

Wednesday 18th September 2024 at 10.30 am

Enterprise House, Stirling

		<i>Papers</i>	<i>Purpose</i>	<i>Owner</i>
1.1	<b>AOB</b>			
1.2	<b>Apologies</b>			
2.	<b>Declarations of Interest</b>			
3.	<b>Updates</b>			
4.	<b>Minutes/Committees</b>			
4.1	<b>Minute of Last Meeting</b>	Attached		
4.2	<b>Workplan/Action Log</b>	Attached		
4.3	<b>Matters Arising</b>			
4.4	<b>Audit &amp; Risk Committee</b> Draft Minute of Meeting	Attached	Approval	
	<b>Reports</b>			
5.	<b>Chief Executive's Report</b>	Attached	Noting	NH
5.1	<b>SCRA Framework Agreement</b>	Attached	Approval	AH
6.	<b>SCRA Agile Working Policy - update</b>	Attached	Noting	SD
7.	<b>Organisational Performance Report (OPR)</b>	Attached	Approval	DL
8.	<b>Budget Monitoring Report</b>	Attached	Noting	RMack
9.	<b>Financial Strategy</b>	Attached	Approval	RMack
10.	<b>Annual Accounts 2023-24 &amp; Management</b> <b>Representation Letter</b>	Attached	Approval	RMack
11.	<b>SCRA Annual Report</b>	Attached	Noting	LB
12.	<b>Annual Procurement Report</b>	Attached	Noting	RMack
13.	<b>Sustainability – Energy Efficiency Review</b>	Attached	Approval	RMack
14.	<b>SCRA Programme Update Report</b>	Attached	Noting	LB
15.	<b>New Risks</b>			
16.	<b>Proposed 2024 Board/Committee Dates</b>	Attached	Approval	PA
	<b>Date of Next Meeting: Wednesday 18th</b> December 2024, Ochil House, Stirling			



Scottish Children's Reporter Administration  
Minute of SCRA Board Meeting held on  
Wednesday 24<sup>th</sup> June 2024  
By MS Teams

**Present:**

Cathie Cowan (Chair)  
Kay Barton  
Lorraine Moore  
Hazel Smith  
Suzie Vestri  
Becca Fairless (Board Apprentice)

**In Attendance:**

Neil Hunter (Principal Reporter/Chief Executive)  
Ross Mackenzie (Acting Head of Finance & Resources)  
Helen Etchells (Senior Operational Manager, North and West Scotland)  
Susan Deery (Head of Human Resources)  
Lisa Bennett (Head of Strategy & OD)  
Helen Etchells (Senior Operational Manager, North and West Scotland)  
Paul Mulvanny (Senior Operational Manager, East and Central Scotland)  
Donald Lamb (Data Manager) Item 6  
Sarah Wood (Inclusion & Diversity Manager) Item 10  
Stephen Eodanable (Information Governance Manager) Item 12  
Pamela Armstrong (Governance Officer)

		Timescale	Action
1.1	<b>AOB</b> None		
2.	<b>Apologies</b> Jim Edgar, Audit and Risk Committee Chair and Board Member Ying Zhang, Board Member Steve Renwick, Board Member Alistair Hogg, Head of Practice and Policy Monica Sweeny UNISON Branch Secretary		
3.	<b>Declarations of Interest</b> None		
4.	<b>Minutes/Committees</b>		
4.1	<b>Draft Minute of the meeting held on 20th March 2024</b> Agreed as an accurate record.  <b>Board Workplan/Action Plan</b> Reviewed and agreed.		

		<b>Timescale</b>	<b>Action</b>
	<p><b>Matters Arising</b> Covered within this agenda.</p>		
<b>4.2</b>	<b>Audit &amp; Risk Committee</b>		
<b>4.2.1</b>	<p><b>Draft Minute of Meeting held on 23rd May 2024</b> Kay Barton, Audit and Risk Committee and Board Member, updated the Board in the following areas:</p> <ul style="list-style-type: none"> <li>• Audit &amp; Risk Committee Annual Report 2023/24</li> <li>• Quality Assurance &amp; Performance                             <ul style="list-style-type: none"> <li>○ Appeals not opposed by Reporter</li> <li>○ Progress Report</li> </ul> </li> <li>• External Audit                             <ul style="list-style-type: none"> <li>○ Annual Accounts 2023/24</li> <li>○ Section 22 Reports</li> <li>○ General Update</li> </ul> </li> <li>• Internal Audit                             <ul style="list-style-type: none"> <li>○ Locality Quality Improvement</li> <li>○ Financial Planning</li> <li>○ Follow up Report</li> <li>○ Annual Report 2023/24</li> </ul> </li> <li>• Strategic and Operational Risk Registers</li> </ul>		
<b>4.2.2</b>	<p><b>Audit &amp; Risk Committee Annual Report</b> Kay Barton, Audit and Risk Committee and Board Member introduced the report, the purpose of which was to summarise the work undertaken by SCRA's Audit and Risk Committee in 2023/24 and to support preparation of the Governance Statement.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• The purpose of this report is to inform the Board of the work undertaken by SCRA's Audit and Risk Committee in 2023/24 and to support preparation of the Governance Statement.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The Board thanked the Audit and Risk Committee for the work undertaken over the course of the year noting the extensive work undertaken by this Committee.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the Audit and Risk Committee Annual Report for 2023/24.</li> </ul>		

		Timescale	Action
<b>Reports</b>			
<b>5.</b>	<p><b>Chief Executive’s Report</b>                      The Principal Reporter/Chief Executive spoke to the update report which detailed a wide range of activity across the organisation.</p> <p><b>Noted:</b>                      Updates were given in the following areas:</p> <ul style="list-style-type: none"> <li>• Staff Partnership</li> <li>• Scottish Government Liaison</li> <li>• Staff Survey 2023 - progress against action plan</li> <li>• Strategic Partnerships</li> <li>• Our Hearing Our Voice launch Articulate Animation</li> <li>• Review of the Role of the Childrens Reporter</li> <li>• Public Finance and Public Service Reform</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The operational landscape of SCRA has changed over the last 10 to 15 years. The work of the Children's Reporter has developed and evolved. The degree of complexity of court work, evidence, and referrals that SCRA receives has changed.</li> <li>• Outstanding RAAC surveys continue on both SCRA and leased properties, it was noted to date no significant issues had been highlighted.</li> </ul>		
<b>6.</b>	<p><b>OPR &amp; introduction to official statistics</b>                      The Data Manager introduced the report. The report uses a balanced scorecard approach, which attributes measures within the organisation into four quadrants; three aligned to the aims within SCRA’s business plan: Care; Connect; and Protect and another quadrant around recovery or exceptions. This provides a concise report, which enables a fuller focus on the key areas of performance throughout SCRA. Continuing feedback from the Board will be used to inform future development.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• As part of the locality planning for 2023/24, operational targets have been re-introduced. These targets have been set by localities and are then profiled to provide an overall organisational target which SCRA has worked to in 2023/24. It's worth noting that the targets</li> </ul>		

		<b>Timescale</b>	<b>Action</b>
	<p>are stretch targets, and it may therefore take time for localities to be able to operate to the levels they have set over a longer timescale.</p> <ul style="list-style-type: none"> <li>• Short term absence has remained within the target with seven localities and Head office within the 2% long term absence target.</li> <li>• The Business Plan section has been updated to include progress to the end of March. Of the 27 objectives, 24 are complete with none of the remaining three showing a risk to non-delivery.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• Demographics, age of the workforce and gender has an impact on long term absence rates. A more detailed report on absence will be presented at the December Board.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the Fourth Quarter Organisational Performance Report 2023/24: (1 January to 31 March 2024).</li> </ul>	<b>Dec 24</b>	<b>SD</b>
<b>7.</b>	<p><b>SCRA Programme Update Report</b></p> <p>The Head of Strategy &amp; OD introduced the report, updating the Board on the recommendations of the Hearings System Working Group and the implementation planning.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• Governance and Oversight <ul style="list-style-type: none"> <li>○ Approvals and Reporting</li> <li>○ Gateway Review</li> </ul> </li> <li>• Programme Updates <ul style="list-style-type: none"> <li>○ Programme Protect</li> <li>○ Care Programme</li> <li>○ Hearings Re-Design</li> </ul> </li> <li>• Change Readiness <ul style="list-style-type: none"> <li>○ Change and Transition Planning</li> <li>○ Communication</li> </ul> </li> </ul> <p>The Board Chair thanked the Head of Strategy &amp; OD for a comprehensive report, providing assurance on both internal and external issues, including the outcome of the Gateway Review process.</p>		
<b>8.</b>	<b>2023/24 Draft Budget Outturn</b>		

		<b>Timescale</b>	<b>Action</b>
	<p>The Acting Head of Finance &amp; Resources introduced the report, providing a summary of SCRA’s unaudited financial position for year to March 2024.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• The report provides information in the following areas. <ul style="list-style-type: none"> <li>○ Revenue</li> <li>○ Efficiencies</li> <li>○ Property and Digital Programmes</li> </ul> </li> <li>• The overall accruals-based revenue underspend is principally due to staff vacancies because of the approved ‘freeze’ on recruitment. SCRA has achieved its 2023/24 efficiency target. The capital underspend is proposed to be retained to support funding completion of the Glenrothes project in 2024/25.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• Scottish Government has confidence in SCRA’s ability to manage within its capital and revenue budget allocations. The Board also noted that EMT is clear about the obstacles that could contribute to an underspend. In this regard the priority for 2024/25 is to maintain frontline staffing levels.</li> <li>• The Grant in Aid letter issued by Scottish Government, provides clear assurance in terms of the criticality of SCRA’s work to the Government’s policy ambitions. Board members noted that the Grant in Aid letter had been received confirming revenue budget of £32.85m.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve allocation of the capital underspend of £230k to support completion of Glenrothes and potentially other 2023/24 projects concluding in 2024/25.</li> </ul>		
<p><b>9.</b></p>	<p><b>Property Strategy</b></p> <p>The Acting Head of Finance &amp; Resources introduced the report, providing the Board with an update on the work carried out over the last year along with the actions that are planned for the current financial year.</p> <p><b>Noted:</b></p>		

		<b>Timescale</b>	<b>Action</b>
	<ul style="list-style-type: none"> <li>• The Strategy set out reflects the main factors that will drive the development of SCRA's estate and how it contributes to its organisational strategy and plans. Uncertainty remains whilst the outcome of Sherriff Mackie's recommendations is considered by the Government, the outcome of which will shape SCRA's strategic direction in relation to property utilisation, including with partners.</li> <li>• Over the last few years, SCRA has implemented plans that support a more flexible and agile organisational response. This has been supported by a new core IT system, improved mobile technology and an agile working policy to underpin a smart way of working approach. SCRA to date has created several modern flexible offices with more proposed. As these changes to workstyles and workplaces become the norm it is expected that our overall requirement for space will continue to reduce over time.</li> <li>• SCRA planned activity for 2024/25 builds on the work of providing greater flexibility within the estate and contributes to the Board's corporate objectives. Properties, and the services SCRA deliver from them, need to be increasingly flexible, resilient, sustainable, and able to demonstrate value for money.</li> <li>• Provision of property continues to be aligned with the Board's corporate objectives and SCRA's values of being Supportive, Child centred, Respectful and Accountable. However, some uncertainty remains around how the estate and property provision will support the wider changes to the hearing system under consideration, the inclusion of 16/17 year olds and whether these factors will lead to greater use of SCRA buildings.</li> <li>• Property provision remains an area where the Scottish Government intends to maximise best value and sustainability considerations with several policy changes to be included within the Scottish Public Finance Manual. A government property improvement programme titled the "Single Scottish Estate" is now in place and will influence SCRA policy commitments and how future business cases are determined when leases expire, or replacement premises are proposed.</li> </ul>		

		Timescale	Action
	<ul style="list-style-type: none"> <li>• There are a number of variables that will influence the strategic direction for property provision. The usage of hearing centres presented in Appendix E is based on CSAS data and provides information to assist decision making where a significant investment in property is anticipated. Some hearing centres are known to be low use locations and the ability to quantify this going forward will allow this to be reflected in future resource planning.</li> <li>• Sustainability and SCRA’s objective to reaching Net Zero is expected with an emphasis on increasing strategic priorities that will impact on how we deliver services and how property contributes to that objective.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The single Scottish Estate Programme is a government wide programme which looks at rationalising the Scottish Government estate, with a focus on office accommodation. Glenrothes is an example where there is a two-storey building, where SCRA only utilises one floor, allowing for the opportunity to work with partners as a contribution to achieving the single Scottish Estate Programme.</li> <li>• A gradual approach to sustainability, including the move to electric heating will be undertaken.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the strategy for property provision.</li> </ul>		
<p><b>10.</b></p>	<p><b>Inclusion and Diversity Annual Report</b>            The Inclusion &amp; Diversity Manager introduced the report, covering the following:</p> <ul style="list-style-type: none"> <li>• Legislative Duties</li> <li>• Key Activity 2023/2024</li> <li>• Equality Outcomes 2024/2027</li> <li>• Proposed Inclusion and Diversity Priorities 2024/2025</li> <li>• Conclusion and Recommendations</li> </ul> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• SCRA published it's <u>Mainstreaming Report for 23-24</u> on 31<sup>st</sup> March 2024. The report sets out how SCRA is meeting, and will continue to meet, both our general and specific duties. The Report also provides an update on SCRA's</li> </ul>		



		Timescale	Action
	<p>achievements and progress in relation to the equality, diversity and inclusion part of our Rights, Inclusion &amp; Corporate Parenting Strategy 2021/24 and highlights how SCRA continues to embed equality, diversity, and inclusion in everything we do.</p> <ul style="list-style-type: none"> <li>• Compliance with the Equality Act 2010, and specifically our Public Sector Specific Duties, has continued to be a significant focus.</li> <li>• SCRA continues to focus on embedding and mainstreaming equality, diversity, and inclusion in localities working practice including service delivery.</li> <li>• Throughout 2022/24, SCRA developed a new Inclusive Standards and Behaviours Framework (ISBF). The Framework sits alongside our Management Standards and other existing policies, such as SCRA’s Code of Conduct and Dignity at Work Policy - all of which are intended to better illustrate and describe the values and behaviours we expect staff to uphold and demonstrate at work. Further implementation of the Inclusive Standards &amp; Behaviours Framework will continue throughout 2024/25 and will inform SCRA’s review of recruitment, supervision, succession planning and talent management and learning and development.</li> <li>• SCRA undertook specific research into digital exclusion so that we can fully understand the impact on children and families and have included these in our Equality Outcomes 2024/2027. A specific outcome around poverty and digital inclusion will ensure this remains a strategic priority in the EDI work in SCRA, particularly in relation to age, disability, and sex in recognition that there are differences in digital knowledge, experience and skill across those specific protected characteristics.</li> <li>• SCRA’s Trauma Training Programme, which is aligned to the National Trauma Training Framework, has been delivered at all SCRA localities. Further training will be rolled out across SCRA, based on a plan developed by our internal trainers.</li> <li>• Consultation and engagement on SCRA’s Equality Outcomes 2024/2027 began in summer 2023, with consultation taking place with the workforce, partner agencies, children</li> </ul>		

		<b>Timescale</b>	<b>Action</b>
	<p>and the public between November 2023 and March 2024. SCRA has aligned its new Equality Outcomes 2024/2027 with our corporate planning cycle.</p> <ul style="list-style-type: none"> <li>• SCRA’s Inclusion and Diversity Steering Group has set another impactful programme of work for the forthcoming year, with a focus on achieving real and tangible improvements to enable SCRA to encourage good practice.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• SCRA has a positive recent history of promoting women into managerial positions and senior appointments. The challenge is how we how we shape the organisation across all roles to address the reported gender gap. The Chair acknowledged the extensive work underway and asked that a risk assessment of the gender pay gap be considered by the EMT.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the Inclusion and Diversity Annual Report and associated programme of work.</li> </ul>	<p><b>Sep 24</b></p>	<p><b>SD/SW</b></p>
<p><b>11.</b></p>	<p><b>Communications Plan - Update</b>                      The PR/CE introduced the report on behalf of the Press and Communications Manager, recommending the Board note internal and external communications activity over the past 12 months.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• Open and transparent internal communications is a key part of our strategy.</li> <li>• The Team Brief continues to be published on a regular basis and keeps staff connected with updates from PR/CEO Neil Hunter on important topics like the Staff Survey and Keeping the Promise.</li> <li>• Throughout the year, SCRA continues to promote key dates/campaigns including World Mental Health Day, Black History Month, Stress Awareness Month and Pride Month with information available on Connect about how to get involved, as well as events and resources.</li> <li>• Social media forms a key part of SCRA’s Communications and Engagement Strategy, and we currently use the following platforms to engage with our external audiences: Twitter,</li> </ul>		

		Timescale	Action
	<p>Facebook, Instagram, LinkedIn. SCRA continues to utilise these various platforms to highlight key messages and information, using visuals, cartoons, animations, and GIFS to give posts more prominence.</p> <ul style="list-style-type: none"> <li>• SCRA’s Press and Communications Team continues to host and maintain several partnership websites, including the Children’s Hearings Improvement Partnership, Our Hearings, Our Voice, Hearings Advocacy, Stand Up for Siblings, My Corporate Parents, the Youth Justice Improvement Board, the Glasgow Promise website, and Bairns’ Hoose.</li> <li>• Engaging in a meaningful way with Hearings - care experienced children and young people continue to play a key role in our strategy and approach.</li> <li>• In October 2023, SCRA launched a new pilot initiative aimed at encouraging children and young people to provide feedback and make it easier to complain.</li> <li>• In 2024 SCRA celebrated it’s fifth year of working in partnership with Dolly Parton’s Imagination Library. The programme started in 2019 and has been rolled out annually to all Hearing centres.</li> </ul>		
<p><b>12.</b></p>	<p><b>Annual Complaints Report</b></p> <p>The Head Information Governance Manager introduced the report on the review of complaints 2023/24. The report focused on the following:</p> <ul style="list-style-type: none"> <li>• Number and sources of complaints requiring further investigation in 2023/24</li> <li>• Localities and number of complaints</li> <li>• Types of complaints</li> <li>• Complaint resolution</li> <li>• Lessons learned and actions</li> </ul> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• SCRA’s Complaints Handling Procedure has been in place since 2011 and follows the Model Complaints Handling Procedures (MCHP) provided by the Scottish Public Services Ombudsman (SPSO), which was most recently updated in January 2020.</li> <li>• An internal audit of SCRA’s complaints process was carried out in February and March 2021. This found a moderate level of assurance and</li> </ul>		

		Timescale	Action
	<p>made seven recommendations: complaints process; complaints logging; complaints sign off; independent review of complaint and finding; complaints' root cause; and lessons learned. All these recommendations have been implemented.</p> <ul style="list-style-type: none"> <li>• SCRA worked with Deaf Scotland in 2022 to ensure that the complaints process is as accessible as possible for people who are deaf or hard of hearing. SCRA introduced a British Sign Language (BSL) video on our website that outlines the complaints process and provides details on how to make a complaint.</li> <li>• A collaborative pilot between CHS and SCRA was launched in October 2023, to improve the accessibility of both organisations' feedback and complaint processes for children and young people.</li> <li>• SCRA did not receive any direct complaints from children and young people in 2023/24. No complaints were received last year from children and young people either, which is largely in keeping with previous years.</li> <li>• Following a multi-year project of consultation, which included the SCRA, the SPSO published new <u>Child Friendly Complaints Handling Process Guidance</u>. This new guidance aims to ensure that children's rights under the UNCRC are met throughout the complaints process and that their concerns are handled in a way that will meet their individual needs. The guidance was published on 30 May 2024, and will now be implemented by SCRA. The impact of the new guidance will be reflected on within the interim 6-month complaints report that goes to EMT in October 2024.</li> </ul>		
13.	<p><b>Influencing Report 01 June 2023 to 01 June 2024</b></p> <p>The PR/CE introduced the Influencing Report outlining the key areas where SCRA has been able to be influential and apply its professional expertise, data, and research to inform and respond to issues at a national level.</p> <p><b>Noted:</b> Updates were provided in the following areas:</p> <ul style="list-style-type: none"> <li>• Legislation and Parliamentary Work</li> <li>• Consultation Responses and Evidence</li> </ul>		

		Timescale	Action
	<ul style="list-style-type: none"> <li>• Current partnership &amp; collaborative work</li> <li>• Research</li> <li>• Additional Work</li> <li>• Other Influencing Work &amp; Training</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The breadth and scope of work in the policy domain was highlighted, and assurance was provided on SCRA’s approach including workload to inform policy and influencing. It was noted that the Head of Practice and Policy and Public Affairs Manager, review workload in the context of the wider Practice and Policy team, considering aspects such as leverage and applying expertise to inform policy development. The National Care Service consultation response was used to illustrate SCRA’s input.</li> <li>• Recent CELSIS research, commissioned by Scottish Ministers, made clear there are some fundamental difficulties within the children’s services workforce in terms of recruitment, resources and leadership.</li> <li>• A lot of progress has been made in relation to disclosure of offence referrals that have established grounds accepted. The disclosure provisions also lead to the development of a Commissioner who will have the overall responsibility for deciding when information is or is not disclosable. SCRA supported this development within the disclosure legislation.</li> <li>• Progress is being made notably around Article 12 -on practice direction and how to embed UNCRC into SCRA’s work. This includes looking at grounds and how we specify grounds to the children’s hearing. This work includes looking at terminology, how grounds are described and the impact on children’s rights, children’s rights to thrive, children’s rights to safety, and children’s rights to a whole range of UNCRC articles and provisions.</li> </ul>		
<b>14.</b>	<b>Risk</b>		
<b>14.1</b>	<p><b>Strategic &amp; Operational Risk Registers</b></p> <p>The Acting Head of Finance &amp; Resources introduced the report, providing an update to the Board on the Strategic and Operational Risk Registers.</p>		

		Timescale	Action
	<p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• The Risk Registers were last reviewed by the Audit and Risk Committee at its May 2024 meeting and the Board at its December 2023 meeting.</li> <li>• Following a light touch review SCRA's revised Risk Management Policy was approved by the Board at its meeting in March 2023. The Board has responsibility for the system of internal control and risk management within SCRA. The Risk Management Policy will next be reviewed by the Audit and Risk Committee in February 2025 and any changes reported to the March 2025 Board for approval. The Board charges the Audit and Risk Committee with overseeing the operation of the system of internal control and for ensuring robust risk management arrangements within SCRA, including reviewing the Strategic and Operational Risk Registers six monthly.</li> <li>• The Strategic and Operational Risk Registers are kept under review by the Executive Management Team (EMT) and the Locality Risk Registers are kept under review by Locality Management Teams (LMTs) and the Planning and Performance Network (PPN).</li> <li>• The risk register format includes an assessment of inherent, residual and target risk to demonstrate the impact of existing control mechanisms and to link the agreed risk appetite.</li> <li>• The risks across both registers focus on the ongoing challenges in the delivery of a safe and effective service with the focus on capacity, resources, and information governance. In this context it is important the Audit &amp; Risk Committee and the Board keep risk appetite under review.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The cyber security risk and outstanding actions were discussed. The Head of Digital advised the team had worked through priorities and outstanding actions all of which had been assessed as a lower priority. A new Security Manager is now in post and as a priority will create a plan for the forthcoming year. SCRA also put in place a new cyber security strategy</li> </ul>		

