22	1	196
Male	50	92	44	20	10	216

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 fair and open competition.

Temporary Appointments	Re-appointment of Formal Civil Servants	Secondments
2	4	2

There were no exceptions in the following Categories:

- Support for government employment programmes
- Highly specialist skills
- Interchange with Northern Ireland Civil Service
- Transfer of staff from other public bodies
- Transfers of organisations into the Civil Service – non-TUPE
- Transfers of organisations into the 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 employments types for all employees who were promoted within the organisation in the 12 month period 01/04/2021 to 31/03/2022.

The following personnel were promoted:

Promoted 2021 - 2022	Male	Female	Ethnic Minority Group		Disabled (Self Declared)	Part Time / Job Share
202	102	100	Mixed Other	<5	6	7
			Not Advised	121		
			Prefer not to disclose	13		
			White	20		
			White English	<5		
			White Other	<5		
			White Polish	<5		
			White Scottish	43		

APPENDIX 8

PARLIAMENTARY ACCOUNTABILITY 2021-22

Category of Response	No. Received	No. of Replies issued within 15* working days	No. of Replies issued out with target date
MSP's Letters for Ministerial Reply	0	0	0
MSP's Letters for Chief Executive Reply	104	97	7
Total (2021-22)	104	97 (93%)	7 (7%)
Total (2020-21)	135	94 (70%)	41 (30%)

*Since April 2020 due to the COVID-19 pandemic it was agreed that the timescale for replies to be issued for Ministerial Correspondence would be 20 working days instead of 15 days (as per 2020-21).

Scottish Parliamentary Questions

Year	Total	Ministerial Replies	Chief Executive's Replies
Year ended 31 March 2022	43	3	40
Year ended 31 March 2021	87	9	78

APPENDIX 9a

KEY PERFORMANCE INDICATORS*

		2021-22	2020-21	2019-20
KPI1a	Extreme Risk Escapes	-	-	-
KPI1b	Escapes at other supervision level	-	-	-
KPI2a	Serious Prisoner on Staff Assaults **	9	8	12 (12)
KPI2b	Minor & No Injury Prisoner on Staff Assaults **	323	290	358 (401)
KPI2c	Serious Prisoner on Prisoner Assaults **	108	67	112 (125)
KPI2d	Minor & No Injury Prisoner on Prisoner Assaults **	1,723	1,388	2,892 (3,629)
KPI 3a	Purposeful Activity Hours	3,967,795	3,410,103	6,082,903
KPI 3b	Average Purposeful activity Hours per week per Convicted prisoner	17	14	19
KPI4a	% of education classes spent delivering literacy skills	35.0%	35.8%	38.3%
KPI4b	% of education classes spent delivering numeracy skills	26.2%	27.9%	24.5%
KPI5a	Vocational & Employment Related Qualifications	12,327	6,411	24,569
KPI5b	Vocational & Employment Related Qualifications at SCQF level 5 or above	234	143	1,526
KPI6	Employability Prospects Increased	-	-	-
KPI7	Reduced Substance Abuse***	-	-	-
KPI8	% of ICM Case Conferences with CJSW in attendance	93.6%	91.0%	88.1%
KPI9	Average Annual Cost Per Prisoner Place****	£41,858	£39,350	38,213
KPI10	Reducing Carbon Emissions*****	-	-	-

* An explanation of Operational Performance Indicators is shown at Appendix 9b.

** The data in brackets would have been reported if the SPS had not changed the definition of the KPI Assaults from 1 October 2019. This change was agreed by the EMG, and the Cabinet Secretary is aware of the change in definition. The new figures are recorded by the number of incidents and not by the numbers of people involved, unless it is a serious assault, where it is clearly defined, then it will be reported as more than 1. Also, perpetrator has to be found Guilty in Orderly Room, and/or incident reported to Police.

*** Annual Prevalence Testing did not take place in 2019-20 or 2020-21.

**** The average cost per prisoner place excludes capital charges, exceptional payments and the cost of the Court Custody and Prisoner Escort Contract. SPS publishes cost and performance information on the latter separately on its website.