		<b>Timescale</b>	<b>Action</b>
	<p>and appointed a new creditor in the last year.</p> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>To approve the Strategic and Operational Risk Registers.</li> </ul>		
<b>14.2</b>	<p><b>New Risks</b></p> <p>While no new risks were identified, further consideration will be given to the Gender Pay Gap issue.</p>		
	<p><b>Date of Next Meeting:</b></p> <p>Wednesday 18th September 2024, location to be confirmed.</p>		

## Board Action Log as at June 2024

<b>Meeting/Item</b>	<b>Action</b>	<b>Timescale</b>	<b>Owner</b>	<b>Comments</b>	<b>Status</b>
<b>Jan 24</b> <b>Overview of Policies Annual Report</b>	To include in the report if impact assessments have been completed against individual policies.	Dec 24	PA		Not yet due
<b>June 2024</b> <b>SCRA Gender Pay Gap</b>	A risk assessment of the gender pay gap be considered by the EMT.	Sept 24	SD	EMT have considered this and a verbal update will be given at Board 18 September 2024	
<b>June 2024</b> <b>OPR</b>	Demographics, age of the workforce and gender has an impact on long term absence rates. A more detailed report on absence will be presented at the December Board.	Dec 2024	SD		Not yet due



## SCRA Board Meeting Workplan September 2024

Business Item	Wed 19/06/24	Wed 18/09/24	Wed 18/12/24	Tues 14/01/25	Tues 25/03/25
<b>Strategic/Corporate</b>					
Policy & Influencing Report	✓				
Research Programme			✓		
Risk Register	✓		✓		
<b>Governance</b>					
Audit Committee Minutes	✓	✓	✓		✓
Committee Annual Reports	✓				
Remuneration & Nominations Committee Minutes			✓		
SCRA Standing Orders Review			✓		
<b>Finance</b>					
Budget Monitoring Report	✓	✓	✓	✓	✓
Draft Budget			✓		✓
Annual Report & Accounts		✓			
Financial Strategy		✓			
<b>Planning</b>					
Draft Corporate, Corporate Parenting & Business Plan			✓		✓ (BP)
Draft Annual Report		✓			
Annual Workforce Planning Report					✓
Communications Plan	✓				
<b>Performance</b>					
Organisational Performance Report	✓	✓	✓		✓
<b>Operational</b>					
Locality Performance Reviews			✓		
Chief Executive's Report	✓	✓	✓		✓
Complaints Review	✓				
Equality, Diversity and Inclusion Annual Report	✓				
Environmental Annual Report					✓
Overview of Policies Annual Report			✓		
Health & Safety Annual Report					✓
Procurement Report		✓			

<b>Business Item</b>	<b>Wed 19/06/24</b>	<b>Wed 18/09/24</b>	<b>Wed 18/12/24</b>	<b>Tues 14/01/25</b>	<b>Tues 25/03/25</b>
Property Strategy	✓				
Climate Change works		✓			
Programme Board update	✓	✓	✓		✓
Staff Survey					✓
Role of the Reporter (TBC)					
Agile Policy		✓			
SCRA Framework Document		✓			
SCRA Whistleblowing Policy (next review Dec 2024)			✓		



**Scottish Children's Reporter Administration**  
**Minute of Audit & Risk Committee held on**  
**Thursday 22nd August 2024,**  
**At Bell Street, Glasgow**

**Present:**

Jim Edgar Committee Chair  
 Kay Barton, By TEAMS  
 Ying Zhang, By TEAMS

**In Attendance:**

Neil Hunter	Principal Reporter/Chief Executive
Alistair Hogg	Head of Practice & Policy,
Ross Mackenzie	Acting Head of Finance & Resources,
Lisa Bennett	Head of Strategy/OD
Paul Mulvanny	Senior Operational Manager
Lindsey MacFadyen	Quality Assurance Manager, Item 8
Cathie Cowan	Board Chair
Becca Fairless	Board Apprentice
Pamela Armstrong	Governance Officer – Minutes

**Internal Auditors – BDO**

Gemma Macleod– By TEAMS

**External Auditors – Audit Scotland**

Asif Haseeb  
 Sean Cowan

	<b>Item</b>	<b>Timescale</b>	<b>Action</b>
1.	<p><b>AOB</b></p> <p>The head of Finance and Resources provided an update on outstanding Internal Audit actions.</p> <p>Sustainability 2020/21, Consumption Data Capture.</p> <ul style="list-style-type: none"> <li>Evidence has been submitted to BDO, containing consumption trackers with up to 3 years' worth of data, for both gas and electricity, and have identified trends within each office and between different offices based on usage per square meter floor space, seeking further investigation into outliers for Business Development and Improvement Team to look at with individual localities. There was no formal budget monitoring report to August EMT but the high-level forecast spend includes utility spend forecasts based in part on this data. Recommend complete.</li> </ul> <p>Learning and Development 2021/22, Supervision</p>		



	Item	Timescale	Action
3.	<b>Declarations of Interest</b> There were no declarations of interest.		
4.	<b>Minute of Previous Meeting: 23rd May 2024</b> The minute was agreed as an accurate record, subject to amendments of dates of future Committee meetings.  <b>Action Log &amp; Work plan</b> The action log and work plan were reviewed and approved by the Committee.	<b>Immediate</b>	<b>PA</b>
5.	<b>Matters Arising</b> SCRA Financial Position <ul style="list-style-type: none"> <li>The financial situation remains particularly challenging and SCRA along with all other public bodies are asked to review spend and where possible find further efficiencies or savings. SCRA's position on unfunded pressures remains unchanged.</li> </ul>		
6.	<b>External Audit</b>		
6.1	<b>Covering report and draft Annual Report 2023-24</b> The Head of Strategy & OD introduced the report, covering the period 1 April 2023 to 31 March 2024.  <b>Noted:</b> <ul style="list-style-type: none"> <li>The Annual Report will be published at 10am on Thursday 31<sup>st</sup> October 2024 and will be available on SCRA's website (<a href="http://www.scra.gov.uk">www.scra.gov.uk</a>).</li> <li>This date has been agreed with our Sponsor Branch at the Scottish Government and will be formally laid in the Scottish Parliament on the afternoon of Wednesday 30<sup>th</sup> October 2024.</li> </ul> <b>Issues arising during discussion:</b> <ul style="list-style-type: none"> <li>The rationale for the PR/CE's reflection on the current financial situation was discussed by the Committee, who are strongly in agreement with the strong wording and sentiment of the forward.</li> <li>A glossary of acronyms and terms would be helpful and will be considered for future reports.</li> <li>The Committee expressed some further</li> </ul>	<b>Aug 25</b>  <b>Nov 24</b>	<b>LB</b>  <b>LB</b>

	Item	Timescale	Action
	<p>thoughts on formatting, particularly the use of duplicate images, which will be discussed with the Communications Team.</p> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>To approve in principle, the arrangements for the publication of SCRA's Annual Report 2023/24, pending feedback from the Scottish Government Sponsor Team and Board Members.</li> </ul>		
6.2	<p><b>2023/24 Auditor's Covering Letter, Proposed Independent Auditor's Report, Letter of Representation (ISA 580) and Annual Audit Report</b></p> <p>Sean Cowan and Asif Haseeb, Audit Scotland, both spoke to the 2023/24 Auditor's Covering Letter, Proposed Independent Auditor's Report, Letter of Representation (ISA 580) and Annual Audit Report.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>Audit opinions on the annual report and accounts are unmodified. The financial statements and related reports are free from material misstatement.</li> <li>The audited part of the remuneration and staff report, performance report and governance statement were all consistent with the financial statements and properly prepared in accordance with the relevant legislation and directions made by Scottish Ministers.</li> <li>SCRA has effective and appropriate arrangements in place to continue to deliver services.</li> <li>SCRA operated within its revised Departmental Expenditure Limits for 2023/24.</li> <li>SCRA has a 5-year strategic financial plan. This includes a number of significant financial risks which will require close monitoring and review going forward.</li> <li>SCRA has appropriate arrangements in place to secure Best Value.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>SCRA has amended the financial statements, recognising the pension asset of £4.3m as at 31 March 2024. There is a large degree of subjectivity in the measurement and valuation of the pension fund liability. The valuation is</li> </ul>		

	Item	Timescale	Action
	<p>based on specialist assumptions and estimates and changes can result in material changes to the valuation.</p> <ul style="list-style-type: none"> <li>• SCRA applied the cost model approach to determine the current value of the Right of Use Asset Valuation (RoUA) lease portfolio and amended the financial statements accordingly. SCRA held land and buildings with a net book value (NBV) of £5.3 million and right of use assets with a NBV of £5.7m as at 31 March 2024. There is a large degree of subjectivity in the valuation of land and buildings and right of use assets. Valuations are based on specialist and management assumptions and estimates, and changes in these can result in material changes to valuations.</li> <li>• Submission of WGA 23/24 has been significantly hampered by extensive system unavailability and a lack of responsiveness from the UK WGA team to address queries.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the 2023/24 Auditor's Covering Letter, Proposed Independent Auditor's Report, Letter of Representation (ISA 580) and Annual Audit Report.</li> <li>• To make progress towards meeting the submission deadline of 13<sup>th</sup> September 2024, for the SCRA 2023/24 annual accounts, for Whole Government Accounts (WGA).</li> </ul>	<p><b>Sep 24</b></p>	<p><b>RMack</b></p>
<p><b>6.3</b></p>	<p><b>Covering report and Draft 2023/24 Annual Accounts</b></p> <p>The Acting Head of Finance and Resources introduced the report advising the Committee, Audit Scotland has completed the audit of the SCRA's 2023/24 accounts and is in the process of submitting a draft independent auditor's report to the Accountable Officer. The auditor is issuing a draft audit opinion on the financial statements and on the regularity of the financial transactions.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• Issues arising from the Accounts. <ul style="list-style-type: none"> <li>○ Revenue Grant in Aid and Reserves</li> <li>○ Pensions</li> <li>○ General Fund</li> <li>○ Right of Use Assets</li> <li>○ Audit Scotland's Annual Audit Report</li> </ul> </li> </ul>		

	Item	Timescale	Action
	<p>(AAR)</p> <ul style="list-style-type: none"> <li>• Audit opinion and Letter of Representation (ISA 580)</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• The Committee Chair advised he is not aware of any fraudulent activity within SCRA.</li> <li>• Audit Scotland were asked to expand on what improvements could be made to the performance report. The Committee were assured the current report complies with all FReM requirements, however, there is scope to make the report more inviting to potential readers. The report should be shorter, with less focus on future plans. This will be considered further when the new Quality and Performance Manager is in post.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the 2023/24 accounts for presentation to the Board.</li> <li>• To approve the Letter of Representation (ISA 580) for presentation to the Board.</li> <li>• An update on the draft performance report 2024/25 to be provided at the February 25 Committee meeting.</li> </ul>	<p><b>Feb 25</b></p>	<p><b>LB/RMacK</b></p>
<p><b>7.</b></p>	<p><b>Information Governance, Six Monthly Report</b></p> <p>The Head of Practice &amp; Policy introduced the report, providing the Committee with an update on SCRA's Data Protection compliance, data breaches reported to the Information Commissioner's Office (ICO), training, and requests for information between 1<sup>st</sup> January 2024 and 30th June 2024.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• Work Completed <ul style="list-style-type: none"> <li>○ Use of Objective Connect for low-risk administration</li> <li>○ Restricted Cases on CSAS</li> </ul> </li> <li>• Outstanding Activities <ul style="list-style-type: none"> <li>○ MoU regulating the appointment of Safeguarders</li> <li>○ Deletion of duplicate contact records</li> <li>○ Breach Reporting Form Improvements</li> <li>○ New Breach Prevention Training</li> <li>○ Change of Address Notification</li> </ul> </li> <li>• Breaches of Personal data</li> </ul>		



	Item	Timescale	Action
	<ul style="list-style-type: none"> <li>○ Breach numbers.</li> <li>○ Breach categories.</li> <li>○ Non-disclosure breaches.</li> <li>○ Trends in data breach numbers.</li> <li>○ ICO investigations.</li> <li>○ Data Protection related complaints.</li> <li>● Information Requests                             <ul style="list-style-type: none"> <li>○ GDPR - subject access requests.</li> <li>○ Freedom of Information (Scotland) Act 2002 (FOISA) requests.</li> <li>○ PVG Requests.</li> </ul> </li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>● The Committee Chair requested that the Committee are kept up to date on alternative solutions to Objective Connect (end to end secure encryption software service).</li> <li>● The Committee were assured that a “near miss”, where no unauthorised or accidental disclosure, access to, alteration, destruction or loss of access to the data occurs, while presenting a low risk, is still treated as a breach.</li> </ul>		
<b>8.</b>	<b>Quality Assurance and Performance</b>		
<b>8.1</b>	<p><b>Reporter’s assessment on participation rights in Hearings</b></p> <p>The Quality Assurance Manager introduced the findings of the case sampling exercise on the reporter’s assessment of an individual’s rights to participate in a children’s hearing. The Head of Practice and Policy provided the management response.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>● The focus of the exercise was to assess the practice and process around the reporter’s conclusion about whether an individual meets the statutory criteria to be given participation rights in a children’s hearing, and where a person is given these rights, to review the information the individual was given in respect of the hearing.</li> <li>● Whilst the findings from this exercise clearly highlight several areas where improvement is needed, the context for this is highly relevant. This includes the low provision and inconsistent quality of information from Local authorities providing the specific information</li> </ul>		

	Item	Timescale	Action
	<p>which the reporter requires to reach a conclusion. Whilst there are many asks of social workers in terms of the information they provide to the reporter, they have a statutory obligation to consider sibling contact for every child in their care, not only those coming to a hearing. This information should therefore be part of every assessment and care plan and not something that only the reporter requires.</p> <ul style="list-style-type: none"> <li>• The context for these findings also includes implementation of legislation during a holiday period, with training delivered online due to ongoing restrictions, during a time of recovery across the organisation. This exercise highlights the need to re-deliver this training</li> <li>• The areas for improvement identified by this exercise could be addressed through refresher training for reporters delivered locally, improving the process for recording decisions, and ensuring that all practice and process guidance and direction is clear and complete.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>• It is important to consider that not all improvements can be made by SCRA only but involve input from several partners within the wider system. It is important to get national and local agreement about this critical aspect of children's rights.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve the management action plan.</li> </ul>		
8.2	<p><b>Update on 2024/25 Case Sampling Programme</b> The Quality Assurance Manager introduced the 2024/25 case sampling programme update.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• Following consultation with the Head of Practice and Policy, the Practice &amp; Quality network; the Practice Manager and Programme and Project Managers for Programme Protect, the proposal is for an exercise to be undertaken on: - The reporter's duties under Article 12 of the United Nations Convention on the Rights of the Child (UNCRC).</li> <li>• UNCRC was incorporated into Scottish law through the UNCRC (Incorporation) (Scotland)</li> </ul>		

	Item	Timescale	Action
	<p>Act 2024, the main provisions of which came into force on 16<sup>th</sup> July of this year. Many of the UNCRC rights relevant to the operation of the children’s hearing system are already reflected in the legislative basis for the reporter’s role and in SCRA’s practice. However, Article 12 places specific obligations on the reporter which bring about significant changes to practice, the primary one of those being the child’s right to give a view about what decision the reporter should make.</p> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>• To approve an exercise on the UNCRC Article 12 rights of the child to provide views about the reporter’s decision as the final exercise for the 2024/25 case sampling programme</li> </ul>		
<b>9.</b>	<b>Internal Audit</b>		
<b>9.1</b>	<p><b>Risk Management</b> Gemma MacLeod, BDO, introduced the Risk Management Internal Audit Report</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>• The purpose of this review is to provide the Audit &amp; Risk Committee with a level of assurance around the current arrangements and provide management with advice and recommendations for improving the arrangements further. The deliverables include an internal audit report and a populated risk management maturity model, to demonstrate to management in detail the maturity status and actions which can be taken to further develop the risk management processes.</li> <li>• The audit identified three findings, one of medium significance and two of low significance. <ul style="list-style-type: none"> <li>○ Findings related to the provision of regular risk management training,</li> <li>○ the documentation of reporting frequencies,</li> <li>○ an outdated link to Government guidance on the intranet.</li> </ul> </li> <li>• The audit also identified significant areas of good practice within risk management, including a thorough policy with clear criteria for scoring risks and an established risk appetite, the use of detailed risk registers</li> </ul>		

	Item	Timescale	Action
	<p>which contain all expected areas, and thorough reporting taking place.</p> <ul style="list-style-type: none"> <li>Overall, the Internal Auditors provided moderate assurance over the design and substantial assurance over the effectiveness of the controls in relation to the risk management processes in place within SCRA.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>Further discussion and consideration are required around the level of detail and frequency of risk management reporting to the Committee.</li> </ul> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>To approve the Risk Management internal audit report and management response.</li> <li>To consult with the Board on the Risk Management policy, and Board Member learning programme, including appropriate risk management training, after the February meeting of the Committee.</li> </ul>	<p>Nov 24</p> <p>Feb 25</p>	<p>All</p> <p>All</p>
<p>10.</p>	<p><b>PENSIONS UPDATE</b></p> <p>The Head of Finance and Resources introduced the report, which is a summary of key items discussed at the Falkirk Council Pensions Fund (FCPF) Pensions Committee/Pensions Board meetings held on 14 March and 27 June 2024.</p> <p><b>Noted:</b></p> <ul style="list-style-type: none"> <li>Details of the following items were included within the report.</li> <li>Pensions Committee/Pensions Board: March 2024 <ul style="list-style-type: none"> <li>Annual Audit Plan proposed by Audit Scotland for in relation to the audit of the Pension Fund Annual Report and Accounts for 2023/24.</li> <li>Governance Policy and Compliance Statement.</li> <li>Statement of Investment Principles and Statement of Responsible Investment Principles.</li> <li>FCPF's investment strategy.</li> <li>Funding Strategy Statement.</li> <li>Valuation of the Fund at 31 March 2023.</li> <li>General governance matters.</li> <li>Training Policy.</li> </ul> </li> </ul>		

	Item	Timescale	Action
	<ul style="list-style-type: none"> <li>○ Investment market developments.</li> <li>○ Engagement and voting activity.</li> <li>○ Risk Management Policy.</li> <li>○ Joint Investment Forum.</li> <li>● Pensions Committee/Pensions Board: June 2024,               <ul style="list-style-type: none"> <li>○ Board/Committee membership.</li> <li>○ Annual Report and Accounts 2023/24 of FCPF.</li> <li>○ Fund Annual Governance Statement.</li> <li>○ Fund’s arrangements for risk management, governance and control for the year to 31 March 2024.</li> <li>○ Internal Audit plan for 2024/25.</li> <li>○ Communications Policy.</li> <li>○ General governance matters.</li> <li>○ Investment market developments.</li> <li>○ Engagement and voting activity.</li> <li>○ Joint Investment Forum.</li> </ul> </li> <li>● The Finance Manager will continue to prepare regular reports on pensions matters to the Audit and Risk Committee. The Finance Manager and Head of Human Resources prepare reports on significant changes to LGPS Regulations when these occur and discuss developments with the JNCC.</li> </ul> <p><b>Issues arising during discussion:</b></p> <ul style="list-style-type: none"> <li>● At the end of March 2023, the pension fund was in surplus and the interim valuation at the end of March 24 shows that a surplus exists.</li> </ul>		
	<b>Standing Items</b>		
11.	<b>Topical/Regulatory Issues/Governance Issues</b> None		
12.	<b>New Risks</b> While no new risks were identified, the recurring risk around staff pay and continuing budget issues was discussed.		
	<b>Date of Next Meeting:</b> Dates of Next Meetings: Thursday 21 <sup>st</sup> November 2024 Tuesday 25 <sup>th</sup> February 2025		

Due to network and connectivity issues, it was agreed that the private meeting with Auditors and the self-assessment discussion will be moved to the November meeting of the Committee.

DRAFT



SCOTTISH  
**CHILDREN'S REPORTER**  
ADMINISTRATION

**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION**  
**Chief Executives Report**

**Accountable Director:** Neil Hunter **Date:** 18 September 2024

**Recommendation:**  
1. To note the Chief Executives Report

<b>Reason for Report</b>	At Board request									
<b>Resource Implications</b>	None									
<b>Strategy</b>	Not applicable									
<b>Equalities Duties</b>	Indicate whether an Equalities and Human Rights Impact assessment (HRIA) is required and has been completed. Describe in the body of the report any issues/findings/adjustments that have been made. <table><tr><td>Equalities Required/Completed</td><td>Impact</td><td>Assessment</td></tr><tr><td><input type="checkbox"/></td><td>Yes</td><td></td></tr><tr><td><input checked="" type="checkbox"/></td><td>No</td><td></td></tr></table>	Equalities Required/Completed	Impact	Assessment	<input type="checkbox"/>	Yes		<input checked="" type="checkbox"/>	No	
Equalities Required/Completed	Impact	Assessment								
<input type="checkbox"/>	Yes									
<input checked="" type="checkbox"/>	No									
<b>Consultation</b>	Issues/action points:- Executive Management Team									
<b>Document Classification</b>	Open									

## 1. National Partnership Forum

- 1.1 The National Partnership Forum will meet on 8<sup>th</sup> October. The last meeting of the Forum was held on 3 June and reported to the Board at its meeting on 19 June.

## 2. Scottish Government Liaison

- 2.1 We had our routine accountability meeting with SG officials on 27 August 2024. Key areas of discussion were:-

- System operation and resilience – highlighting issues relating to long term absence and subsequent management of this
- Practice and Legislation – focussing on need to clarify Childrens (Scotland) (Care and Justice) Act 2024 (CCJA) timetable and resource commitment
- CH redesign planning/progress/timelines – noting the progress of the consultation process to 28 October 2024
- Finance
  - Spend controls – focus on recent Cabinet Secretary communication, SCRA's response (see below) and any issues and risks
  - 25/26 planning – noting the mood music for 25/25 budget
- Quarterly Organisational Performance/Monthly Overview Reports – advising that SCRA intends to establish a Planning and Performance Sub Committee of the Board
- Annual report – highlighting a slight change in tone of the PR/CE's introduction
- Risk – recommitting SG and SCRA to a joint approach to managing risks

## 3. SCRA's response to balancing the 2024/25 Scottish Government budget and the fiscal brake

- 3.1 SCRA EMT have now adopted the proportionate and tiered approach in response to the Cabinet Secretary's letter of 23 August. The detail of the approach has been shared with Board members for offline approval – but is shown again at **appendix A**. This has also been shared with SG sponsor team colleagues. Details of the 2024/25 SCRA budget position are shown agenda item 8 and further details on draw down and management of anticipated movement in the budget discussions described at paragraph 3.8 of that report in line with the Cabinet Secretary's letter.

## 4. EMT meetings in Locality Teams

- 4.1 In response to the 2023 staff survey which raised issues about EMT visibility and connectedness (although within an improving trajectory) the senior team meetings have been moving between Localities for a few months now. So far we have based our meetings in Dundee (Tayside and Fife), Kilmarnock (Ayrshire), Glasgow, Paisley (North Strathclyde) and in October will be in Aberdeen (Grampian). In addition EMT were also present at the Board Development Day in April which was hosted in Edinburgh (South East Locality) and which included



## Agenda item 5 SCRA (September 2024)

a round table with staff. The events have been very mutually helpful for both staff and the senior team. We have made a commitment to keep this programme of work going across the next period in order to ensure good coverage. Key themes to emerge so far have been:-

- Worries, concerns and opportunities on the successful implementation of the Childrens (Care and Justice) (Scotland) Act 2024. Whilst the vast majority welcome the huge vote of confidence in the Childrens Hearings System that the Act entails and the step forward towards UNCRC compliance, there were significant issues raised.
- The particular concerns which SCRA staff have are the state of preparedness of all services (including our own) for higher volume, more complex referrals of children, the range of needs faced by these children, specifically in relation to offence referrals with more serious sexual and violent elements and the ability of local services to effectively provide necessary support as to keep these children (and the wider community safe) with efficacious interventions of sufficient intensity and sustainability.
- Understanding the current programmes of change within SCRA and how people can best contribute to them. We are in the midst of significant planning or and delivery of change – how we assess referrals, how we communicate with children, how we engage children and families in our decision making, how we schedule hearings in a more child centred, trauma informed way, how we organise our proceedings at court. Just about every aspect of how we work is going to be subject to some aspect of change and improvement. Ultimately this will lead SCRA to have an entirely revised operating model with the subsequent impact on our roles, responsibilities, ways of working.
- Many of our staff are feeling, not unsurprisingly, overwhelmed by all of this. As our programme and project staff begin to ramp up calls for engagement, surveys and staff find it difficult to know how to best and most meaningfully engage. SCRA staff recognised the efforts of the project team to calibrate and target communications and there was a positive discussion about how our approach is and will evolve.
- With approaching 3 years of external reviews, working groups, government responses, consultation there is a high level of external uncertainty which needs to be brought to a conclusion with reasonable rapidity. A sense of insecurity about the future has begun to reemerge after strenuous efforts over 2023/24 to reassure staff on the future direction of travel of the Hearing System as a whole and SCRA specifically within it.
- Staff felt very positive about their teams, the nature and meaning of their work. There is undoubted great loyalty in SCRA to the Childrens Hearings System and the work of the Childrens Reporter. Staff has seen generally positive changes across the organisation in recent years – including new investment in technology and office accommodation and hearing centres.

- Support for staff undertaking highly complex and distressing investigative work, decision making and court. This has a number of different levels – training, coaching, mentoring and ‘team around the Reporter’ type approaches as well as access to increased external supports for issues linked to vicarious trauma
- Increased use of temporary contacts in SCRA – by those directly affected by these contractual arrangements as well as colleagues. Discussion focussed on EMT plans to make further progress on temporary working as the financial picture for 2025/26 becomes clearer and the Care and Justice Act investment crystallises.
- A huge appetite for learning, professional development and training across SCRA staff – but a corresponding frustration about time, capacity and competing demands on all of our roles which limit people's ability to take up opportunities.

## 5. Strategic Partnerships

### 5.1 Youth Justice Improvement Board

5.1.1 The YJIB met on 10 September. YJIB is responsible for oversight and delivery of Scotland's [Youth Justice Vision and Priorities](#). SCRA leads and chairs national work on priority 2 – delivering a ‘Whole System Approach (WSA)’. The PR/CE co-chairs the national group (with Social Work Scotland) on overseeing delivery on this work. Two detailed surveys have recently been undertaken to examine the health of WSA and its preventative focus – Early and Effective Intervention (EEI). There were a number of clear findings which will now be assembled into a compact series of actions for YJIB's approval in December:-

- Resources, skills of staff and finances are common issues that serve as barriers to WSA and correspondingly to delivery of the new Childrens (Care and Justice) (Scotland) Act 2024 (CCJA)
- There is uncertainty over how CCJA will impact upon delivery of supports to 16/17s. All local authorities require training re: CCJA with numbers ranging from 7 to 200+ staff
- Care and Risk Management<sup>1</sup> (CARM) is incorporated into Child Protection Procedures within 2/3<sup>rd</sup> of LA areas
- Value and scale of role played third sector was highlighted in responses re: alternative to secure/custody, in intensive supports and in preventative services
- Most LA areas reported issues of increased ‘anti social behaviour’ however these were reported as relatively low level incidences, in contrast to recent public and political reporting
- A range of imminent changes or developments were planned within most LA areas over the coming year. This included development of specialist services, Reimaging Justice, and Youth Courts.
- EEI is mainly co-ordinated by Police, with Police main referrer

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<sup>1</sup> Care and Risk Management is a structured approach to the management of children and young people with very complex needs and/or who are at risk of causing significant harm to themselves and/or others. It was integrated into Scotland revised Child Protection Procedures in 2021

- Most areas employ a multi -agency Screening Group approach, with Social Work, Education and Police Scotland representing the core of this. Child/ family not invited and views are rarely being sought
- EEI is not universally available to 16 and 17 year olds across Scotland
- Overall lack of family/ child participation in the process, appears information not consistently provided to child or family in vast majority of cases, with only one area clearly requesting consent to discuss child at forum. Child friendly resources explaining EEI are lacking
- Process is not adequately rights respecting: children are not involved in any meaningful way and families are not informed
- Data: varies what is collected and what it is used for, some areas collecting and unclear how it is used, some using it well
- Inconsistency in terms of which offences / behaviours can be dealt with by EEI

## **5.2 Childrens Hearings Improvement Partnership (CHIP)**

5.2.1 The CHIP met on 27 June. The main focus was the imminent launch of the Childrens Hearing System Redesign Consultation, the work of the [Language Leaders](#) – which aims to transform how we talk to children and young people before, during and after Hearings. SCRA is working to the principles and intent of the Language Leaders work and incorporating it across all aspects of our communication with children, young people and their families.

## **5.3 Bairns Hoose – Children in Conflict with the law**

5.3.1 SCRA was asked to chair a short life working group to examine the inclusion criteria for children over the age of criminal responsibility an who are in conflict with the law/involved in harmful behaviour. A [final report](#) has now been approved by the National Bairns Hoose Governance Group. The recommendations in summary are:

- Children who are in conflict with the law and/or who have caused harm are inevitably children likely to have been harmed and experienced trauma, abuse, exploitation, neglect or violence themselves
- Excluding such children who are over the age of criminal responsibility is not consistent with Scotland’s welfare based approach nor the underpinning and long established Kilbrandon ethos which identifies primacy the primacy of children’s needs over their deeds
- Nonetheless the Bairns Hoose developments in Scotland represent a relatively small and specialist tier 3/4 resource.
- As such the vast majority children in conflict with the law and/or causing harm are unlikely to need this specialised resource. Those that do can be well managed into Bairns Hoose by the agreed gateway of inter-agency Initial Referral Discussions (IRD)
- The integrity and sense of safety for all children of Bairns Hoose must be preserved – this can be achieved by careful planning at the individual child level

- Scotland's approach to keeping children in conflict with the law in police custody is overwhelmingly seen as unsatisfactory – not least by the Police themselves. We need to borrow from the Bairns Hoose model to ensure that it is safe, trauma informed and offer an early opportunity to provide support to children in conflict with the law.

5.3.2 These proposals will now be taken forward by a national working group, under the auspices of the YJIB on reforming how we treat children who have been arrested and are held in police custody.

## **6. Ensuring SCRA becomes a trauma informed organisation**

### **6.1 Developing our own in house training capacity**

6.1.1 Five members of SCRA staff have attended the NHS Education Scotland (NES) Train the Trainer course with 4 of the trainers completing their training by delivering the Transforming Connections training within SCRA, with the support of NES Trainer, Kim Bradie.

6.1.2 The Team of Trainers worked with NES to adapt the Transforming Connections training for SCRA and the approach to co-deliver with NES has been welcomed by staff with very positive feedback about the blend of NES input.

### **6.2 Transforming Connections Training**

6.2.1 Our Learning Officer has been working with Localities to roll out the Transforming Connections training for all Locality staff and has agreed a programme of dates between September 2024 and May 2025 for the delivery of Locality based face to face training. In addition, open courses will be offered for all Head Office staff, or they will have the option of attending Locality events where there are available spaces.

### **6.3 Manager Training**

6.3.1 All SCRA Managers and Leaders have been asked to attend the NES Scottish Trauma Informed Leaders Training (STILT) webinar in recognition of their key role in leading trauma informed change. This programme will support the development of their knowledge, skills, and confidence to lead trauma-informed change.

6.3.2 In early 2025, the intention is to come back together at a manager's event, to discuss and reflect on the STILT webinars, consider what further supports are required for teams and identify systems, practices and policies which would support trauma informed change in SCRA.

### **6.4 Holding the Reflective Space**

6.4.1 NES are developing a half-day session for SCRA to look at holding a reflective space for colleagues with a trauma informed lens, to facilitate the

discussion, containment and support around trauma responsive practice and consider the impact of working with trauma. The session will include the exploration of reflective models and combining these with knowledge and skills around trauma.

- 6.4.2 This session has been offered to Managers and Senior Practitioners who are involved in the ongoing coaching, supervision, and support of staff as part of the implementation of trauma responsive practice within the organisation. Further consideration will be given to extending this training to other SCRA managers after the events held in September and October.

## **6.5 Further training**

- 6.5.1 Further consideration is being given to the next stage of the Trauma Training Programme with a particular focus on:

- Trauma Enhance training for Reporter staff
- Multi-agency and inter professional models of training that add to and supplement SCRA programmes
- Pace of delivery in a collaborative way with partners

- 6.5.2 Leadership in the trauma programme – specific development opportunities aimed at managers and senior managers across the health/social care/justice domains

## Appendix A

### Support to balance the 2024-25 budget and to reduce pressures on the 2025-26 budget - SCRA's approach

#### Background and context to the approach

As is evident SCRA has many of the proposed controls already in place – both internally (overseen by EMT) or as part of ongoing arrangements with SG. As an organisation with an £8.5m deficit, which requires discretionary year on year support from SG as our starting point we need to be proportionate. In doing so SCRA will deploy a risk management informed approach to our decision making. SCRA supports an approach at Government and at individual body level which is holistic and avoids unintended consequences in relation to our overall policy direction and priorities and unravelling progress we have individually and collectively made.. Taking the wrong short term decisions risks fragmenting and undermining the overall gains we seek in relation to the Promise, Hearings for Children, System redesign as well as wider policy aspirations to eliminate child poverty and inequality which SCRA wholly supports and to which the Hearing System makes a significant contribution to for those children most in risk and in need.

We also need to ensure that, despite the current public sector financial crisis Ministers and Officials need to continue to focus on SCRA's decade long and accumulating deficit. Our Corporate Plan's underpinning focus is **efficiency, effectiveness and quality** and is in complete alignment with Public Sector Reform expectations. Our Programme Structure is established to deliver this over the period. We have a track record of delivery of shared services (HR/Finance and Digital) and reducing non-operational corporate functions to an appropriate level (our UKG and SG Benchmarking exercise will give us further comparators and insights when it eventually reports). Above all we must protect front line child facing posts at all costs. We have spent 2 years recovering from the impact of our last recruitment freeze at all sorts of levels – staff morale/workload and industrial relations – to go backwards would in itself be a waste of time and valuable resources. In this direction my proposals are as follows:-

#### 1. Provisions in the Cabinet Secretary's letter

##### a. Continue to ensure that discretionary spend is tightly controlled.

Already well established and in place at EMT and LMT level, with regular reporting to the SCRA Board in budget monitoring reports – 2024/25 projections are showing underspends and we have no tradition of ‘spending up or spending out’, other than when non-recurring opportunities arise (best example recently is using revenue to refit audio visual equipment to hearing rooms across Scotland) to ensure direct and necessary benefit to children, families and (in this specific instance) their Article 12 participation rights and quality of experience

**b. For spend over £1 million continue to adhere (where appropriate) to the AO spend control process**

We have no single spends of £1m currently planned in 24/25

**c. Robust local procedures are in place to challenge spend below this level to ensure it is essential.**

In place via EMT and LMT as budget leads and Business Partners (HR and Finance). Captured in routine reporting to SCRA Board and clearly demarcated in our existing Scheme of Delegated Authority arrangements

**d. Where underspends emerge or opportunities to reprioritise are identified these must be used to support the wider financial position rather than be repurposed for new work.**

Well embedded via Finance Accountability meeting with SG and monthly finance and draw down returns to SG. Agreement has already been reached to this point on accurate draw downs and year end revenue projections. This is in line with the agreed approach in our GIA letter from DCAF Director.

**e. Implement further controls on marketing spend and discretionary spending including pausing external recruitment (unless there are essential operational reasons to prevent this.) , hospitality, events and travel.**

We have minimal marketing expenditure. We cannot pause external recruitment and intend to take a stratified approach – where, by default all level 1 operational posts, (see below) will assumed to be subject to both internal and external recruitment procedures. The PR’s assessment is that core operational posts must be filled as quickly as possible in order to avoid delay

and risk to children as well as our continued operational momentum towards new and significant legal duties which will come to us in 2025.

The vast majority of SCRA travel relates to locality travel and in most areas to Court, essential outreach hearings or other child related statutory duties we perform. This is not discretionary. Most non-operational business is conducted over MS Teams unless specifically required to be conducted face to face (including some sensitive HR processes). I do not propose any change to these arrangements. Note that SCRA business travel has sustainably reduced by over 50% in the post pandemic period.

**f. Work with your sponsor teams and senior lead officers to scrutinise the forecasts provided as part of the 2025-26 budget commission exercise in order to reduce proposed expenditure wherever possible.**

As above – major risk is further delay to Childrens (Care and Justice)(Scotland) Act 2024 – and our ability to implement in 2025. The possibility that this is pushed further out, means we will not be compliant with UNCRC and many children and (aged 16/17) will remain unprotected for longer. Ministerial policy ambitions will not be realised and legislative duties not complied with. As PR it is my duty to comply with the legal duties bestowed upon me singularly – hence my approach set out here.

**2. Proposed approach to recruitment**

**a. Operational posts Level 1 (Reporter/Senior Practitioner/Assistant Reporter)**

Assumed that all posts are filled within current timescale unless Locality has alterative plans (e.g. conversion of post) that will require additional scrutiny/permissions (Establishment Group/SOM approval). Most SP and AR posts are filled internally and therefore out of scope of emergency budget brake. Most Reporters posts are recruited to externally and we will make use of the clear and justified rationale operational necessity to continue to advertise both internally and externally.

**b. Operational posts Level 2 (Locality Reporter Manager/Locality Support Manager/Locality Support Assistant)**

LMT decision making with Senior Operational Manager oversight and HR Business input and advice to ensure consistent application. Most LRM posts



are filled internally and therefore out of scope of budget break. Some LSA roles are filled externally – but have a critical function in supporting Reporter statutory functions. Where internal recruitment is being considered – this is out of scope of budget brake. Note that most LSA vacancies are reviewed at LMT routinely in any case as part of local team reshaping and skills mix.

**c. Head Office Posts**

Establishment of a recruitment screening group to assess business case for each post and routing (internal/external) as appropriate. Head of HR, Acting Head of Finance and Resources and Head Office Business Partner will establish this mechanism.

**d. Senior Posts in pipeline**

• **Head of Finance and Resources –**

Scheduled for external advert Sep 2024 – will be **immediately paused** and reviewed again in October/November. Acting up arrangements will continue. Continual review of current Finance Manager vacancy which may be required to be filled on a temporary internal basis

• **Planning and Performance Manager**

External advert is now closed. This is a key corporate role which has been vacant for circa 18 months and is being covered by Head of Strategy and OD. Requires to assist SCRA with its statutory planning and reporting arrangements, situation is no longer sustainable. **Will proceed to appointment.**

• **Digital Services Manager**

Recently redesigned and re-evaluated. Plays key role in commercial and business pipeline management with our key supplier. Has been vacant for circa 6 months. Is currently covered by Head of Digital, who is also covering CSAS Technical Lead – situation is high risk and not sustainable – will be reviewed by Head of Digital on return from leave – will proceed to recruitment – internal unlikely to yield sufficient candidates – **proceed to external recruitment if felt necessary by HoS.**

Agenda item 5 SCRA (September 2024)

W believe this is well aligned to Cab Sec letter and implicit and explicit expectations and would welcome your support. As I mentioned at this weeks Accountability meeting – operational decisions, managing and balancing risks (operational and financial) must continue to be managed in SCRA and ultimately by me in my dual role as Chief Executive/Accountable Officer and Principal Reporter. To do otherwise would be to outsource accountability for that risk which would be most unwelcome I suspect to both SCRA and SG/Ministers.



SCOTTISH  
**CHILDREN'S REPORTER**  
ADMINISTRATION

**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION**  
**SCRA Framework Agreement**

**Accountable  
Director:**

Neil Hunter

**Date:** 18 September 2024

**Recommendation:**  
(a) For SCRA Board to approve the 2024-27 Framework agreement

<b>Reason for Report</b>	At Scottish Government Request
<b>Resource Implications</b>	None
<b>Strategy</b>	Not applicable
<b>Equalities Duties</b>	Indicate whether an Equalities and Human Rights Impact assessment (HRIA) is required and has been completed. Describe in the body of the report any issues/findings/adjustments that have been made.  Equalities Impact Assessment Required/Completed <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Issues/action points:-
<b>Consultation</b>	Head of Practice and Policy/SIRO Head of Digital
<b>Document Classification</b>	Open

## **1. Background Information**

- 1.1 SCRA, every 3 years are required to review our Framework Document, which sets out the relationship between the NDPB and Scottish Ministers and the SG Accountable Officer and the SG Portfolio Accountable Officer. The Framework also describes the functions of the Board (at a high level), the requirements for Corporate Plan and related priorities, annual accounting arrangements, internal and external audit arrangements, risk and internal controls.

## **2. Amendments to the Framework Document**

- 2.1 No substantive changes to the Framework are being proposed by SG or SCRA on this cycle. However SCRA have identified 3 areas it intends to do further work on in the lead up to the next review period:-
- Cyber security
  - Information Governance and reference to the role of Senior Risk Information Owner (SIRO)
  - Reference to SG Digital Assurance Framework
- 2.2 These areas have been highlighted to SG and work will be undertaken to cross reference these in the next iteration of the Framework. These are existing and embedded approaches already within SCRA and as such there is no material risk in not having these within the 2024 review.

## **3. Recommendations**

- (a) For SCRA Board to approve the 2024-27 Framework agreement.

**Model Framework Document – Executive NDPBs**

**Contents**

Introduction..... 4

Purpose ..... 4

Governance and Accountability ..... 5

    The Board ..... 5

    The Chief Executive ..... 6

    The Accountable Officer ..... 7

    The Scottish Ministers..... 7

    SG Portfolio Accountable Officer ..... 7

Relationship between Scottish Government and *the Scottish Children’s Reporter Administration (SCRA)* ..... 8

SCRA staff management responsibilities..... 8

    Broad responsibilities for SCRA staff..... 8

    Pay and conditions of service ..... 9

    Pensions, redundancy and compensation ..... 9

Corporate and business plans ..... 9

Annual report and accounts ..... 10

External audit ..... 10

Internal audit ..... 10

Budget management and delegated authority ..... 11

Governance and Risk..... 11

    Risk management ..... 12

    Internal control ..... 12

    Budget and finance ..... 12

    Remuneration..... 14

    Banking and cash management ..... 14

Annex A: Specific Delegated Financial Authorities ..... 15

<b>Approved</b>	<b>Version</b>	<b>Next Review</b>	<b>Signed by</b>
[date]	[e.g. 2.1]	As required, but before [date plus 3 years]	[names as signatories]

## Introduction

1. This framework document is agreed between the Scottish Children's Reporter Administration ("SCRA") and the Scottish Ministers. It summarises how SCRA and the Scottish Government ("SG") will work together, and the key roles and responsibilities of:

- The members and chairing member ("the Chair") of SCRA (who constitute "the Board"),
- the Chief Executive and Accountable Officer of SCRA;
- the Scottish Ministers; and
- the Portfolio Accountable Officer within the SG whose remit includes SCRA.

2. While this document does not confer any legal powers or responsibilities, it forms a key part of the accountability and governance framework and, as a live document, it should be reviewed by SG and SCRA regularly, and at least every 2-3 years. Any significant changes will be agreed between the Board and the Scottish Ministers.

3. Any question regarding the interpretation of this document will be determined by the SG after consultation with SCRA. Legislative provisions take precedence over any part of the document.

4. SCRA is not permitted to establish any subsidiaries or enter into joint ventures without express approval from Scottish Ministers

5. Copies of this document will be published on the SCRA website.

## Purpose

• SCRA was established by section 128(1) of the Local Government etc. (Scotland) Act 1994, and was continued in existence under [section 15 of the Children's Hearings \(Scotland\) Act 2011](#) ("the Act").

6. SCRA's key statutory duties, powers and functions are to:

- Assist the Principal Reporter in carrying out the functions conferred on them by virtue of the Act or any other enactment and to facilitate the carrying out of those functions, as per [section 20 of the Act](#).
- Provide suitable accommodation and facilities for children's hearings, in accordance with [section 21 of the Act](#).
- Comply with requirements set out in [schedule 3 of the Act](#).
- Comply with any general or specific directions given by the Scottish Ministers about the carrying out of its functions, as per [section 23 of the Act](#). It must also comply with requests for assistance from certain other persons in relation to the carrying out of their functions under the Act, in accordance with section 183.

7. The children's hearings system provides the operational setting in which SCRA and its partner agencies work. SCRA's purpose, strategic aims and objectives, as agreed by the Scottish Ministers, are set out in SCRA's Corporate and Business Plans. The main aim is to provide a safety net for vulnerable children and deliver tailored solutions to issues, which meet the needs of the individuals involved, while helping to build stronger families and safer communities. Focused on children most at risk, SCRA's role and purpose is to:

- To support the Principal Reporter's functions in relation to making effective determinations about the referral of a child to a children's hearing – in particular, to assist in considering whether a ground under section 67 of the Act applies in relation to the child and whether it is necessary for a compulsory supervision order to be made in respect of them.