***** A separate report is published on our website.

APPENDIX gb

Key Outcomes	KPI	Definition	Related National Outcomes	Related National Indicators
SPS maintains secure custody and good order				
We live our lives safe from crime, disorder and danger.	1. Escapes	a) Extreme risk. b) All other supervision levels. c) Absconds. d) Incidents of failure to return.		Reduce re-conviction rates
Our public services are high quality, continually improving, efficient and responsive to local people's needs.	2. Assaults	a) Serious prisoner on staff assaults. b) Serious prisoner on prisoner assaults. c) Other prisoner on staff assaults. d) Other prisoner on prisoner assaults.		Reduce re-conviction rates
SPS cares for prisoners with humanity and offers them appropriate opportunities				
We live our lives safe from crime, disorder and danger.	3. Purposeful Activity Hours	Any supervised and/or structured activity that contributes to reducing re-offending.	We realise our full economic potential with more and better employment opportunities for our people. We are better educated, more skilled and successful, renowned for our research and innovation.	Reduce reconviction rates. Improve levels of Educational attainment. Increase Physical Activity
Our public services are high quality, continually improving, efficient and responsive to local people's needs.	4. Increase in Literacy and Numeracy	a) The percentage of prisoner learning hours delivered with a primary aim of developing literacy skills. b) The percentage of prisoner learning hours delivered with a primary aim of developing numeracy skills.	Our young people are successful learners, confident individuals, effective contributors and responsible citizens. We live longer, healthier lives. We have improved the life chances for children, young people and families at risk.	Reduce reconviction rates. Improve levels of Educational attainment.
SPS maintains secure custody and good order				
We live our lives safe from crime, disorder and danger.	5. Vocational qualifications	a) Number of vocational and employment-related qualifications. b) Number of vocational and employment-related qualifications at SCQF level 5 or above.	We realise our full economic potential with more and better employment opportunities for our people.	Reduce reconviction rates. Improve levels of Educational attainment. Improving the skill profile of the population.
Our public services are high quality, continually improving, efficient and responsive to local people's needs	6. Increase in employability	The percentage of prisoners accessing JobCentre Plus' pre-release service who move into employment, education or training within 13 weeks of release.	We are better educated, more skilled and successful, renowned for our research and innovation.	Reduce reconviction rates. Improving the skill profile of the population.
	7. Reduced or stabilised drug misuse	The number of prisoners testing positive on entry compared with the number testing positive on exit.	Our young people are successful learners, confident individuals, effective contributors and responsible citizens.	Reduce reconviction rates. Reducing the number of individuals with problem drug use.
	8. Integrated Case Management case conferences with social work contributions	The percentage of case conferences held for prisoners to be released to Scotland where the community Criminal Justice Social Worker attended.	We live longer, healthier lives. We have improved the life chances for children, young people and families at risk.	Reduce reconviction rates. Reducing crime victimisation rates.
SPS offers value for money to the taxpayer				
Our public services are high quality, continually improving, efficient and responsive to local people's needs.	9. Average annual cost per prisoner place			Improve people's perceptions of the quality of public services.
We value and enjoy our built and natural environment and protect it and enhance it for future generations.	10. Reducing Carbon Emissions	From 2010, a 20% reduction in carbon emissions by 2015 with anticipated savings over the 5 year plan equating to 45,335 tonnes of CO2, and £8.1m.	We reduce the local and global environmental impact of our consumption and production.	Reduce Scotland's Carbon Footprint. Reduce waste generated.

APPENDIX 10

NATIONAL PERFORMANCE FRAMEWORK

National Policy Framework with SPS Strategic Themes and Outcomes

NATIONAL OUTCOMES		We live in communities that are inclusive, empowered, resilient and safe			We respect, protect and fulfil human rights and live free from discrimination				
NATIONAL STRATEGY - JUSTICE IN SCOTLAND: VISION AND PRIORITIES	VISION	A safe, just and resilient Scotland.							
	OUTCOMES	We live in safe, cohesive and resilient communities.		Prevention and early intervention improve wellbeing and life chances.		Our systems and interventions are proportionate, fair and effective.		We deliver person-centred, modern and affordable public services.	
	PRIORITIES	We will enable our communities to be safe and supportive, where individuals exercise their rights and responsibilities.	We will enable our people, economy and infrastructure to respond to major risk, recover from emergencies and adapt to emerging threats.	We will modernise civil and criminal law and the justice system to meet the needs of people in Scotland in the 21st Century.	We will work with others to improve health and wellbeing in justice settings, focusing on mental health and substance use.	We will work to quickly identify offenders and ensure responses are proportionate, just, effective and promote rehabilitation.	We will improve the experience of victims and witnesses, minimising court attendance and supporting them to give best evidence.	We will use prison only where necessary to address offending or to protect public safety, focusing on recovery and reintegration.	
SPS		VISION							
		Help build a safer Scotland – Unlocking Potential – Transforming Lives.							
		MISSION							
		Providing services that help to transform the lives of people in our care so that they can fulfil their potential and become responsible citizens.							
STRATEGIC THEME	DEVELOPMENT	ENGAGEMENT	IMPACT	STANDARDS	COLLABORATION				
STRATEGIC OUTCOME	We will have the right people, with the right skills, in the right place, at the right time.	Everyone has a voice and contributes meaningfully to our corporate improvement journey.	Our services are efficient, effective and provide value for money.	Our prisons are safe, healthy and positive places in which to work.	Growing and strengthening our stakeholder and partner networks and relationships to achieve better outcomes for those in and leaving our care.				

APPENDIX 11

COURT CUSTODY AND PRISONER ESCORT SERVICE

	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec -21	Jan-22	Feb-22	Mar-22	2021-22 Total	2020-21 Total
Geoamey														
Number of Court Arrivals	3,873	4,006	4,024	4,038	4,434	4,352	4,079	4,380	4,054	4,141	4,113	4,620	50,114	44,544
% arrived on time	86.9	86.5	84.8	78.38	71.85	68.5	68.82	70.59	66.38	71.09	70.41	69.52	74.5	89.9
Non Court Escorts	639	796	1,025	1,063	1,115	1,073	957	1,074	1,138	958	1,157	1,262	12,257	9,744
Court Cell Areas Operated	847	876	943	929	940	934	882	941	899	845*	909*	1,034*	10,979	8,214
Court Docks Staffed	1,825	1,885	2,081	1,964	2,085	2,206	1,938	1,911	1,852	1,894*	2,136*	2,492*	24,269	14,776
Number of Prisoners Unlawfully at Large	1	0	0	0	0	0	0	1	1	0	0*	0*	3	2
Total Secure Journeys	2,332	2,452	2,578	2,629	2,756	2,662	2,501	2,613	2,358	2,429	2,395*	2,703*	30,408	23,532
Total Community Journeys	38	256	428	478	508	465	446	344	311	348	407*	517*	4,546	844

*Still subject to contractual ratification