- Prepare and disseminate information and data essential for the Children’s Panel to make decisions about children and young people.
- Provide national statistics and data for Scotland on vulnerable children and young people, for the benefit of SCRA, SG and other partners, to inform and influence improved outcomes for children and young people.
- Provide a research facility, drawing in particular on the data within SCRA and that of partner agencies, to undertake research to inform and influence improved outcomes for children and young people.

### **Governance and Accountability**

8. This section summarises the specific responsibilities and accountabilities of the key people involved in governance of SCRA.

#### The Board

9. Members of SCRA, including the Chair, constitute the Board. They are non-executives appointed by the Scottish Ministers in line with the Act and [Code of Practice for Ministerial Public Appointments in Scotland](#). The Board are accountable to the Scottish Ministers and also to the Scottish Parliament and may be required to give evidence to Parliamentary Committees.

10. **The Board has overall responsibility for the delivery of the functions of SCRA** as set out at paragraphs 5 to 6 above, in accordance with the aims, policies and priorities of the Scottish Ministers. It [the Board] has corporate responsibility, under the leadership of the Chair, and will:

- a. set strategic plans to deliver the functions of SCRA, focusing on how its work can most effectively contribute to achievement of the outcomes in the [National Performance Framework](#), the [Programme for Government](#) and [Scotland’s Economic Strategy](#) in collaboration with the SG and other public bodies;
- b. regularly scrutinise current and projected performance against the aims, objectives and targets set out in plans and take decisions on remedial action where required;
- c. ensure that effective governance is established and maintained, including ensuring that decision-taking is open and transparent and, with support from the Accountable Officer and the Audit and Risk Committee, ensure that key risks are identified and managed;
- d. approve the annual report and accounts and ensure these are provided to the Scottish Ministers to be laid before the Scottish Parliament;
- e. promote the efficient, economic and effective use of resources consistent with the principles of [Best Value](#), and regularly scrutinise financial performance and compliance with financial guidance issued by the SG;
- f. promote the wellbeing, learning and development of staff, provide support and challenge to the Chief Executive on staffing matters and ensure that SCRA meets the **SCRA staff management responsibilities** described in the section below.

11. The Chair will:

- a. lead the Board, ensuring that all Board members have suitable induction to understand the role and their responsibilities, that the skills and experience of all Board Members are used effectively and that the Board undertakes regular self-assessment of its performance;
- b. ensure that the performance of each Board member is reviewed at least once per year and that the Board and/or individual Board members undertake development activity when required to ensure the effectiveness of the Board;
- c. ensure that the Board reviews its effectiveness annually;

- d. ensure that a Code of Conduct (aligned to the Model Code of Conduct for Board Members) is in place, that corporate actions are taken to implement it as required and that Members understand their responsibilities, using the guidance provided by the Standards Commission;
- e. work with the Portfolio Accountable Officer or their delegate(s) and the Public Appointments Team in SG on succession planning for the Board, action necessary to fill vacancies as they arise, skills requirements and promoting diversity by encouraging applications from less represented groups, including younger people, people from minority ethnic backgrounds and people with disabilities.

12. Specific guidance on how the Chair and Board Members should discharge their duties will be provided in their appointment letters and in [On Board – A Guide for Members of Statutory Boards](#). Guidance on governance good practice is available in the Scottish Public Finance Manual and from the sponsor team, who may consult the SG Governance and Risk Team. A list of key aspects of governance to consider is included in the section on Governance and Risk below.

### The Chief Executive

13. The Chief Executive is employed and appointed by the SCRA on terms and conditions approved by the Scottish Ministers and is the principal adviser to the Board on the discharge of its functions and is accountable to the Board. The Chief Executive role is to provide operational leadership to staff working for SCRA and to ensure that its aims and objectives are met, its functions are delivered, and its targets are met through effective and properly controlled executive action.

14. The specific duties of the Chief Executive will be set out in a job description, and annual objectives will be agreed with the Chair and used in appraisal of the Chief Executive's performance.

15. In addition to any other specific duties, the Chief Executive will:

- a. advise the Board on the discharge of its responsibilities – as set out in this Framework Document, in the founding legislation and in any other relevant instructions and guidance issued by or on behalf of the Scottish Ministers;
- b. implement or oversee implementation of the decisions of the Board;
- c. work with the Board on preparation of the Corporate Plan, including liaising with the Senior Sponsor and/or Sponsor Team on key points which need to be addressed and the timetable for preparation and review, and work with the Board to ensure that business plans are put in place to meet the Corporate Plan aims, objectives and performance measures;
- d. lead and manage the staff of SCRA, ensuring their wellbeing, learning and development are prioritised, and ensuring that the **SCRA staff management responsibilities** set out in the section below are addressed;
- e. manage the budget for SCRA in line with Scottish Government Finance guidance, policies and procedures, including the Scottish Public Finance Manual, and advise the Board on financial implications of all Board decisions, ensuring that appropriate financial appraisal and evaluation techniques are followed (see the [Appraisal and Evaluation](#) section of the SPM);
- f. agree with the Board and the Portfolio AO or Senior Sponsor what information is required to enable the Board and SG to scrutinise the performance of SCRA and progress against overall strategic and business plan aims and objectives, and ensure that the agreed information is provided and that is both accurate and timely;
- g. through the Chief Executive's Executive Team, manage the day-to-day relationship with the Senior Sponsor and/or Sponsor Team, with other SG officials who have an interest in the work of SCRA and other key stakeholders, including staff of other public bodies.

16. In advising the Board, the Chief Executive will ensure that the key governance issues highlighted in the section on Governance and Risk below are addressed.



### The Accountable Officer

17. The Principal Accountable Officer for the Scottish Administration will designate a senior official in SCRA as the Accountable Officer. This will usually be the Chief Executive unless there are specific reasons why this would not be appropriate. The Accountable Officer is personally responsible for the propriety and regularity of the public finances of SCRA and ensuring that its resources are used economically, efficiently and effectively, as required by section 15 of the Public Finance and Accountability (Scotland) Act 2000 and may be called to give evidence to the Public Audit Committee of the Scottish Parliament. The responsibilities of the Accountable Officer are set out in full in the [Memorandum to Accountable Officers for Other Public Bodies](#) in the Scottish Public Finance Manual.

18. It is important for the Chair and Board members to recognise that one aspect of these duties is the requirement under section 15(8) of the Public Finance and Accountability (Scotland) Act 2000, where the Accountable Officer considers that any action they are required to take is not consistent with their Accountable Officer responsibilities, they must obtain written authority from the Board and send a copy of the written authority to the Auditor General for Scotland as soon as possible and sent to the Clerk of the Public Audit Committee. The Accountable Officer should consult the Portfolio Accountable Officer before seeking written authority from the Board in these circumstances and should always notify the Portfolio Accountable Officer when such a written authority has been issued.

19. Where the duties of the Accountable Officer and the Chief Executive are not combined in one person, the Accountable Officer will work closely with the Chief Executive on governance, and in particular to ensure that the key governance issues highlighted in the section on Governance and Risk below are addressed.

### The Scottish Ministers

20. The Scottish Ministers appoint the Chair and Board Members and hold the Board to account for the performance of SCRA and its use of resources. Ministers are ultimately accountable to the Scottish Parliament for ensuring that the Board is discharging its duties effectively, although the Parliament will scrutinise the performance of SCRA directly as it does with all public sector bodies. The Scottish Ministers are not directly responsible for the operation of SCRA. The Scottish Ministers will:

- a. agree the strategic aims, objectives and key targets of SCRA as part of the corporate planning process;
- b. agree the budget for SCRA, and secure the necessary Parliamentary approval;
- c. approve the Code of Conduct of the SCRA Board;
- d. approve pay remits or proposals and superannuation arrangements for the staff, Chief Executive, Chair and Board members;
- e. Lay the accounts of the SCRA before the Scottish Parliament;
- f. approve terms and conditions of staff determined by SCRA; and
- g. approve certain pension, allowance or gratuity decision-making, for SCRA staff as provided for in paragraph 11 of schedule 3 of the Act.

### SG Portfolio Accountable Officer

21. The Principal Accountable Officer for the Scottish Administration (the Permanent Secretary of the SG) has designated the Director General for Education and Justice as the Portfolio Accountable Officer (AO) for the SG portfolio budget which will provide funding for the SCRA.

22. The Portfolio AO's duties are to establish a framework for the relationship between SG and SCRA, oversee the operation of that framework, ensure the public appointments to SCRA are made appropriately and ensure that appropriate assurance is provided on the performance and governance of the body. These activities are known collectively as '**sponsorship**'. In practice, the Portfolio AO is likely to delegate some or all sponsorship duties to a Director or Deputy Director as Senior Sponsor and/or to other SG officials in a 'Sponsor Team'. The responsibilities of a Portfolio Accountable Officer are set out in detail in the [Memorandum to Accountable Officers for Parts of the Scottish Administration](#).

23. The Portfolio AO will:
- a. make sure the framework document is agreed between the Scottish Ministers and the Board of SCRA, reviewed regularly and oversee the operation of the roles and responsibilities set out;
  - b. ensure that financial and other management controls being applied by SCRA are appropriate and sufficient to safeguard public funds and conform to the requirements both of propriety and of good financial management;
  - c. in line with [Code of Practice for Ministerial Appointments](#), ensure that public appointments are made in good time and secure appropriate skills, experience and diversity amongst Board members, working with the Chair on succession planning; that there is effective induction for new appointees; and ensure that there is regular review and a formal annual appraisal of the performance of the Chair;
  - d. support regular and effective engagement between SCRA and the relevant Scottish Minister(s); and
  - e. make sure there is clear, documented delegation of responsibilities to a Senior Sponsor and/or Sponsor Team and that the Board and senior officials of SCRA are aware of these delegated responsibilities.
24. The Portfolio AO remains personally answerable to the Scottish Parliament for the effectiveness of sponsorship activity.

### **Relationship between Scottish Government and SCRA**

25. Strategic engagement between the SG and SCRA is essential in order that they work together as effectively as possible to maintain and improve public services and deliver improved outcomes. Specific governance and accountability roles are described in the section above, but more generally, both the SG and SCRA will take all necessary steps to ensure that their relationship is developed and supported in line with the jointly agreed principles set out in the statement on '[Strategic Engagement between the Scottish Government and Scotland's NDPBs](#)'. This emphasises the need for cooperation and good communication, and particularly early warning from either side about any emerging risk or issue with significant implications for the operation or governance of SCRA.

26. The Sponsor Team's primary function is to carry out the responsibilities delegated to it by the Portfolio AO, directly or via the Senior Sponsor, as described above. In addition to ensuring that the arrangements in this framework document operate effectively, managing public appointments and providing assurance to the Portfolio AO, the Sponsor Team will usually be the first point of contact for the body on any issue with SG. As part of the assurance they provide to the Portfolio AO, they must ensure that key actions and decisions agreed are documented and implemented. This includes ensuring that SG teams implement any agreed actions.

### **SCRA staff management responsibilities**

#### Broad responsibilities for SCRA staff

27. The Chief Executive, challenged and supported by the Board, has responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward staff are to ensure that:
- HR policies, practices and systems comply with employment and equalities legislation, and standards expected of public sector employers;
  - the level and structure of staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness (subject to the SG Public Sector [Pay Policy for Staff Pay Remits](#));
  - the performance of staff at all levels is regularly appraised and performance management systems are reviewed from time to time;

- staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve SCRA's objectives;
- proper consultation with staff takes place on key issues affecting them, as appropriate, including working in partnership with trade unions;
- effective grievance and disciplinary procedures are in place and staff know where to access and how to use these;
- effective whistle-blowing policy and procedures consistent with the Public Interest Disclosure Act 1998 are in place and staff know where to access and how to use these; and
- a code of conduct for staff is in place.

#### Pay and conditions of service

28. SCRA will comply with SG Public Sector Pay Policy in relation to staff and the Chief Executive. The Chief Executive will ensure that a pay remit, in line with the SG Public Sector [Pay Policy for Staff Pay Remits](#), is submitted to the Scottish Ministers for approval in line with the timetable notified and negotiate a pay settlement within the terms of the approved remit. This should normally be done annually, unless a multi-year deal has been agreed. Payment of salaries should also comply with the [Tax Planning and Tax Avoidance](#) section of the SPFM. Proposals on non-salary rewards will comply with the guidance in the [Non-Salary Rewards](#) section of the SPFM.

29. SCRA will also seek appropriate approval under the SG Public Sector [Pay Policy for Senior Appointments](#) for the chief executive's remuneration package prior to appointment, annually or when a new appointment or change to the remuneration package is being proposed.

#### Pensions, redundancy and compensation

30. Superannuation arrangements for staff are subject to the approval of the Scottish Ministers. SCRA staff will normally be eligible for a pension provided by the Falkirk Pension Fund. Staff may opt out of the occupational pension scheme provided, but the employers' contribution to any personal pension arrangement, including stakeholder pension, will normally be limited to the national insurance rebate level.

31. Any proposal by SCRA to move from existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the Scottish Ministers. Proposals on compensation payments will comply with the [Settlement Agreements, Severance, Early Retirement and Redundancy Terms](#) section of the SPFM. This includes referral to the Scottish Ministers of any proposed severance scheme (for example, a scheme for voluntary exit), business case for a settlement agreement being considered for an individual, or proposal to make any other compensation payment. In all instances, a body should engage with the Sponsor Team prior to proceeding with proposed severance options, and prior to making any offer either orally or in writing.

#### **Corporate and business plans**

32. SCRA will prepare a draft strategic or corporate plan every 3 to 5 years setting out its strategic aims, objectives and targets over that period, for consideration by the Scottish Ministers. When a new plan is to be prepared, the Chief Executive or their delegate will liaise with the Sponsor Team to agree the key points to be addressed and the timetable for preparation and review;. The final, agreed version of the strategic or corporate plan will be published on the SCRA website.

33. The corporate plan will include SCRA's:

- purpose and principal aims;
- contribution to the national outcomes set out in the [National Performance Framework](#), the Programme for Government and Scotland's Economic Strategy in collaboration with the SG and other public bodies;

- analysis of the environment in which it operates;
- key objectives and associated key performance targets for the period of the plan, and the strategy for achieving those objectives;
- indicators against which its performance can be judged;
- details of planned efficiencies, describing how better value for money will be achieved, including through collaboration and use of shared services; and
- other key points agreed with the Sponsor Team as described above.

34. The corporate plan will inform the development of a separate annual business plan for each financial year, which will include key targets and milestones for the year immediately ahead, aligned to the NPF, and be linked to budgeting information so that, where possible, resources allocated to achieve specific objectives can be identified. A copy of the business plan will be provided to the sponsor unit prior to the start of the relevant financial year.

### **Annual report and accounts**

35. SCRA will publish an annual report of its activities together with its audited accounts after the end of each financial year. The annual report and accounts will cover the activities of any corporate, subsidiary or joint ventures under the control of SCRA. It will comply with the Government [Financial Reporting Manual](#) (FReM) and outline the NDPB's main activities and performance against agreed objectives and targets for the previous financial year. It is the responsibility of the Chief Executive, as Accountable Officer, or their delegate, to sign the accounts.

36. The accounts will be prepared in accordance with relevant statutes and the specific accounts direction and other relevant guidance issued by the Scottish Ministers. Any financial objectives or targets set by the Scottish Ministers should be reported on in the accounts and will therefore be within the scope of the audit.

37. The SG Sponsor Team should receive a copy of the annual report for comment, and a copy of the draft accounts for information, as soon as is reasonably practicable and no later than the end of September. SCRA is responsible for the publication of the annual report and accounts after they have been laid before the Scottish Parliament by the Scottish Ministers. Whilst the statutory deadline for laying and publishing accounts audited by the AGS is 31 December after the end of the relevant financial year, the Scottish Ministers expect that accounts will be laid before the Scottish Parliament and published as early as possible.

### **External audit**

38. The Auditor General for Scotland (AGS) audits, or appoints auditors to audit, SCRA's annual accounts and passes them to the Scottish Ministers who then lay them before the Scottish Parliament, together with the auditor's report and any report prepared by the AGS. The AGS, or examiners appointed by the AGS, may also carry out examinations into the economy, efficiency and effectiveness with which the body has used its resources in discharging its functions and/or carry out examinations into the arrangements made by SCRA to secure Best Value.

39. The AGS, or the AGS's appointed auditors or examiners, have a statutory right of access to documents and information held by relevant persons, including any contractors to or recipients of grants from SCRA. SCRA will ensure that this right of access to documents and information is made clear in the terms of any contracts issued or conditions of any grants awarded and will also use its best endeavours to secure access to any other information or documents required which are held by other bodies.

### **Internal audit**

40. SCRA will:

- establish and maintain arrangements for internal audit in accordance with the [Public Sector Internal Audit Standards](#) and the [Internal Audit](#) section of the SPFM;

- set up an Audit Committee of its Board, in accordance with the [Audit Committees](#) section of the SPFM, to advise both the board and the Accountable Officer;
- ensure that the Sponsor Team and the Portfolio AO/Senior Sponsor receive promptly after they are produced or updated: the audit charter, strategy, periodic audit plans and annual audit assurance report, including the Head of Internal Audit opinion on risk management, control and governance – and provide any other relevant audit reports as requested by sponsors;
- keep records of, and prepare and forward promptly to the SG an annual report on fraud and theft suffered by SCRA and notify the Portfolio AO or Senior Sponsor immediately of any unusual or major incidents.

41. The SG's Internal Audit and Assurance Directorate has an expectation of cooperation and access to relevant material when required, the parameters for which would be set out in an engagement document before information was shared. SCRA should make it clear on their own Privacy Notice that material may be shared with SG's Internal Audit and Assurance Directorate in certain circumstances.

### **Budget management and delegated authority**

42. Each year the Sponsor Team will send the Board a Budget Allocation and Monitoring letter, notifying SCRA of the budget provision, any related matters and details of the budget monitoring information required. SCRA will comply with the format and timing of the monitoring information requested and with any requests for further information.

43. The statement of budgetary provision will set out the budget within the classifications of resource Departmental Expenditure Limits (RDEL), capital DEL (CDEL) and Ring-fenced (non-cash) (RfDEL) – and, where applicable, Annually Managed Expenditure (AME). These categories are explained in [Annual Budget Processing](#) in the SPFM, and SCRA will not transfer budgetary provision between the categories without the prior approval of the SG Finance Directorate, which should be sought via the Sponsor Team. Transfers within the categories are at the discretion of the Board or, subject to delegated authority, the Chief Executive or relevant senior manager, if these do not breach any other constraints, for instance the approved pay remit.

44. Where budgetary provision includes projected income, including any income from disposal of non-current assets, the Chief Executive will ensure that the SG Finance Directorate and Sponsor Team are made aware promptly of any forecast changes in income – usually via the monthly budget monitoring statement. The Scottish Ministers' expectation is that any shortfall in income will be offset by a matching reduction in gross expenditure, and prior approval from the SG Finance Directorate and the Sponsor Team must be sought for any alternative arrangement. Similarly, if income is higher than originally projected, this may only be used for additional spending or to meet pressures with the prior approval of the SG Finance Directorate and Sponsor Team. Failure to obtain prior approval for the use of excess income to fund additional expenditure may result in corresponding reductions in budgets for the following financial year. The only exception is where the income is from gifts, bequests and donations but this must be spent within the same financial year as the receipt.

45. SCRA's specific delegated financial authorities - as agreed in consultation between the Board and the Scottish Ministers - are set out in Annex A. The Board will obtain the prior written approval from sponsors and SG Finance before entering into any undertaking to incur any expenditure that falls outside these delegations, and before incurring expenditure for any purpose that is or might be considered novel, contentious or repercussive or which has or could have significant future cost implications.

### **Governance and Risk**

46. Guidance on governance requirements is available in several documents referred to earlier in this framework document:

- [the Scottish Public Finance Manual](#) (SPFM)
- [the Audit and Assurance Committee Handbook](#)

- [On Board - A Guide for Members of Statutory Boards](#)

47. If in any doubt about a governance issue, the Chair or Chief Executive should consult the Senior Sponsor or Sponsor Team in the first instance, and sponsors may in turn consult the SG Public Bodies Unit, the SG Governance and Risk Branch and/or other teams with relevant expertise.

48. The Board and Chief Executive are advised to pay particular attention to guidance on the following issues.

#### Risk management

49. SCRA must develop an approach to **risk management** consistent with the Risk Management section of the Scottish Public Finance Manual and establish reporting and escalation arrangements with the Portfolio AO or Senior Sponsor.

50. The Board should have a clear understanding of the key risks, threats and hazards it may face in the personnel, accommodation and cyber domains, and take action to ensure appropriate **organisational resilience**, in line with the guidance in: [Having and Promoting Business Resilience](#) (part of the Preparing Scotland suite of guidance) and the [Public Sector Cyber Resilience Framework](#).

#### Internal control

51. The Board should establish **clear internal delegated authorities** with the Chief Executive, who may in turn delegate responsibilities to other members of staff and establish an **assurance framework** consistent with the [internal control framework](#) in the SPFM.

52. **Counter-fraud** policies and practices should be adopted to safeguard against fraud and theft - see the [Fraud](#) section of the SPFM.

53. Any **major investment programmes or projects** undertaken should be subject to the guidance in the [Major Investment Projects](#) section of the SPFM and in line with delegated authorities. The Sponsor Team must be kept informed of progress on such programmes and projects and Ministers must be alerted to any developments that could undermine their viability. **ICT investment plans** must be reported to the SG's Office of the Chief Information Officer.

54. SCRA must comply with the requirements of the **Freedom of Information (Scotland) Act 2002** and ensure that information is provided to members of the public in a spirit of openness and transparency. SCRA also register with [Information Commissioners Office](#) and ensure that it complies with the **Data Protection Act 2018** and the General Data Protection Regulations, commonly known as **GDPR**.

#### Budget and finance

55. Unless covered by a specific delegated authority, **financial investments** are not permitted without the prior approval of sponsors and SG Finance. This includes equity shares in ventures which further SCRA's objectives. Public bodies should not invest in any venture of a speculative nature.

56. Non-standard **tax management** arrangements should always be regarded as novel and/or contentious and must therefore be approved in advance by the Portfolio AO and SG Finance. Relevant guidance is provided in the [Tax Planning and Tax Avoidance](#) section of the SPFM. SCRA must comply with all relevant rules on taxation, including **VAT** and recover input tax where it is entitled to do so.

57. **Optimising income** (not including grant-in-aid) from all sources should be a priority, and sponsors should be kept informed about any significant projected changes in income. Novel or contentious proposals for new sources of income or methods of fundraising must be approved by sponsors and SG Finance. Fees or charges for any services supplied must be determined in accordance with the [Fees & Charges](#) section of the SPFM.

58. **Gifts, bequests or donations** received score as income and should be provided for in the agreed resource DEL and capital DEL budgets, but should not fund activities or assets normally covered by SG grant-in-aid, trading or fee income, and conflicts of interest must be considered – see the

principles in the [Gifts](#) section of the SPFM. Note that this relates to gifts to SCRA - gifts to individuals are covered in the Model Code of Conduct.

59. **Borrowing** cannot be used to increase SCRA's spending power. All borrowing - excluding agreed overdrafts - must be from the Scottish Ministers in accordance with guidance in the [Borrowing, Lending & Investment](#) section of the SPFM.

60. Any lending must be in line with the guidance in the [Borrowing, Lending & Investment](#) section of the SPFM on undertaking due diligence and seeking to establish a security. Unless covered by a specific delegated limit SCRA must not **lend money, charge any asset, give any guarantee or indemnity or letter of comfort, or incur any other contingent liability** (as defined in the [Contingent Liabilities](#) section of the SPFM), whether or not in a legally binding form, without the prior approval of sponsors and SG Finance. Guarantees, indemnities and letters of comfort of a standard type given in the normal course of business are excluded from this requirement.

61. An accurate and up-to-date record of **current and non-current assets** should be maintained, consistent with the [Property: Acquisition, Disposal & Management](#) section of the SPFM. SCRA is also subject to the [SG Asset Management Policy](#), including the requirement for acquisition of a new lease, continuation of an existing lease, decision not to exercise a break option in a lease or purchase of property for accommodation / operational purposes, to be approved in advance by Scottish Ministers. The Property Controls Team should be consulted as early as possible in this process.

62. Assets should be recorded on the balance sheet at the appropriate valuation basis in accordance with the FReM. When an asset (including any investment) suffers **impairment**, when there is significant **movement in existing provisions** and/or where **a new provision needs to be created**, this should be communicated to sponsors and SG Finance as soon as possible to determine the implications for SCRA's budget.

63. Any **funding for expenditure on assets by a third party** should be subject to appropriate arrangements to ensure that they are not disposed of without prior consent and that a due share of the proceeds can be secured on disposal or when they cease to be used by the third party for the intended purpose, in line with the [Clawback](#) guidance in the SPFM.

64. Unless covered by a specific delegated authority, prior approval from sponsors and SG Finance is required before **making gifts or special payments or writing off losses**. Special payments and losses are subject the guidance in the [Losses and Special Payments](#) section of the SPFM. Gifts by management to staff are subject to the guidance in the [Non-Salary Rewards](#) section of the SPFM.

65. Unless covered by a specific delegated authority SCRA must not enter into any **finance, property or accommodation related lease arrangement** – including the extension of an existing lease or the non-exercise of a tenant's lease break - without prior approval from sponsors. Before entering/ continuing such arrangements SCRA must be able to demonstrate that the lease offers better value for money than purchase and that all options of sharing existing public sector space have been explored.

66. Non-property / accommodation related operating leases are subject to a specific delegated authority. There must be capital DEL provision in the budget allocation for finance leases and other transactions which are in substance borrowing.

67. **Procurement** policies should reflect relevant guidance in the [Procurement](#) section of the SPFM and any other relevant guidance issued by the SG's Procurement and Property Directorate. The SG's directory of [SG Framework Agreements](#), is available to support organisations but they should check the Framework Agreement's 'buyer's guide' before proceeding to ensure they are eligible to use the Framework

68. All matured and properly authorised **invoices** relating to transactions with suppliers should be paid in accordance with the [Expenditure and Payments](#) section of the SPFM wherever possible and appropriate within Scottish Ministers' target of payment within 10 working days of their receipt.

69. SCRA is subject to the SG policy of self-insurance. Commercial **insurance** must however be taken out where there is a legal requirement to do so and may also be taken out in the circumstances

described in the [Insurance](#) section of the SPFM - where required with the prior approval of sponsors and their finance business partner subject to the level of inherent financial risk. In the event of uninsured losses being incurred the SG shall consider, on a case by case basis, whether or not it should make any additional resources available to SCRA. The relevant sponsor team will provide a Certificate of Exemption for Employer's Liability Insurance.

70. Unless covered by a specific delegated authority SCRA must not provide **grant funding to a third party** without prior agreement from sponsors and SG Finance. Guidance on a framework for the control of third party grants is provided as an annex to the [Grant & Grant in Aid](#) section of the SPFM. Subsidy control requirements for any such funding are discussed below.

71. The EU State aid regime was effectively revoked from UK law from 1 January. Following this, subsidy control provisions were covered by the UK-EU Trade and Cooperation Agreement (TCA) and the UK's international obligations, including various Free Trade Agreements and those arising as a consequence of World Trade Organisation membership. However, a new UK subsidy control regime came into force on 4 January 2023 as a result of UK Government's Subsidy Control Act 2022. Currently, any activity that a public body undertakes itself, or funds other bodies to undertake, that can be offered on a commercial market for goods and services, is subject to the regulations set out in the Subsidy Control Act 2022. A full assessment is required prior to disbursing any funding, subject to the guidance in the subsidy control section of the SPFM.

#### Remuneration

72. **Remuneration, allowances and any expenses paid to the Chair and Board Members** must comply with the latest SG Public Sector Pay Policy for Senior Appointments and any specific guidance on such matters issued by the Scottish Ministers.

73. **Staff pay, pensions and any severance payments** must be in line with the requirements of Public Sector Pay Policy and the responsibilities described in the section on NDPB Staff Management Responsibilities.

74. All individuals who would qualify as employees for tax purposes should be paid through the payroll system with **tax deducted at source**.

#### Banking and cash management

75. **Banking** arrangements must comply with the [Banking](#) section of the SPFM.

76. **Cash management** arrangements need to be addressed as well as overall budget management. Any [grant in aid](#) (i.e. the cash provided to SCRA by the SG to support the allocated budget) for the year in question will be authorised by the Scottish Parliament in the annual Budget Act. SCRA will normally receive monthly instalments based on updated profiles and information on unrestricted cash reserves and will not seek any payment in advance of need. SCRA will keep its unrestricted cash reserves held during the year to the minimum level needed for efficient operation and any relevant liabilities which have to be met at the year-end. Grant in aid not drawn down by the end of the financial year will lapse. SCRA will not pay Grant-in-Aid into any restricted reserve it holds.

#### Helpful information

77. The Public Bodies Support Unit has produced a register of reporting requirements for devolved public bodies which will help in regard to compliance with certain legislative asks. Copies of the register can be obtained from the [PBSU mailbox](#).



**Annex A: Specific Delegated Financial Authorities**

		<b>Delegated Limit*</b>
Operating leases – other than property/ accommodation related leases		£1,000 in individual circumstances, annual aggregate limit of £5,000
Gifts		Up to £200
Special payments		£1,000 in individual circumstances, annual aggregate limit of £5,000
Claims waived or abandoned		£1,000 in individual circumstances, annual aggregate limit of £5,000
Write-off of bad debt and/or losses		£1,000 in individual circumstances, annual aggregate limit of £5,000
Others as appropriate e.g.		
Guarantees etc. out with normal course of business		n/a
Charges on assets		n/a
Loans		n/a
Grants		n/a
Financial investments and equity shares		n/a
Major investment programmes/ projects		Projects over £250,000, and any new, novel and contentious spend, will be approved by Sponsor Team.

**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION**

**AGILE WORKING**

**Accountable Director:** Head of Human  
Resources

**Date:** 18 September 2024

**Recommendations:**

- 1. To note the organisation update on SCRA's Agile Working Policy which was formally adopted in September 2021.**

**Reason for Report:** For Board noting

**Resource Implications:** Not Applicable

**Consultation:** EMT, UNISON, HR Sub Group

**Equalities Duties** Equalities and Human Rights Impact Assessment  
not required

**Document Classification:** Not Protectively Marked

## 1. Background

- 1.1 SCRA implemented an Agile Working Policy in September 2021. The policy was developed based on the experiences of staff working from home and from offices during the various stages of the Covid 19 pandemic. SCRA's 2020 wellbeing survey indicated that the majority of staff wished to continue to have the flexibility to work in a hybrid way, to better afford a good balance between home and work life. This change in the way we work has opened up opportunities in how we use and configure our properties but also to improve the flexible working opportunities we can offer to staff. Managers were provided with training in leading hybrid working teams as part of the adoption of the policy.
- 1.2 The policy was developed in partnership with UNISON. We noted that we had moved to hybrid working much more quickly than we had originally intended as an organisation as a result of the Pandemic. To ensure that the policy was the right fit for SCRA, it was agreed that the policy would be kept under continual review as standing item on the HR Sub Group.
- 1.3 Given the significant impact on how we work it was agreed that the Board would be provided with an update on how this policy has embedded and influenced the ways in which we work.
- 1.4 The Policy itself sets out:
  - the approach where both managers and employees can explore ways to work differently which can positively benefit SCRA and employees.
  - the expectations on the use of our office spaces
  - the ways employees can deliver their roles in an agile way which means working with your manager and your team on ensuring that the right resources are in the right place at the right time
  - roles and responsibilities
  - the expectations that any different ways of working should enhance our services to children, young people and their families
  - the opportunity to improve wellbeing for staff.

## 2. Feedback

- 2.1 We have continued to engage, principally with LRMs and LSMs, on the impacts of the implementation of the policy in their meetings in March 2023 and May 2024. As a result of the feedback from Managers in March 2023, we re-communicated the intentions of the policy to ensure clarity across the organisation, principally reminding staff that SCRA is an office-based service and that staff have the opportunity to work from home if operations can support that. The communication is attached at Appendix 1 for information.
- 2.2 The meeting in May 2024 clearly outlined the desire to retain the policy, that it is working well and the policy itself provides comprehensive guidance and clarity. The ability to offer this level of flexible working was attractive to future

employees and is seen a significant positive factor for morale, work/life balance and the financial/time saving of less commuting to the office. Other positive elements to note were that the policy allows for a localised approach which works best for Localities and that productivity has not been impacted by this new way of working.

2.3 We do however recognise that some Localities (not all) still face some challenges in ensuring a fair and consistent implementation of the policy, whilst balancing service delivery needs. These are summarised as follows:-

- As support roles have more reliance on being in the office, there is sometimes a different approach taken by support and Reporters – this can sometimes lead to friction and resentment around opportunities to work flexibly.
- The requirement to continue to promote the tangible benefits of coming together as a whole team more often e.g. team development, learning from each other and supporting each other, as well as the social aspects of team working, potentially leading to feelings of isolation.
- Staff who consider it is their right to work from home and managers feel like they are asking staff for a favour to come into the office, for whatever reason
- There is some concern that there is a blur between attendance at work, sickness absence and dependent care leave – overworking and underworking.
- It requires active management as it is difficult to assess wellbeing and managers get more of a sense of what is happening when staff are in the office

2.4 The challenges outlined in 2.3 are all covered within the current policy. It is suggested that we regularly communicate the intentions and expectations of the policy to all staff, given the positive impact the reminder had in 2023. The HR Sub Group do not expect to change any aspects of this policy in relation to the feedback that has been received.

2.5 Further work may be required to associated policies such as the flexi scheme policy so that both policies align better. This will be progressed by the HR Sub Group over the next 12 months or so.

### **3. Recommendations**

3.1 It is recommended that the Agile Working Policy is now fully embedded into the organisation. We recognise that some Localities require further support in terms of ensuring all staff aware of the expectations on them to comply with the policy intentions and expectations. This policy will no longer be a standing item on the HR Sub Agenda and will only be considered as a request by managers.

3.2 The Board is asked to note the organisation update on SCRA's Agile Working Policy which was formally adopted in September 2021.

**Appendix 1**

Our Agile Working Policy was implemented in September 2021, which changed the way we work in SCRA. Given the impact on our culture, the HR Sub Group has retained a review of this policy as a standing item on its agenda to ensure the implementation of this policy continues to fit with SCRA's culture and service delivery.

The HR Sub Group recently considered feedback from LRMs about how this policy has embedded a year on from the ending of the COVID-19 pandemic. Based on the feedback and the discussions with the HR Sub Group, we think it would be helpful to restate the intentions of the Agile Working Policy:

- Principally, SCRA is an office/Hearings centre based service delivery organisation that supports staff to work from home when operational service allows
- Working in an office/Hearing centre is required by all staff on a regular basis (unless specific exceptions are agreed)
- Attending at an office to manage office and Hearing centre based processes is a key component of our service delivery
- Coming together regularly with your colleagues is a requirement of the policy so that we can learn from each other and enhance our culture of support and team cohesion
- Childcare arrangements should be made for those days staff are working at home, in the same way they would if a member of staff was working from an office
- Staff must be available at short notice to attend an office to respond to operational matters as and when required
- If you are working at home, you are expected to be available during your core hours, unless you have agreed something differently with your line manager
- Your Outlook diary should be kept up to date so that other staff are aware of your availability
- In addition, staff should be aware of the Right to Disconnect Policy which was launched in April of this year and is available on Connect.

## SCOTTISH CHILDREN'S REPORTER ADMINISTRATION

### Budget Monitoring Report Period 5 2024/25

**Accountable Director:** Principal Reporter/Chief Executive      **Date:** 18 September 2024

**Report prepared by:** Head of Finance and Resources

#### Recommendations:

1. To note the revenue position for the year to August 2024 and forecasts based on July actuals.
2. To note the capital position for the year to August 2024 and forecasts based on July actuals.

**Reason for Report:** Board review

**Resource Implications:** Within available resources

**Strategy:** Within agreed plans

**Consultation:** EMT and Budget Holders

**Equalities Duties:** An Equalities Impact Assessment is not required.

**Document Classification:** Not protectively marked

## 1. Introduction

1.1 This report provides a summary of SCRA's financial position for year to August 2024 and forecast (based on July results) for the full year 2024/25.

## 2. Background

- 2.1 The Scottish Government (SG) allocated SCRA revenue funding of £24.318m for 2024/25, but Deputy Director of Children's Rights, Protection and Justice Ian Donaldson acknowledged a resource pressure of £8.532m in his Budget Allocation and Monitoring (BAM) letter of 28 March 2024, giving a total revenue cash-funding envelope of £32.85m. The Board approved a budget of £32.85m on this basis. While SCRA will seek to make in-year savings to mitigate some of the pressure, the remaining budget pressure will be resolved in two tranches, Autumn Budget Revision (ABR) in August 2024 and Spring Budget Revision (SBR) in early 2025. SCRA received £4.027m at ABR.
- 2.2 SG allocated SCRA £2.9m of capital funding for 2024/25. The Board approved a £2.9m capital budget in March.
- 2.3 SCRA has £0.6m of revenue cash reserves and £0.2m of capital cash reserves, arising from prior year underspends. The capital underspend is factored into 2024/25 plans to enable completion of property projects that were underway at 31 March 2024. The revenue underspend is not available for re-allocation: SCRA will reduce its cash drawdowns to return to a lower level of working capital.

## 3. Revenue

3.1 The following table summarises the position to August 2024 by expense head. Depreciation is a non-cash charge, and is excluded from the expenditure tables throughout section 3. Payments in respect of unfunded pensions are not included.

Previous Full Year Actual £000	Expense Head	Budget Year to Aug £000	Actual Year to Aug £000	Variance Year to Aug £000	Full Year Budget £000	Full Year Forecast £000	Forecast Variance £000	Forecast Variance %
23,383	Staff Costs	11,129	10,016	-1,113	26,709	25,928	-781	-2.9%
2,349	Property Costs	997	767	-230	2,392	2,360	-32	-1.3%
165	Travel Costs	73	56	-17	175	171	-4	-2.3%
3,011	Other Operating Charges	1,235	938	-297	2,964	3,008	+44	1.5%
109	Capital Financing	67	28	-39	160	160	+0	0.0%
-204	Other Income	-118	-107	+11	-282	-282	+0	0.0%
<b>28,813</b>	<b>Sub-total</b>	<b>13,383</b>	<b>11,698</b>	<b>-1,685</b>	<b>32,118</b>	<b>31,345</b>	<b>-773</b>	<b>-2.4%</b>
707	Lease Payments	221	149	-72	531	531	+0	0.0%
-30,117	Grant In Aid	-13,688	-11,403	+2,285	-32,850	-32,850	+0	0.0%
<b>-597</b>	<b>Net Total for SCRA</b>	<b>-84</b>	<b>444</b>	<b>528</b>	<b>-201</b>	<b>-974</b>	<b>-773</b>	

3.2 Year to date revenue expenditure is £1,685k under budget.

The staff cost underspend is due to staff vacancies, and the timing of recruitment to additional posts in advance of Children (Care and Justice) Act (CCJA) implementation. Non-staff costs are showing an underspend principally to the timing differences of budgets spread throughout the year and when costs are incurred. These charges are forecast to be broadly on-budget by the end of the financial year. Lease payments are shown in the table above, following the introduction of IFRS16.

3.3 The following table summarises the position to August by budget centre, excluding depreciation, lease payments and unfunded pensions.

Previous Full Year Actual £000	Cost centre	Budget Year to Aug £000	Actual Year to Aug £000	Variance Year to Aug £000	Full Year Budget £000	Full Year Forecast £000	Forecast Variance £000	Forecast Variance %
248	Communications	114	96	-18	273	262	-11	-4.0%
11,009	East and Central Scotland Area	5,007	4,731	-276	11,939	11,492	-447	-3.7%
325	Executive	109	83	-26	261	245	-16	-6.1%
7,978	North West Scotland Area	3,604	3,369	-235	8,725	8,538	-187	-2.1%
1,474	Practice and Policy	1,202	685	-517	2,884	2,801	-83	-2.9%
7,778	Support Services	3,349	2,733	-616	8,038	8,007	-31	-0.4%
<b>28,812</b>	<b>Net Total for SCRA</b>	<b>13,385</b>	<b>11,697</b>	<b>-1,688</b>	<b>32,120</b>	<b>31,345</b>	<b>-775</b>	<b>-2.4%</b>

3.4 The forecast spend by locality is detailed as follows:

Locality	Variance Year to Aug £000	Forecast Variance to March £000	Variance %
East & Central Scotland Office	-32	-44	-5.2%
Tayside And Fife Locality	-111	-141	-4.2%
South East Locality	-120	-184	-5.4%
Central Locality	-7	-72	-0.4%
Lanarkshire Dumfries & Galloway Locality	+11	+21	+0.4%
Ayrshire Locality	-17	-27	-0.9%
North West Area Office	-19	-12	-7.6%
Highlands And Islands Locality	-15	-11	-1.1%
Grampian Locality	-28	+5	-1.9%
North Strathclyde Locality	-31	-12	-1.1%
Glasgow Locality	-142	-158	-5.0%
	<b>-511</b>	<b>-635</b>	<b>-2.5%</b>

The Locality and Head Office position is shown in greater detail in Appendix A.

### 3.5 East and Central Scotland Area

East and Central Scotland is forecasting an underspend of £447k with staff costs accounting for £383k of this. South East and Tayside and Fife are forecasting large variances on staff costs accounting for 80% of the area's underspend. Currently property costs across the localities are showing an underspend due to lower than expected utilities. East and Central Scotland Office is reporting an underspend of £20k on consultancy fees.

### 3.6 North West

North and West Scotland is forecasting an overall underspend of £187k. Staff costs are projected to come in under budget by £262k. Property costs in both North Strathclyde and Glasgow are currently projected to exceed budget and are being investigated. Glasgow is expecting to overspend on translation costs due to increased CPOs and referrals.



### 3.7 Head Office

#### Support Services

- IT – forecast underspend of £71k, mainly staff savings of £41k and £23k saving on Scots charges and £12k saving on software partially offset by £5k overspends on research workshops.
- HR – staff underspend of £41K will be used for a consultant for Role of the Reporter work, currently with procurement.
- Property – £65k overspend on repairs and maintenance due to Selkirk and Bellshill work carried forward from 2023-24, offset by £31k savings on Rates, £20k savings on shared costs as credits received for Stirling and Livingston and £31k savings on FM costs. £8k overspend on staff savings target.
- Planning – underspend of £74k on planning team staff costs, this is offset by £136k cost of 6 central Assistant Reporters held in Planning cost centre.
- Finance – underspend of £16k staff costs due to vacancy, offset by £1k overspend on travel and £3k overspend on Efinancials costs.

#### Executive

Executive are forecasting a £16k underspend mainly on staff costs for Modern Apprenticeship vacancy.

#### Press and Communications

An £12k underspend on staff costs is forecast, partly offset by £1k overspend on travel costs due to increased travel to Stornoway.

#### Practice and Policy (including Our Hearings, Our Voice)

Staff savings of £79k due to savings on trainee reporters for Q1, saving on research post and Grade E post not required. Linets costs are 3.5k lower than budgeted. There is £80k budget for CCJA training: discussions with Scottish Government are in progress around the spendability of this sum in-year.

- 3.8 The overall forecast net underspend of £773k is in large part attributable to staffing underspends in Glasgow, South East and Tayside/Fife localities, but this underspend will increase significantly if CCJA implementation is deferred. Members are aware that Jenny Gilruth MSP wrote to chairs of public bodies and CEOs on 23 August, asking SCRA to:

- use underspends to support the wider financial position rather than repurpose them for new work, and
- implement further controls on discretionary spending including pausing external recruitment, unless there are essential operational reasons to prevent this.

Dialogue between SG Finance, Sponsor Team and SCRA remains frequent and transparent to ensure SCRA can meet this request without risking SCRA's fulfilment of its core duties. SCRA will continue to report forecasts to SG as part of the monthly budget monitoring process.

## 4. Efficiencies

- 4.1 As approved by the Board in March 2024, efficiency savings of £125k (0.5%) have been targeted in 2024/25 (procurement savings £50k, Head Office staff savings £50k, Locality initiatives £25k).

- 4.2 The new Business Development and Improvement team, Head of Finance and Resources and Programme Board each have a remit in promoting and tracking efficiencies, whether they are cash-saving, time-releasing or a mixture of both. Early indications are that the efficiency savings target will be met in 2024-25.

## 5. Capital

- 5.1 Net expenditure in the period to August 2024 is £432k including £213k brought forward from 23/24 for Glenrothes. Details of the budgets, actual spend and forecast are as follows:

	Board-approved Budget March 2024 £000	Adjustments £000	Available Budget 2024/25 £000	Actual YTD Aug 2024 £000	Full Year Forecast £000	Variance forecast to budget £000
<b>Property Programme</b>						
Aberdeen reconfiguration	130	80	210	5	210	0
Dundee – initial phase	20	0	20	0	20	0
Glasgow hearing facilities	875	(123)	752	6	462	(290)
Glenrothes – upgrade (23/24)	0	273	273	213	272	(1)
Greenock design	0	10	10	0	105	95
Inverness reconfiguration	10	0	10	0	107	97
Lerwick	130	(10)	120	0	120	0
Various – M&E upgrades, LED lighting retrofits	150	0	150	0	158	8
Hearing centres improvement	100	0	100	5	22	(78)
Minor works	100	0	100	17	102	2
Contingency	85	0	85	0	0	(85)
Equalities & Inclusion	30	0	30	0	0	(30)
	<b>1,630</b>	<b>230</b>	<b>1,860</b>	<b>246</b>	<b>1,578</b>	<b>(282)</b>
<b>Digital Programme</b>						
CSAS further development	320	0	320	158	550	230
Technology refresh	270	0	270	28	270	0
Audio visual	250	0	250	0	250	0
CCJA - CSAS	200	0	200	0	40	(160)
Digital Evidence Sharing Capability (DESC)	100	0	100	0	40	(60)
Policy & legislation compliance	40	0	40	0	40	0
Discovery and elaboration	40	0	40	0	40	0
Pilots	50	0	50	0	40	(10)
	<b>1,270</b>	<b>0</b>	<b>1,270</b>	<b>186</b>	<b>1,270</b>	<b>0</b>
<b>Total capital</b>	<b>2,900</b>	<b>230</b>	<b>3,130</b>	<b>432</b>	<b>2,848</b>	<b>(282)</b>

- 5.2 Budget adjustments above include the £230k carry-forward for Glenrothes approved by the Board in June 2024, and recognise that the Glasgow project will now be completed over two financial years, resulting in an in-year underspend being used to support the Aberdeen project and completion of Glenrothes.

- 5.3 The move to treat Glasgow as a two-year project has opened an opportunity to complete the Greenock and Inverness projects within 2024/25, rather than merely completing the initial phases in 2024/25 with the bulk of work falling in 2025/26.

- 5.4 The Hearing Centre Improvement programme has been scaled back in 2024/25, pending feedback from the Glasgow project.
- 5.5 The forecasts on the larger property projects remain at risk of significant changes, both in respect of timing and value, due to the challenges of the market place. The Property and Procurement teams meet regularly to ensure projects remain on track.
- 5.6 The Digital Programme budget for 2024/25 is £1,270k including £200k for CCJA preparation.
- 5.7 The Leidos team working on CSAS Further Development is currently scaled to a level that cannot be sustained until March 2025. It has taken a number of months to expand and reach the level of productivity SCRA benefits from in delivering the latest work packages, and Leidos is aware that SCRA will be looking for efficiencies and/or to scale back in the second half of the year – noting also that there have been some specialist resources, particularly engaged in Lean Analysis, that were front-loaded and will naturally drop back. SCRA is working on a joint investment profile with CHS where the focus of development will be around mutually beneficial features (Hearings, data sharing) and the costs will be shared with CHS.
- 5.8 The £40k spend on CCJA is principally investment in the Victim Information functionality.
- 5.9 Digital Evidence Sharing Capability (DESC) for the children’s hearing system was previously treated as CCJA spend but has been reclassified as a business need independent of CCJA. The underspend on DESC is intended to fund further development of CSAS.
- 5.10 At this stage, the Head of Digital and Head of Property do not foresee any potential for further capital expenditure within 2024/25, and the unspent capital resource may be recouped by SG.

## **6. Conclusions**

- 6.1 The overall net revenue forecast is an underspend of £773k, and the overall capital forecast is an underspend of £282k. EMT will continue to maximise opportunities to use the underspend whilst adhering to SG’s call to limit discretionary spending where this can be accommodated without impacting operations.

## **7. Recommendations**

- 7.1 Members are asked to note the revenue and capital positions for the year to August 2024 and forecasts based on July actuals.

## Appendix A

## East And Central Scotland Area

	Ayrshire Locality	East & Central Scotland Office	Central Locality	Lanarkshire Dumfries & Galloway Locality	South East Locality	Tayside And Fife Locality	Total
Staff Costs	-25.5	-24.2	-61.5	+34.5	-167.0	-139.5	<b>-383.2</b>
Property Costs	-10.0	+0.0	-12.5	-7.0	-20.0	+0.0	<b>-49.5</b>
Travel Costs	+0.0	+0.0	-2.0	+0.0	+0.0	+0.0	<b>-2.0</b>
Other Operating Charges	+9.0	-20.3	+4.0	-6.0	+2.5	-1.0	<b>-11.8</b>
Income	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	<b>+0.0</b>
<b>Total</b>	<b>-26.5</b>	<b>-44.5</b>	<b>-72.0</b>	<b>+21.5</b>	<b>-184.5</b>	<b>-140.5</b>	<b>-446.5</b>

## North And West Scotland Area

	North West Area Office	Highlands And Islands Locality	Grampian Locality	North Strathclyde Locality	Glasgow Locality	Total
Staff Costs	-12.0	-9.0	+11.0	-32.0	-220.0	<b>-262.0</b>
Property Costs	+0.0	+0.0	-0.8	+17.8	+17.9	<b>+34.9</b>
Travel Costs	+0.0	+0.0	-5.0	+0.0	+0.0	<b>-5.0</b>
Other Operating Charges	+0.0	-1.5	+0.2	+2.0	+44.6	<b>+45.3</b>
Income	+0.0	+0.0	+0.0	+0.0	+0.0	<b>+0.0</b>
<b>Total</b>	<b>-12.0</b>	<b>-10.5</b>	<b>+5.4</b>	<b>-12.2</b>	<b>-157.5</b>	<b>-186.8</b>

## Head Office

	Communications	Executive	Finance	Human Resources	Information Systems	Planning	Practice & Policy	Property	Total
<b>Staff Costs</b>	-12.0	-17.5	-16.0	-40.9	-41.0	+62.0	-79.0	+8.0	<b>-136.4</b>
<b>Property Costs</b>	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	-17.6	<b>-17.6</b>
<b>Travel Costs</b>	+1.0	+1.0	+1.0	+0.0	+0.0	+0.0	+0.0	+0.0	<b>+3.0</b>
<b>Other Operating Charges</b>	+0.0	+0.0	+3.0	+41.6	-29.5	+0.0	-3.5	-1.5	<b>+10.1</b>
<b>Capital Financing</b>	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	<b>+0.0</b>
<b>Other Income</b>	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	+0.0	<b>+0.0</b>
<b>Total</b>	<b>-11.0</b>	<b>-16.5</b>	<b>-12.0</b>	<b>+0.7</b>	<b>-70.5</b>	<b>+62.0</b>	<b>-82.5</b>	<b>-11.1</b>	<b>-140.9</b>

## SCOTTISH CHILDREN'S REPORTER ADMINISTRATION

### Draft Financial Strategy

**Accountable Director:** Chief Executive/Principal Reporter **Date:** 18 September 2024  
**Report Author:** Head of Finance and Resources

#### Recommendations:

1. To approve the updated Financial Strategy 2025/26 – 2029/30.
2. To note the updated assessment of revenue and capital funding needs.

**Reason for Report:** For approval

**Resource Implications:** Outwith approved budgets

**Strategy:** Outwith approved plans

**Consultation:** Executive Management Team

**Equalities Duties:** An Equalities Impact Assessment is not required. Such assessments are undertaken on year on year budget proposals

**Document Classification:** Not Protectively Marked

## 1. Introduction and Background

- 1.1 In September 2023 the Board approved the Financial Strategy 2024/25-2028/29. This report presents an updated Financial Strategy for the period 2025/26-2029/30 following a review by the Acting Head of Finance & Resources in conjunction with the Executive Management Team (EMT). The strategy is essentially a 5 year Financial Plan based on funding requirements, laying out the assumptions behind these requirements.
- 1.2 An overview of the principles of the updated Financial Strategy is in section 2, with a summary of the 2023/24 outturns and 2024/25 budget in sections 3-4. Section 5 covers the assumptions of the assessed need, referring to Appendix 1 which lists some of the granular detail behind the headline numbers. Section 6 gives an overview of SCRA's savings and efficiencies work, and section 7 highlights the sensitivities of the assumptions. Section 8 summarises the capital position.
- 1.3 The Strategy will enable consideration to be given as to how resources should be allocated to supporting the activities in both the current (2024-2027) and the next three year Corporate Plan (2027-2030).

## 2. Financial Strategy 2025-2030

### Development of the Financial Strategy

- 2.1 In common with many public bodies, SCRA faces significant year-on-year challenges in developing a sustainable service delivery model in the face of ongoing funding constraints, year-to-year funding uncertainty and multiple operational, legislative and policy related pressures, including delivery of SG pay policy and wider staff expectations on reward and remuneration.
- 2.2 Developing a Financial Strategy contributes to SCRA's sustainability, quantifies potential future funding needs and is an enabler of the Corporate Plan.

### Financial Strategy Objectives

- 2.3 Three financial strategy objectives identified last year remain relevant and appropriate:

#### **Objective 1 – To achieve long term financial sustainability.**

We will ensure Corporate Plan objectives and planned resources are appropriately aligned.

#### **Objective 2 – To take a medium to long term view of investment in our key resources and capabilities and new developments.**

Investment in key resources such as staff, digital and property will be with a view to building sustainability, efficiency, effectiveness and resilience. The strategy should include scope for investment in new developments which will improve future performance, reduce annual running costs and reinvest staff time towards increased child and family facing activities.

### **Objective 3 – To align the Financial Strategy with other strategies.**

The Financial Strategy aligns to, enables and compliments the digital strategy, practice and policy strategy, people strategy, operational strategy and the rights, inclusion and corporate parenting strategy.

#### **Strategic Environment**

2.4 The strategic environment in which SCRA operates, and some of the strategic challenges SCRA faces, are included in SCRA's [Corporate Plan 2024-27](#). The particular challenges with a significant financial impact are, in summary:

- an increasing annual deficit due to flat-cash published resource settlements from SG;
- implementation of the Children (Care and Justice) Act (CCJA), leading to a significant increase in workload for SCRA; and
- continuation and development of SCRA's Care, Connect and Protect Programmes in order to Keep the Promise and deliver on the Hearings for Children (HfC) recommendations.

### **3. 2023/24 Financial Outturns**

3.1 The 2023/24 revenue outturn was under budget, principally due to prolonged recovery from the 2022/23 vacancy management protocol. The 2023/24 capital outturn was under budget mainly due to a significant portion of the Glenrothes project being completed after 31 March 2024, rather than before.

3.2 Over 99% of SCRA's funding comes from one source, Grant in Aid (GiA) from Scottish Government. The remaining arises from property leases, secondments and shared services provision to Children's Hearings Scotland (CHS).

3.3 The balance on SCRA's general fund has been negative for a number of years, and stands at a deficit of £18.9m at 31 March 2024. This position has arisen despite SCRA breaking-even or underspending on operating expenditure against budget each year, and is due mainly to significant non-cash pension adjustments. There are no immediate implications arising from the general fund deficit, as the letter received in 2023 from Scottish Government addresses concerns in this area.

### **4. 2024/25 Revenue Budget**

4.1 In the 2024/25 budget, net staff costs of £26.7m (after deducting the savings target) represent 81% of the net revenue budget of £32.8m. Property costs of £2.4m (excluding rents accounted for under IFRS 16) represent 8%, and IT costs of £1.8m represent a further 5%. Other costs amount to £2.2m (7%). Total costs are partly offset by income of £0.3m (-1%).



- 4.2 The 2024/25 staffing budget provides for 462 full-time equivalents (FTE), of which 419 FTE are core establishment posts. Of the remaining 43 FTE, 16.7 FTE are in front-line operational posts, originally recruited to as part of pandemic recovery, and since retained in readiness for CCJA. These 2024/25 FTE totals do not include any of the CCJA posts that will be recruited to in advance of “go-live”, for which £0.96m was included within the 2024/25 budget.
- 4.3 The budget includes a 2% savings target, which is being met from delays filling vacant staff posts. Whilst efforts to identify efficiencies will continue, the scope for significant further savings in any area of SCRA’s budget is significantly limited without high levels of operational risk and so it is not assumed in the Financial Strategy that efficiencies can bridge future funding gaps.

## 5. Forecast Budgets 2025/26 to 2029/30

- 5.1 The Financial Plan at Appendix 1 reflects SCRA’s assessment of revenue needs over the five years from 2025/26. The figures below show required funding increases compared to 2024/25 baseline funding, resulting in a deficit of £15.7m p.a. by 2030.

Revenue funding	24/25 £m	25/26 £m	26/27 £m	27/28 £m	28/29 £m	29/30 £m
Revenue GiA	24.32	24.32	24.32	24.32	24.32	24.32
Unfunded pressures	8.53	10.37	11.34	13.30	14.47	15.67
<b>Total</b>	<b>32.85</b>	<b>34.69</b>	<b>35.66</b>	<b>37.62</b>	<b>38.79</b>	<b>39.99</b>
GiA Increase	35%	43%	47%	55%	59%	64%

- 5.2 The increase from 462 FTE to 497 FTE by 1 April 2026, and the CCJA staff costs of £1.8m-£2.7m p.a. from 2025/26 onwards, represent SCRA’s assessed need on the assumption of a CCJA “go-live” date of 1 October 2025. The full impact of CCJA is 51.4 FTE, across all grades, at a cost of around £2.8m p.a., as affirmed to SG on 6 September 2023; however, as noted in paragraph 4.2 above, 16.7 FTE of these posts, and these posts’ associated costs, have already been incorporated into existing budgets.

The assessment of SCRA’s staffing needs was revisited in August 2024 by the Data Manager and Head of Practice and Policy, in light of updated information, and no change to the assessed requirement was necessary. The staff increases reflect the modelled increases in referrals, hearings, pre-hearing panels, court and appeals, plus the concomitant extra administrative and managerial effort to support this increased activity. SCRA will continue to assess its forecast, and revise if necessary, on receipt of updated information on the timing of the bill.

- 5.3 The pay bill remains the predominant financial commitment in SCRA. The Financial Plan assumes consolidated pay uplifts of 3%, with any additional costs arising from “pay flexibilities” and annual progression being met from in-year savings and churn.
- 5.4 The employer’s pension contribution rate is set at 17.6% until 31 March 2027. The working assumption for this strategy is that, on 1 April 2027, the employer rate will revert to 21.1%, the rate prevailing prior to 1 April 2024.

- 5.5 Property costs, travel & subsistence and supplies and services are assumed to be subject to average 3% p.a. inflationary pressures. Where SCRA feels it can realistically offset some these pressures by making efficiency savings, these lines have been held static for the period of the strategy (e.g. travel & subsistence, postages).
- 5.6 Unfunded pension costs are assumed to drop by net 5% p.a. as SCRA's long-term liability is discharged.
- 5.7 Income, and the sum of lease costs and interest, are anticipated to remain relatively static, but further work is required between the Accountant and Estates Manager to confirm this.
- 5.8 The savings target is held at a prudent 2% of staff costs. In recent years, this has been achieved relatively easily, but not without challenges to KPIs and staff.
- 5.9 It is expected that current income levels of around £282k from shared services, secondments and rental income, will be maintained, or offset by a matching reduction in costs. This assumption will be reviewed by the Finance Manager and the Head of Property.

## **6. Savings and Efficiencies**

- 6.1 SCRA has delivered significant revenue savings since the high point of revenue funding in 2009/10. Staffing reduced by 18% over 5 rounds of voluntary severance delivering over £3m of recurring savings. This is over and above significant reductions in property (12%) and IT costs (56%) since 2008/09, and SCRA regularly exceeding its annual staff savings target of between 1.5% and 3%.
- 6.2 One of the continuing challenges is the ability to balance staff resources across core service delivery which is now more complex and time-consuming and new priorities such as Care, Connect and Protect Programmes, delivering on the Hearings for Children recommendations and referral of 16 and 17 year olds. The 2024/25 budget included specific allocations for Keeping The Promise, Programme work and Organisational Development. The significant demands on staff of an elongated period of continuous change in the operating environment and the concurrent challenge of developing new skillsets presents an ongoing risk and mitigations such as more efficient and effective casework processes and health and wellbeing interventions are not quick fixes.
- 6.3 SCRA has already realised substantial savings from reducing the size of the estate, with recent examples including Hamilton and Glasgow. The process continues with a drive to reduce vacant space, become more energy efficient, reduce travel costs and develop space in a way that supports a more agile workforce.

- 6.4 SCRA's Procurement Officers continue to scrutinise contracts with a view to challenging demand for services, delivering better value for money from key contracts and reducing costs. Procurement Officers meet regularly with contract managers across SCRA. Where possible SCRA seeks to use Scottish Government Frameworks or collaborate with other public bodies to secure the benefits of economies of scale.
- 6.5 SCRA provides shared services (Accounts payable, production of statutory accounts and payroll) to CHS, shares IT costs relating to CSAS where appropriate, and collaborates on audit tender exercises. SCRA also leases vacant space to public and commercial bodies and participates in SG's efficiency programmes, including the Single Scottish Estate programme.

## 7. Scenario Planning

- 7.1 Changing some of the key assumptions in the forward budget can have a significant impact on the future budget forecasts, for example:
- a delay to October 2026 of CCJA "go-live" date reduces SCRA's projected assessed need by £1.8m in 2025/26;
  - changing SG pay policy assumptions by 1 percentage point adds/subtracts around £0.3m to that year's paybill and, assuming this is consolidated, each future year's paybill;
  - changing the baseline 3% inflation assumption by 1 percentage point adds/subtracts around £0.05m to that year's forecast need;
  - if the triennial pension fund valuation at 31 March 2026 results in an ongoing pension surplus, the £0.87m increase in pension contributions in 2027/28 may be significantly reduced, potentially to £nil
  - changing the assumptions around what non-staff lines can realise efficiencies to mitigate inflation will naturally lead to a change in anticipated needs on those lines.
- 7.2 In previous years, SCRA has modelled what a budget based on standstill funding would look like. However, SG has given repeated assurances to SCRA that in-year support will be forthcoming, and SG accepts that SCRA could not fulfil its statutory duties if asked to operate within standstill funding of £24.32m. SCRA will model different (likely) funding scenarios and budget envelopes prior to the 25/26 budget being brought to the Board for approval.

## 8. Capital

8.1 The September 2023 Financial Strategy included an assessment of capital requirements from 2024/25 to 2028/29. The figures shown below have been updated and extended for a further year.

	<b>2024/25 Budget £m</b>	<b>2025/26 Estimate £m</b>	<b>2026/27 Estimate £m</b>	<b>2027/28 Estimate £m</b>	<b>2028/29 Estimate £m</b>	<b>2029/30 Estimate £m</b>
<b>Programme</b>						
Property	1.63	3.10	0.95	0.95	0.90	0.90
Digital	1.27	1.04	1.07	1.13	1.16	1.20
<b>Total</b>	<b>2.90</b>	<b>4.14</b>	<b>2.02</b>	<b>2.08</b>	<b>2.06</b>	<b>2.10</b>

8.2 The digital programme is to be confirmed with the Head of Digital, but a marker of 3% of resource budget is the current presumption.

8.3 The Property programme reflects the ambition to conclude the Glasgow ground and first floor renovations project, and Dundee renovation, before 31 March 2026. If SCRA does not receive the requested level of capital funding, EMT will scenario-plan around options to defer or scale back projects. Beyond that date, there are no major works planned, with the £1m spend focused on smaller Hearing Centre Improvement projects, environmental works, minor works and some reconfiguration works (locations to be determined).

## 9. Conclusions and recommendations

9.1 Financial sustainability over the term of the Financial Strategy is dependent on alignment of published revenue funding in line with agreed needs. Without this, SCRA will continue to be reliant on additional in year funding from Scottish Government which creates considerable uncertainty and hampers development of multi-year plans, inevitably resulting in less value derived from available resources with a consequential impact on service quality and positive outcomes for children, young people and their families.

9.2 Discussions are ongoing with Sponsor Team to ensure a good, shared understanding of SCRA's corporate and financial objectives for 2025/26 and the period to 2030. Much needed stability and certainty will be achieved if the 2025/26 resource budget allocation is in line with SCRA's assessed needs.

9.3 Members are asked to approve the updated Financial Strategy 2025/26 – 2029/30 and to note the updated assessments of revenue and capital funding needs.

## Appendix 1

## SCRA FINANCIAL PLAN 2025/26 TO 2029/30

		year 1	year 2	year 3	year 4	year 5
	Actual Budget 2024/25	Forecast Budget 2025/26	Forecast Budget 2026/27	Forecast Budget 2027/28	Forecast Budget 2028/29	Forecast Budget 2029/30
<b>Average FTE</b>	<b>462</b>	<b>488</b>	<b>497</b>	<b>497</b>	<b>497</b>	<b>497</b>
	£k	£k	£k	£k	£k	£k
Baseline Staff Costs	26,353	26,353	27,198	28,089	29,876	30,851
Children's Care and Justice Act (CCJA)	964	1,812	2,488	2,563	2,640	2,719
Pay Remit	0	845	891	920	975	1,007
Employers pension contributions rate change (+3.5%)	0	0	0	867	0	0
<b>Staff Costs</b>	<b>27,317</b>	<b>29,010</b>	<b>30,577</b>	<b>32,439</b>	<b>33,491</b>	<b>34,577</b>
<b>Property Costs</b>	<b>2,392</b>	<b>2,464</b>	<b>2,538</b>	<b>2,614</b>	<b>2,692</b>	<b>2,773</b>
<b>Travel &amp; Subsistence</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>
<b>Supplies and Services</b>						
Equipment & Maintenance Contracts	37	37	37	37	37	37
Printing, Stationery & Photocopying	115	115	115	115	115	115
Postages	253	253	253	253	253	253
SCOTS	873	899	926	954	983	1,012
Software	928	956	985	1,015	1,045	1,076
Legal fees	180	180	180	180	180	180
Hearing costs	198	198	198	198	198	198
Other supplies and services	381	387	393	399	405	411
<b>Supplies and Services</b>	<b>2,965</b>	<b>3,025</b>	<b>3,087</b>	<b>3,151</b>	<b>3,216</b>	<b>3,282</b>
<b>Unfunded Pensions</b>	<b>200</b>	<b>190</b>	<b>181</b>	<b>172</b>	<b>163</b>	<b>155</b>
<b>Lease costs and Interest</b>	<b>691</b>	<b>691</b>	<b>691</b>	<b>691</b>	<b>691</b>	<b>691</b>
<b>Savings Target</b>	<b>(608)</b>	<b>(580)</b>	<b>(612)</b>	<b>(649)</b>	<b>(670)</b>	<b>(692)</b>
<b>Income</b>	<b>(282)</b>	<b>(282)</b>	<b>(282)</b>	<b>(282)</b>	<b>(282)</b>	<b>(282)</b>
<b>TOTAL FUNDING REQUIREMENT</b>	<b>32,850</b>	<b>34,693</b>	<b>35,664</b>	<b>37,620</b>	<b>38,785</b>	<b>39,988</b>
<b>Baseline funding</b>	<b>24,318</b>	<b>24,318</b>	<b>24,318</b>	<b>24,318</b>	<b>24,318</b>	<b>24,318</b>
<b>Additional funding requirement</b>	<b>8,532</b>	<b>10,375</b>	<b>11,346</b>	<b>13,302</b>	<b>14,467</b>	<b>15,670</b>

**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION**

**DRAFT 2023/24 ANNUAL ACCOUNTS**

**Accountable Director:** Principal Reporter/Chief Executive **Date:** 18 September 2024

**Report prepared by:** Finance Manager

**Recommendations:**

1. To approve the 2023/24 accounts.
2. To approve the Letter of Representation (ISA 580).

**Reason for Report:** Audit & Risk Committee approval

**Resource Implications:** Not applicable

**Strategy:** Not applicable

**Consultation:** Executive Management Team, External Auditors

**Document Classification:** Not protectively marked

## 1. Introduction

- 1.1 Audit Scotland has completed the audit of the SCRA's 2023/24 accounts and is in the process of submitting a draft independent auditor's report to the Accountable Officer. The auditor is issuing a draft audit opinion on the financial statements and on the regularity of the financial transactions.
- 1.2 A brief overview of the funding landscape for SCRA, which members may find useful, is attached as Appendix 1.

## 2. Issues Arising from the Accounts

### 2.1 Revenue Grant in Aid and Reserves

#### **Statutory Accounts**

In the year to 31 March 2024, the Accounts reported net expenditure before Scottish Government (SG) funding of £31.7m (2023: £34.9m). SCRA had revenue Grant in Aid (GiA) of £30.3m (2023: £28.5m). The net excess of expenditure over income after accounting for GiA was therefore £1.4m (2023: £6.4m). The drop in expenditure is principally due to a reduction in pension costs

The Pension Reserve has a surplus of £32.5m as at 31 March 2024 (2023: £28.3m). Detailed figures and assumptions underlying the pensions position can be found in notes 1(n), 1(q) and 11 of the Annual Accounts.

The Revaluation Reserve has a surplus of £3.1m as at 31 March 2024 (2023: £2.5m).

#### **Management Accounts**

Financial performance against annual operating budget is reported at each Board meeting. The 2023/24 performance is set out on page 16 of the Accounts, and operating expenditure was £1.4m less than budget, mainly as a consequence of staff vacancies and an anticipated SG pay policy based on higher cost of living pressures.

### 2.2 Pensions

At 31 March 2024, the actuary assessed SCRA's net pension position, i.e. pension assets less pension obligations, as a net asset of £15.7m (2023: £20.2m), but International Financial Reporting Standards (IFRSs) limit the value of pension asset that SCRA may formally recognise. To this end, SCRA is recognising an asset of £4.3m (2023: £nil). More detail on this is on page 97 (note 11) of the annual accounts.

### 2.3 General Fund

The General Fund deficit has decreased from £19.9m at 31 March 2023 to £18.9m at 31 March 2024. The overall (historic) deficit is due to three main factors:

- an excess of total pension service cost over employer's contributions;
- pension net interest costs; and

- an excess of depreciation over capital GiA.

These three items are included in SCRA's Statement of Comprehensive Net Expenditure and therefore reduce SCRA's general fund balance but, being non-cash costs, they are not covered by GiA, unlike other costs. Without the pension charges in previous years, the General Fund would still be in surplus.

## **2.4 Right of Use Assets**

SCRA revalued its estates of owned properties ("land and buildings") and leased properties ("right of use assets") as at 31 March 2024. The new valuation of land and buildings is incorporated into the statutory accounts, but the valuation of right of use assets is not, although this valuation did provide reassurance that the existing carrying value of SCRA's right of use assets is appropriate.

## **3. Audit Scotland's Annual Audit Report (AAR)**

- 3.1 International Standards on Auditing require auditors to report certain matters arising from the audit of the financial statements to 'those charged with governance'.
- 3.2 Audit Scotland has expressed unqualified opinions on the financial statements and on the regularity of the financial transactions reflected in the financial statements.
- 3.3 Audit Scotland has made one recommendation for 2023/24: the SCRA should establish appropriate arrangements to ensure compliance with our Whole of Government Accounts (WGA) reporting responsibilities. The 2022/23 recommendation (that the information required to be included within the Performance Report by the FReM is reported within the correct section of the Performance Report) is work in progress. The management response is reflected in Audit Scotland's Annual Audit Report. All prior recommendations are complete.

## **4. Audit opinion and Letter of Representation (ISA 580)**

- 4.1 The proposed Independent Auditor's Report and standard Letter of Representation (ISA 580) are attached to the auditor's covering letter at item 8.2. The opinion will be inserted into the final Accounts (page 80) and the Letter of Representation sets out the Board Members' position on the key areas for consideration by the external auditor in arriving at their opinion.

## **5. Recommendations**

- 5.1 To approve the 2023/24 accounts.
- 5.2 To approve the Letter of Representation (ISA 580).



## Aspects of Government Finance clarified

**The Requirement** – Background on how the General Fund, reserves, GIA, treatment of pension matters etc work.

### Grant In Aid (GIA)

- Refers to pre-funding provided to Scottish Government (SG) sponsored bodies to finance their ongoing operating expenditure within broad parameters
- There are specifically separate allocations for Revenue (circa £25m) and Capital (circa £2.9m) and rules associated with their use
- This accounts for the vast majority of SCRA's funding. The only other income is circa £411k from mainly rental, shared service and staff secondments
- It should provide the basis for the baseline budget at the start of the year but hasn't and members are aware of how SCRA is currently being funded
- Our annual accounts record some spends which are non-cash, most notably depreciation – these items can be ignored for cash purposes and generally don't form part of the management accounts the Board sees at its meetings

### Treatment of Pension Matters Etc

- SCRA has an agreement with Falkirk Council under which all staff are eligible to enter the Local Government Pension Scheme (LGPS) managed by the Council in accordance with the rules thereof. It is a defined benefit scheme providing pension benefits and life assurance for all staff members.
- In terms of SCRA there are employee and employer contributions to the scheme, for which the contribution requirements are reviewed regularly. Employer contributions are set 1-3 years in advance.
- For SCRA the scheme operates on a 'pay as you go' basis which means if a liability arises on the scheme that needs to be satisfied this will be met by the Scottish Government, but only at the point it 'crystallises' rather than in anticipation for example when the scheme is valued at regular intervals. This can mean that, on paper, SCRA's liabilities exceed its assets. If SCRA were a commercial enterprise, this would be a serious issue requiring funding to address it, but as a body sponsored by SG, we can address this using what is referred to in papers as the 'letter of comfort.' The note included within the accounts says "To the extent that the pension deficit is not met from SCRA's sources of income it may only be met by future grant in aid from SCRA's sponsoring department, the Scottish Government Education & Skills Department. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be paid in advance of need." The importance of this principle in Government Accounting terms needs to be emphasised as it is often not understood that you cannot draw down money in advance of need,

to protect the aggregate financial position of the Government. This is similar to how the State Pension Scheme operates.

- For information the most recent valuation as at 31 March 2023 actually shows it as in surplus but under the international financial accounting standards we adhere to, this is not recognised in the accounts as a liability would be.

## **Reserves**

The reserves shown in the financial statements as Taxpayer's Equity (this is the equivalent to "shareholders' funds/owners' equity in private sector accounts) are as follows

### **1. General Fund**

This is the running total of funding SCRA has received, less what it has spent. Effectively links to our funding position as explained above. Due to the pension funding arrangements of "not paying in advance of need", it will tend to be in deficit and hence the letter of comfort. The deficit arises because, each year, SCRA must recognise in its General Fund the full extent to which its liabilities have increased due to another year of staff building up pension entitlements and (generally) moving 1 year closer to retirement. This is assessed by the actuary after each year finishes. However, SCRA only receives cash to cover its employer contributions, which, having been set at least 1 year in advance, will very rarely match the cost. This difference generally results in an accumulating general fund deficit that will only resolve in the long-term future when SCRA's liabilities crystallise in the form of its staff retiring and drawing their pension.

### **2. Pension Reserve**

When the pension fund's assets and liabilities are assessed each year by actuaries, some of the changes in value (such as changes in future demographic assumptions, like mortality rates) are attributed to the pension reserve instead of the general fund. Across the span of SCRA's participation in LGPS, this will net off to zero, but this span could be decades in the future, and in the interim, large timing differences will arise.

### **3. Revaluation Reserve**

Arises as a result of periodic asset revaluations: when SCRA sees an increase in property values, it is prohibited from reflecting these gains within its General Fund, and must report them separately as arising from revaluations.

# 2023-2024 Annual Report and Accounts



## OUR VISION

Children and Young People will be listened to, protected and supported to have a positive future where they are safe, valued and respected.

## Contents

<b>1</b>	<b>Performance Report</b>	<b>3</b>
1.1	Performance Overview	3
1.2	Performance Analysis	16
<b>2</b>	<b>Accountability Report</b>	<b>57</b>
2.1	Director's Report	57
2.2	Statement of Accountable Officer's Responsibilities	60
2.3	Governance Statement	61
2.4	Remuneration and Staff Report	70
2.5	Parliamentary Accountability Report	79
2.6	Independent Auditor's Report	80
<b>3</b>	<b>Financial Statements</b>	<b>81</b>
3.1	Statement of Comprehensive Net Expenditure	81
3.2	Statement of Financial Position	82
3.3	Statement of Cash Flows	83
3.4	Statement of Changes in Taxpayers' Equity	84
3.5	Notes to the financial statements	85
<b>4</b>	<b>Appendices</b>	<b>104</b>
4.1	Direction by the Scottish Ministers	107

# 1 Performance Report

## 1.1 Performance Overview

### 1.1.1 Introduction

The Scottish Children's Reporter Administration (SCRA) is a national body focused on children and young people most at risk. SCRA was formed under the Local Government (Scotland) Act 1994 ('the Act') and became fully operational on 1st April 1996.

The Children's Hearings System provides the operational setting in which SCRA and our partner agencies work. The aim is to provide a safety net for vulnerable children and young people, and deliver tailored solutions which meet the needs and rights of the individuals involved, while helping to build stronger families and safer communities. You can find out more about our work on our website, [www.scra.gov.uk](http://www.scra.gov.uk).

### Our main responsibilities as set out in the Act are:

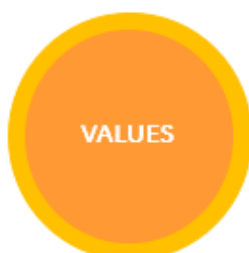
- To facilitate the work of Children's Reporters;
- To deploy and manage staff to carry out that work;
- To provide suitable accommodation for Children's Hearings.



**VISION** Children and young people will be listened to, protected and supported to have a positive future where they are safe, valued and respected.



**MISSION** We protect and support Scotland's children and young people by making high quality decisions, upholding their rights and working collaboratively as compassionate, inclusive Corporate Parents to enable the most positive and personalised experience possible of the Children's Hearings System.



**Supportive:** We work with kindness to support children and families, our partners and each other.  
**Child Centred:** Children and young people are at the heart of everything we do.  
**Respectful:** Everyone is respected and treated fairly, inclusively and lawfully.  
**Accountable:** We are responsible for our decisions, our ethics and our learning.

## Strategic Aims

SCRA’s 2020-24 Corporate Plan sets out three strategic aims; Care, Connect, Protect.

The Corporate Plan’s aims and objectives are aligned with the supporting strategies, which forms the Business Plan.



C A R E	Delivering a service that feels right for each child, young person and family that experiences it.
C O N N E C T	Working together to receive the right referrals, for the right children, at the right time.
P R O T E C T	Making high-quality and timely decisions for children and young people, using the right information that is relevant, clear and secure.

## Performance Framework

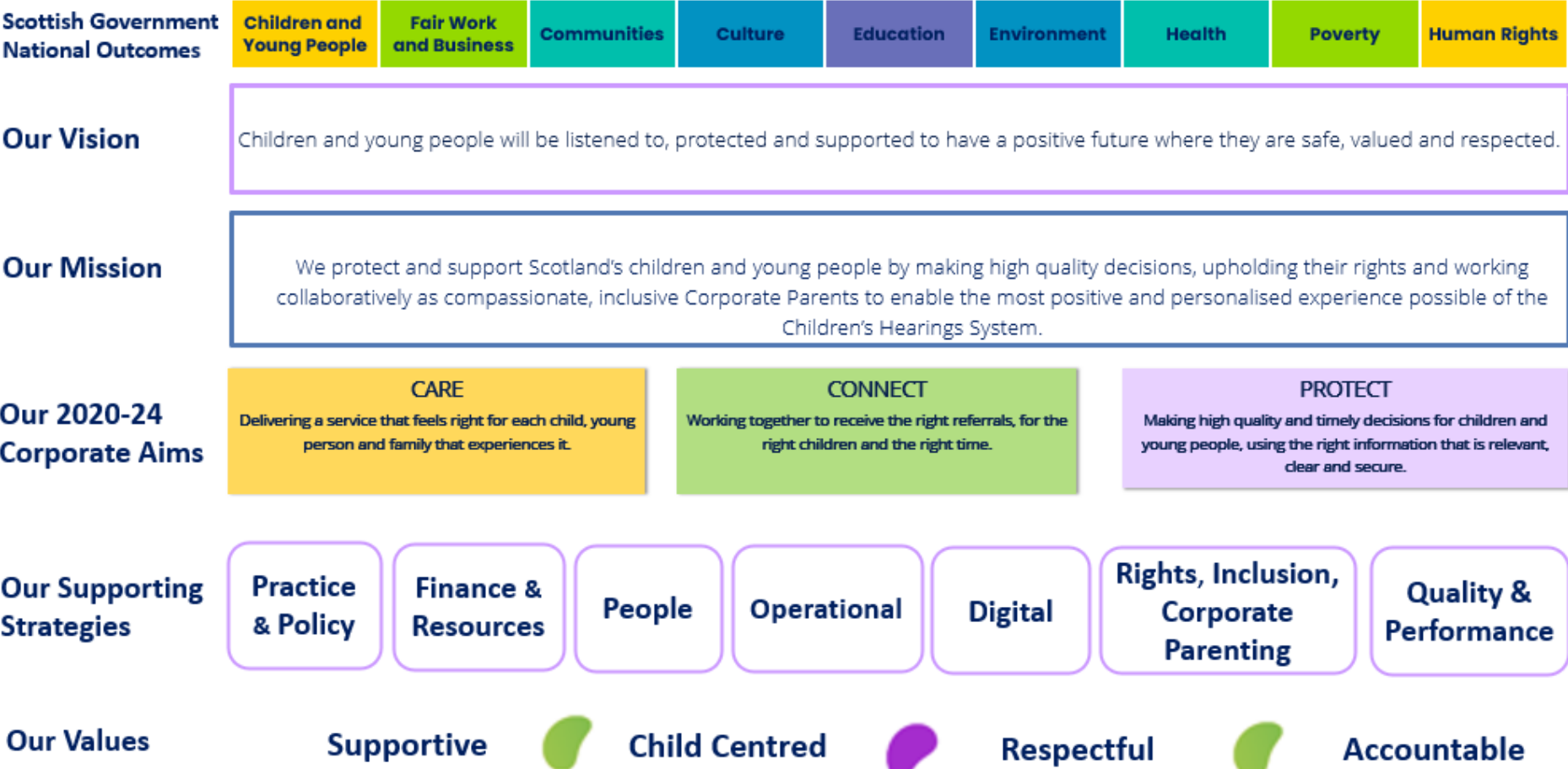
Everything we do is linked to the organisation’s vision through to our values; leading to a common understanding of how the vision, mission and values of the organisation relate to everyday tasks.

The Corporate Plan’s aims and objectives are delivered in the Business Plans by the supporting strategies. We review our strategies and action plans on a regular basis to ensure they are fit for purpose. We report to SCRA’s Executive Management Team on a quarterly basis, and the Board on our performance against these plans on a six-monthly basis.



# Strategic Framework

Our activities are underpinned by our values, seeks to deliver on our aims and objectives and aspires to meet our vision. Our organisation’s vision links to the Scottish Government’s National Outcomes.



## 1.1.2 Chief Executive's Foreword

Welcome to SCRA's 2023/24 Annual Report and Accounts, which reflects the fourth and final year of the 2020-24 Corporate Plan.

### Business Plan Progress

The 2023/24 Business Plan incorporates 27 high level objectives spanning across four Priority Aims;

1. Investment in People,
2. Effective and Efficient Service Delivery,
3. Child Centred Corporate Parenting,
4. Engagement with the Political Environment and Influencing Social Policy.

Each objective contains specific actions that are delivered by the relevant organisational strategies. All of the objectives are aligned with SCRA's 2020-24 Corporate Plan.

The objectives contained within the 2023/24 Business plan were cascaded across two years to enable sufficient time for research, testing and implementation. Good progress was made across all 27 objectives, which is highlighted by the percentage progress. The three not yet complete will be complete in year one of the 2024-27 Corporate Plan. Narrative is provided in Section 1.3 on the key areas of work undertaken during 2023/24 across the organisation towards the Business Plan.

### Managing change and delivery

- With a robust Programme Management Framework now in place, a key area of work over the year has been taking the exploratory work of 2022/23 and moving it towards testing and evaluation – to inform, influence and support the development of a Target Operating Model (TOM) for SCRA.
- The TOM is emerging as the position on the Hearings for Children recommendations is clarified over time, and through the progress of the internal projects we have initiated. It will provide the organisation with a vision of the future – how we will work across a series of capabilities such as people, processes, culture and technology – and that it may take a number of iterations to get there.
- All managers, last year, were trained in Quality Improvement methodology, and have been working aligned to the Programme Framework to test improvements and potential using this.
- Our team of project managers – working together to deliver our ambitious programme of change have all undertaken a variety of different learning opportunities to ensure that we are skilled, knowledgeable and confident to take forward the change and transition ahead.
- Communication has been key – working closely with managers to ensure that they are equipped with the knowledge they need about the upcoming change, our approach and our plans to enable them to work with their own staff – to prepare them, assure them, involve them.
- An internal Audit was carried out during November to scrutinise the programme management framework, its embeddedness, the integration of the programmes and our readiness for the next stage. The Audit was given Substantial assurance and reported to November Audit and Risk Committee and the below was summarised as best practice findings:



- We found that the Project Management Framework contained all expected areas and that this was developed based on best practice identified by the Scottish Government.
- Lessons learned logs were kept throughout the Keeping the Promise Programme; we obtained evidence that these lessons have been incorporated into the Programme Management Framework and applied to the Programme Protect.
- There was an evaluation of performance completed at the end of Phase One of the Reform Project.
- There was evidence of suitable planning and confirmation of scope for the current stage of the Programme Protect and recognition of the areas which will be further developed as the Programme progresses.
- We found that there were suitable governance arrangements in place and that these were consistently applied.

### Hearings for Children (The Promise)

- Key change remains within the Hearings for Children report – and the work that we do to realise it's ambition.
- There has been continual engagement throughout the year – working with partners, Scottish Government and with expertise from Children and Young people, considering priorities, what could be achieved within current legislation through improvement, what would need further research etc.
- The Hearings for Children report, and the Government response to it aligned very well with the staff engagement, with improvement work underway and with plans proposed for future.
- All project work has been mapped to these and shared with partners and with Scottish Government – and great progress is being made in the areas of improvement

### Our People

- We continue to build on our successful programme of work on health and wellbeing across SCRA – our growing cohort of Mental health First Aiders continue to provide guidance to staff alongside our HELP Employee Assistance Programme
- We launched a new Right to Disconnect Policy and accompanying FAQ, which recognises that disconnecting from work is vital to a healthy and sustainable work-life balance, and to support personal resilience
- Commitment to personal development and succession planning with the professional development award being re-introduced for new or aspiring to be managers.

### Staff Survey

The annual staff survey this year (2023) had a total of 261 respondents – in 2022 we had 243 respondents and 230 in 2021. The previous years key priorities arising from the staff survey were:

- staff morale
- workload
- pay and reward
- managing change

The Principal Reporter led 3 Team Brief sessions in February 2024 involving over 60 SCRA staff as well as detailed discussions with the national Health and Wellbeing group as well as UNISON and the senior team. The team brief sessions focussed on the headline results, analysis and the existing action plan which was developed in response to the 2022 staff survey.

The majority of the discussion on the 2022 action plan confirmed that it was focussing on the right areas and that SCRA should continue to make progress on each of those areas:

- Pay and reward
- Workload and resources
- Morale
- Managing change

### **Moving forward**

The 2024-27 Corporate Plan was published in May 2024 and puts forward four organisational aims. It is headed up with a fresh Vision and Mission statement. It is ambitious but also realistic – we are working in uncertain times – the Political and policy landscapes are busy and there is the potential for a lot of change ahead. Our plans reflect that - and the need to be nimble, flexible and have an ability to navigate this change with positivity and resilience.

The first Business Plan 2024/25 sets out ten key objectives to provide a set of key deliverables for taking forward the change that is imminent – either through current or soon to be current legislation alongside the change that we initiate as part of our improvement journey towards our Target Operating Model.

We have robust frameworks and structures in place to support us as we move forward. Key to successful delivery will of course be our approach to change – and the management of that – ensuring that everyone comes with us on the journey – through engagement, communication, information, assurance and strong leadership.

**Principal Reporter**  
**Neil Hunter**

### 1.1.3 Business Plan

SCRA's 2020-24 Corporate Plan sets out the strategic direction for the organisation under three Aims; Care, Connect and Protect. Four annual Business Plans were developed to deliver these aims. The Business Plan is broken down into deliverable actions through teams plans, strategies and projects.

The Business Plan is managed through an online project system with dynamic live reporting. The action are all tracked, updated and reported to comprise a quarterly report to the Executive Management Team and to the Board to show progress, describe issues and identify risks.

The following table provides the completion percentage for the high level Business Plan objectives for 2023/24.

The business plan objectives are divided under four priority aims;

1. Investment in People,
2. Effective and Efficient Service Delivery,
3. Child Centred Corporate Parenting,
4. Engagement with the Political Environment and Influencing Social Policy.

Each objective contains multiple actions that are delivered across a wide range of organisational strategies and plans.

As of the current date, the 2023/24 Business Plan is 89% complete. The three outstanding objectives within the plan will be progressed and completed in the 2024-27 Corporate Plan year 1.

It should be noted that many of the objectives will continue in a form into the next Corporate Plan and related business plans as they move through various stages e.g. the work of implementation of the Hearings for Children report – this year being spent mainly on improvement and carry out of the 'non-controversial' and non legislative areas of change, moving into next year will be the consideration of taking forward those approved by the Minister for exploration, the years following will see Bill preparation, design and testing etc. Similarly, the way that we talk about Change and roll out our approach to change – last year focused on awareness raising, information sharing and gathering and developing skills. Next year will see us develop change and transition plans along with our managers – our change agents, as we begin to implement and embed improvements.

Similarly, objectives relating to process change e.g. the development of the Target Operating Model (TOM) or digital change, will too continue to move forward in line with change as described above – the real trick for us will be to develop these such that they are adaptable to change and can enable a flexible approach.

Complete	In Progress
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Business Plan Objectives (2022-24)	Completion Rate
<b>PRIORITY OBJECTIVE 1.1:</b> We will lead a planned and coordinated approach to change – ensuring managers and their teams have the necessary information, skills and tools to successfully deliver change across the organisation.	100%
<b>PRIORITY OBJECTIVE 1.2:</b> We will support the implementation and transition plan for the Locality Support Administrator role, following the consultation and engagement in 2022-2023	100%
<b>PRIORITY OBJECTIVE 1.3:</b> As part of the exploration of a future delivery model, we will start to consider how that would impact on our core role of Reporter and understand the roles and structures that would support it.	100%
<b>PRIORITY OBJECTIVE 1.4:</b> We will work to ensure a fair and equitable workload division through further analysis of our workload data and distribution – this will contribute to the delivery of an effective and efficient service..	100%
<b>PRIORITY OBJECTIVE 1.5:</b> Staff will be supported in the digital aspects of their roles through the delivery of the training and continuous support identified in year one through the Digital Skills assessment.	100%
<b>PRIORITY OBJECTIVE 1.6:</b> We will develop a RoadMap with detailed plans that will help us to reduce, prioritise and target our sustainability journey towards Net Zero by 2045.	100%
<b>PRIORITY OBJECTIVE 1.7:</b> We will develop a Finance Strategy that ensures the 2023/24 budget is dynamic to address staff capacity, and operational risk, and it is aligned with the 2024-25 Scottish Government settlement to meet SCRA's assessed needs.	100%
<b>PRIORITY OBJECTIVE 2.1:</b> A full exploration of operational efficiency will be undertaken using the Scottish Approach to Service Design methodology to deliver a set of recommendations for change and improvement to internal process, digital supports and interactions.	100%
<b>PRIORITY OBJECTIVE 2.2:</b> The next iteration of the Standard Operating Model (SOM) will be developed and embedded across the service to reflect recommendations and agreements as a result of the exploratory project.	100%
<b>PRIORITY OBJECTIVE 2.3:</b> A future model of operating (a Target Operating Model) will be explored using a service design approach to describe the most effective, efficient and Promise compliant way to deliver our future service.	100%
<b>PRIORITY OBJECTIVE 2.4:</b> Systems will be optimised and enhanced to support the operating model for effective and efficient service delivery	100% Exploratory Phase
<b>PRIORITY OBJECTIVE 2.5:</b> System requirements for future enhancements and additions to the current digital service will be defined and considered alongside the development of the Target Operating Model.	100%
<b>PRIORITY OBJECTIVE 2.6:</b> We will undertake planned improvements to core properties in Elgin, Edinburgh and Glasgow	100%

Business Plan Objectives (2022-24)	Completion Rate
<b>PRIORITY OBJECTIVE 3.1:</b> We will provide children and families with enhanced options to prepare for coming to hearings - to better inform, to promote opportunities for participation and to support us to meet identified needs ahead of time to improve the experience of the hearing.	100%
<b>PRIORITY OBJECTIVE 3.2:</b> We will improve the way that we communicate with children and families by enhancing our letters / information to make it more accessible, family friendly, and rights based	80%
<b>PRIORITY OBJECTIVE 3.3:</b> We will explore the information and interaction needs of children and families to inform future digital developments.	100%
<b>PRIORITY OBJECTIVE 3.4:</b> We will develop an impact tool to assess our work and plans against principles of the Promise,.	100%
<b>PRIORITY OBJECTIVE 3.5:</b> We will continue to work with partners and people with lived experience as we develop changes and improvements to the way that we work and the service we deliver.	100%
<b>PRIORITY OBJECTIVE 3.6:</b> We will undertake further hearing room improvements to ensure the hearing suite meets the needs of 16 and 17 year olds	100%
<b>PRIORITY OBJECTIVE 4.1:</b> We will work with The Promise and with partners to take forward recommendations around redesign of the Hearing System in response to the published report by the Hearings System Working Group in the Spring.	100%
<b>PRIORITY OBJECTIVE 4.2:</b> We will undertake an analysis of the impact of the Care and Justice Bill for SCRA.	100%
<b>PRIORITY OBJECTIVE 4.3:</b> We will continue to engage with the Bill team to influence the next stage of the Care and Justice Bill.	100%
<b>PRIORITY OBJECTIVE 4.4:</b> We will provide evidence to Committee in support of analysis of Care and Justice Bill.	100%
<b>PRIORITY OBJECTIVE 4.5:</b> We will undertake work internally to prepare for the implementation of UNCRC	80%
<b>PRIORITY OBJECTIVE 4.6:</b> We will continue in our role as part of the strategic group considering Scotland's Bairns' Hoose, considering proposals, the standards and the next phase.	100%
<b>PRIORITY OBJECTIVE 4.7:</b> Following the research undertaken during 2022 on Virtual Hearings, we will publish our Report and include learning events to promote the findings.	90%
<b>PRIORITY OBJECTIVE 4.8:</b> We will develop a procurement programme for 2023-25 that focuses on property and digital capital programmes.	100%

### 1.1.4 Performance Summary

All activity set out under the three Aims of Care, Connect and Protect has been progressed with the majority now complete as planned for that stage. The links across to the Corporate Plan identified at figures 1-4 below, along with the accompanying narrative demonstrate clear alignment to these aims along with many working examples of implementation – from how we engage with children, families, staff and partners, to our Digital planning, our Practice and Policy work and our inclusive People strategy – to

undertake the work required now to deliver the best service that we can and to plan for and enable a future system that recognises the Promise, the Care and Justice Bill, UNCRC and all that we need to do and prepare for this. Work that has been undertaken across all areas of the Business has been driving towards delivery, readiness for change and careful, considered planning for the next stage.

You will see from the above table that objectives 1 and 2 have both been fully completed and very much work together. Objective 2 is heavily focused on Programme Protect – delivery of a programme to consider how we take forward a more effective and efficient service delivery model with objective 1 taking in the people aspect of all of this – considering change and how we manage it – preparing managers and staff. It has looked at skills, where the gaps are and put in place plans to fill these – with a focus on digital skills and resilience.

The digital team have been working closely with the Organisational Development (OD) team and the programme to agree foundational change required to the case management system – both to make things less complex now and to prepare for greater change over the next few years and the programme begins to deliver.

The OD team have been formed, settled and are working across the organisation to support technical roll outs, training and guidance through new and innovative ways – creation of videos and online supports to sit alongside developments.

As part of the Investment in People objective and linked to programme work, the first stage (exploration and initiation) has begun to consider the role of the Reporter. This will form a project that will sit within the programme management framework through 2024/25 informed by both tests for change, staff engagement and the external consultation into the role as seen by Hearings for Children.

Under objectives 3 and 4 – focussed on Care – Corporate Parenting and the Political environment, ongoing collaboration and engagement has been demonstrated in the work being taken forward. Through the Care programme (previously Keeping the Promise) tests have been taking place across the country to look at ways of delivering our service in ways that are more family friendly, aligned to the Promise and Our Hearings Our Voice's 40 Calls to Action and in ways that give more options and control to people attending Hearings.

We have worked closely with young people to design and develop these tests – to ensure that we are not just hearing the ask but then designing it in our way – more we are working with young people at each stage to ensure it is what was intended. This can be seen through projects such as 'Taking Control of my Hearing' and through the Language that Cares work.

This year has seen us continue to work closely with Scottish Government and partners as we consider the recommendations from the Hearing for Children report and the Scottish Government's response to these – through a multi-agency planning group looking at prioritisation and sequencing, as well as being a key member of the Hearings Re-design Board to direct and oversee the more transformational change going forward.

2023/24 has been an extremely busy year in the policy environment and we have been fully engaged in all aspects of this – The Children's Care and Justice Bill – modelling and forecasting work, influencing amendments, part of the Implementation Group, preparing for and giving evidence at Committee. Bairnshoose – in the Standards Group, the Governance Group and the creation of an internal network for

Pathfinder. Preparation for the implementation of UNCRC in July 24 through self-assessment and the Article 12 Project. Work will continue in this area through to implementation.

24 of the objectives have been marked as fully complete representing completion of the work planned to be undertaken in the year. Many of these objectives will carry on into the next Corporate Plan but will reflect the next stage e.g. from exploration to testing or to implementation.

For others, work will continue in different ways e.g. Understanding what children and young people need to interact with us – in 2023/24 focussed on digital research – study into Digital Exclusion and action planning, next year will focus on different and specific elements of that as well as understanding other areas that young people want to tell us about – all building towards a greater understanding for us to support ongoing development of our service and systems within.

Work will continue with Scottish Government and partners around the Hearings re-design – this is a programme of work that will go through to 2030 but will see different stages within that. 2024/25 will be considering the consultation exercise, the outputs of that and how that can translate into legislation and practice.

### 1.1.5 Key Issues and Risks

The key strategic risks tracked throughout 2023/24 and a sample/summary of mitigations are below.

Risk	Mitigations
IT Security measures are insufficient to prevent a successful cyber-attack on SCRA case information which results in loss of data which cannot be recovered	Cyber Essentials Plus certification for SCOTS network Annual penetration testing of CSAS Cyber review against Scottish Public Sector Cyber Resilience Framework v1.2 Data Protection review CSAS support and maintenance contract controls Disaster recovery procedures Membership of Cyber-security Information Sharing Partnership (CiSP) Annual review of cyber security policy
The optimum model for CSAS ownership and accountability and a joint future partnership between SCRA and CHS is not adequately defined and agreed	Digital Change Advisory Board (DCAB) Legal ownership agreed Audit testing of key systems and recommendations Digital Delivery Plan Licensing and software agreements Change Configuration Board Shared investment profile between SCRA and CHS

Risk	Mitigations
SCRA does not maintain a skilled, motivated and flexible workforce which can meet current demands and future needs	<p>Workforce Planning and Resource Management Review</p> <p>Learning and Development Strategy and Review</p> <p>Agile working policy</p> <p>Agreed roles and responsibilities</p> <p>Focus on staff wellbeing in all plans</p> <p>People Strategy</p> <p>Alignment to SG Fair Work policy</p> <p>Digital Skills Survey and subsequent action plan</p> <p>Clear approach to change management</p>
Significant policy, legislative and reform/transformation change agenda impacts on SCRA's ability to deliver core services or necessary change programmes	<p>UNISON partnership framework</p> <p>SG dialogue and secondments to legislative programmes</p> <p>Membership of Hearings for Children Implementation Board</p> <p>Corporate and Business Plan priorities and budget</p> <p>Programme Board</p>
Failure to progress Board approved Environmental plan and inability to accelerate plans to meet new targets	<p>Annual Environmental reporting to Board and SG</p> <p>Sustainability review</p> <p>Environmental Strategy Group</p> <p>Environmental Ambassadors Group</p> <p>Sustainability included in all locality plans and Business Plan</p> <p>Engagement of consultant to deliver energy audits</p> <p>Share/highlight good examples of local practice on intranet</p>
Inability to engage with digital inhibits realisation of full potential of new technologies resulting in significant operational disruption	<p>Virtual Hearings review</p> <p>People and Operational Plans</p> <p>DCAB and ongoing CSAS development</p> <p>Digital upskilling and confidence-building</p> <p>Operational Development team</p> <p>Digital Skills research formulating a digital skills strategy</p> <p>Locality Support Manager (LSM) Network</p>
Inability to meet staff expectations on pay/reward resulting in operational disruption/staff engagement in change	<p>Partnership with UNISON</p> <p>Sponsor Team support</p> <p>Remuneration Committee</p> <p>SG Pay Policy guidance</p> <p>Learning and Development Plan/Wellbeing Strategy</p> <p>Communications Strategy</p>
2023/24 Scottish Government budget does not deliver required level of revenue funding with impact on ability to deliver a quality service and respond effectively to new legislative and policy pressures	<p>5 year financial plan</p> <p>Regular reports to Board</p> <p>Audit reviews of financial sustainability arrangements</p> <p>Regular officer and Board dialogue with Ministers and SG (Director of Children and Families, Sponsor Team, Finance Business Partner)</p> <p>Continue to demonstrate and evidence SCRA's relevance to ministerial policy outcome ambitions and core statutory duties</p> <p>Develop funding scenarios</p>



Risk	Mitigations
<p>Inability to spend 2023/24 Children (Care &amp; Justice) Bill capital and revenue allocations due to lack of specificity of the necessary adaptations to facilities and systems for referral of 16 and 17 year olds with the result that less optimal solutions reduce the efficiency of staff and the quality of service when the legislation is implemented in 2024/25</p>	<p>Board-approved Property programme  Regular reporting to EMT and Board on capital projects  Regular dialogue with SG Sponsor Team and SG Finance on use of CCJB capital funding  DCAB and Digital Change Control Board (CCB) oversight of digital plan delivery  Development and delivery of major property projects (including Edinburgh, Glenrothes, Glasgow, Dundee)  Increase capacity within Digital Team and G-Cloud  procurement exercise to secure resource from external providers</p>

There is a significant action plan in place to mitigate the risk of a successful cyber-attack and this risk will continue to be tracked in 2024/25. In relation to the 2023/24 Scottish Government Budget risk, this did crystallise however SCRA worked with Scottish Government to ensure required resources are in place to delivery core services and prepare for policy and legislative change and meeting the challenges of Hearing Systems Working Group recommendations. The 2022/23 Operational and Locality Plans and risk registers focused on actions to deliver organisational recovery and operational stability. There is a continued focus in locality risks on staffing capacity and dealing with significant changes in the operating environment including a focus on efficient and effective casework.

The Executive Management Team identified one new strategic risk in-year:

- The 2024/25 Scottish Government budget settlement does not deliver the required level of revenue funding with an impact on ability to deliver a quality service to children and families and at the same time respond effectively to new legislative/policy pressures and drive the transformation and reform agenda.

The budget published by Scottish Government in December 2023 did not deliver the required funding identified above. Subsequently, there was frequent dialogue between the Director of Children and Families, SG Sponsor and Finance colleagues, SCRA's Board and the Executive Management Team. This resulted in sufficient assurances of in-year support that allowed the Board to approve a budget for 2024/25 meeting SCRA's assessed needs.

Details of the risk management arrangements are set out in section 2.3.12 on page 66.

## 1.2 Performance Analysis

The following sections provides the key performance activities during 2023-24 across the Business Plan.

### 1.2.1 Financial Performance

In 2023/24, £31.05m resource funding and £2.7m capital funding was available to SCRA. Of this, SCRA drew down £30.33m resource funding and £2.4m capital.

The following section provides a summary of our financial performance for the year against our annual operating budget. Total operating expenditure for the year was £1,392k (4.5%) less than budget.

Expense Head	Budget 2023/24 £000	Outturn 2023/24 £000	Variance £000
Staff Costs	24,986	23,383	(1,603)
Property Costs	3,071	3,056	(15)
Travel Costs	130	165	35
Other Operating Charges	3,072	2,988	(84)
Capital Financing	3	109	106
Other Income	(373)	(204)	169
<b>Total expenditure</b>	<b>30,889</b>	<b>29,497</b>	<b>(1,392)</b>
Revenue Grant In Aid	(31,049)	(30,331)	718
<b>Net Expenditure</b>	<b>(160)</b>	<b>(834)</b>	<b>(674)</b>

The operating budget and outturn above do not include the annual pension adjustments shown in note 11 of the financial statements. Rents that are treated as interest and lease liability repayments in the financial statements in section 3 are however included above, as part of Property Costs.

Property and Digital Programme capital spend in the period to March 2024 was £2,469k, summarised below:

Capital Investments	Cost
Edinburgh property upgrade	£480k
Elgin property upgrade	£159k
Glasgow training facilities	£144k
Other property upgrades	£285k
Hearing room improvements	£81k
Minor property works and LED lighting retrofits	£141k
CSAS Development	£617k
Technology Refresh	£422k
ICT Discovery and elaboration	£26k
Keeping the Promise ICT pilots and delivery	£114k
<b>Total</b>	<b>£2,469k</b>

A significant programme of property and digital developments was delivered in 2023/24 in a continuing period of challenging market conditions. Major property projects in Edinburgh and Elgin provided smarter working and enhanced hearing room facilities, with other property spends continuing to improve hearing suites and office facilities whilst progressing SCRA's sustainability agenda. The Digital programme delivered further enhancements to the core operating system (CSAS) and improvements and upgrades to hearing room connectivity and monitors, including a significant investment in SCRA's audio visual technology to enable more efficient and effective remote participation in hearings.

More detail regarding SCRA's income and expenditure can be found in the financial statements section starting on page 81. The Statement of Comprehensive Net Expenditure shows net expenditure for the year of £31.7m (2022/23: £34.9m). This includes non-cash depreciation and amortisation costs of £2.7m (2022/23: £2.4m) and non-cash pension scheme finance costs of -£0.005m (2022/23: +£1.1m). These non-cash items are excluded from the table above.

The Statement of Financial Position on page 82 shows that SCRA's assets exceed its liabilities by £16.6m (2022/23: £10.8m). This movement is due to a £1.0m increase in the general fund, a £4.2m increase in the pension reserve and a £0.6m increase in the revaluation reserve. For many years until 2022, the pension reserve was in a substantial deficit position, contributing to an overall position of net liabilities, and the volatility of pension asset and liability valuations means that SCRA may return to a net liability position in future. As a result, the Scottish Government has provided assurances to the SCRA Board that there is a statutory obligation to provide the services that SCRA delivers, and there are no plans to change the existing arrangement whereby pension contributions are paid from future Government grants. It has accordingly been considered appropriate to continue to prepare these financial statements on a 'going concern' basis.

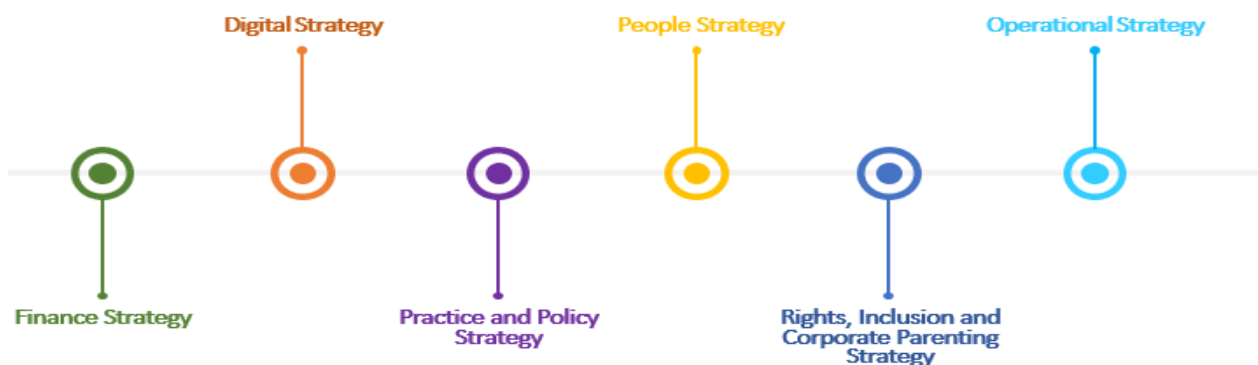
The three yearly formal valuation of the pension's scheme surplus/deficit was completed in 2023 and set the employer's contribution rate at 17.6% for 2024/25, 2025/26 and 2026/27.

In addition to resource and direct capital funding, SCRA receives budget cover for depreciation (Ring Fenced DEL Non-Cash) and IAS 19 pension adjustments (Annually Managed Expenditure, "AME"). The depreciation budget for 2023/24 was £1.7m and the final outturn was £2.7m. In relation to AME, a budget of -£1.24m was allocated at the Spring Budget Review and the outturn was +£0.06m.

## 1.2.2 Performance Review

The Performance Review provides a summary of the work undertaken during 2023/24 across the six strategies that deliver the four priorities of the 2023/24 Business Plan.

Key activities across the four Priority Aims are summarised in figures 1, 2, 3 and 4 on pages 43-46.



**Finance Strategy:** The Finance Strategy sets out how we plan and manage our budgets, procurement and our property estate.

### 2023-24 Key Activities

An updated Financial Strategy for the period 2024/25 to 2028/29 was presented to the SCRA Board in September 2023. Its three objectives are to achieve long-term financial sustainability, to take a medium- to long-term view of investment in key resources and capabilities and new developments, and to align with other strategies, all in the context of a strategic environment of legislative change whilst supporting operations and the workforce.

The main impacts are an increase in headcount of 49 FTE (10.9%) from 2024 to 2026, and increased ICT investment across the five years, in order to support the requirements on the service of the Children (Care and Justice) Act.

The strategy recognises that the environment in which SCRA operates constantly evolves. The post-pandemic service delivery model is more complex particularly in relation to scheduling a hearing with new and different modes of attendance available to all participants. Beyond this, the strategy highlights the new agile working model which is supported by SCRA's case management system (CSAS) rolled out in 2020, and the upgraded virtual hearings platform (VHP). Allied to these developments is movement from the established Standard Operating Model (SOM) towards a Target Operating Model (TOM) as part of SCRA's wider Programme work.

The strategy reflects required revenue grant in aid increases of around 10% p.a. in 2024/25 and 2025/26, and 6% p.a. thereafter.

In relation to Digital, IT support costs may increase by around 0.5% per annum to reflect continued investment in Digital. The strategy also reflects the need for continued capital investment in CSAS to support effective and efficient case processing, regular technology refreshes and investment to ensure IT systems keep pace with legislative and policy changes. Progress continues to be made on CSAS functionality improvements, sharing data between CSAS and the VHP, moving control of development tools to SCRA and negotiating a significant reduction in Microsoft licences and subscriptions.

The strategy also recognises that continued investment in SCRA's estate is critical as many core properties require significant adaptation to meet the demands of CCJA, improved customer care through the lens of Hearings for Children and environmental sustainability.

Core funding initially allocated by Scottish Government for 2023/24 in its published budget was £25.16m of resource and £1.9m capital. Additional resource funding of £4.329m and capital funding of £0.6m was allocated at Autumn and Spring Budget Revisions to fund known pressures, giving total SG Resource of £29.489m and capital of £2.5m, in addition to £0.842m working capital cash to fund payments of lease liabilities.

Regular reporting to the Board and Scottish Government throughout the year confirmed that SCRA operated within the resources allocated by the Scottish Government.

The 2024/25 funding allocated by the Scottish Government is £24.318m resource and £2.9m capital, with an acknowledgement that up to £8.5m revenue support is available in-year to meet SCRA's unfunded pressure.



**Digital Strategy:** The Digital Strategy continues to drive improvement across our services by continually seeking the views of children and our partners in our pursuit of continuous improvement. This enables our services to adapt and become more flexible and agile.

### 2023-24 Key Activities

A number of roll-outs of foundational capability have been planned and completed, including the next generation of business and guest WiFi. We have doubled the number of access points and upgraded to the latest equipment, removing Wifi dead zones, allowing staff to best benefit from the flexibility of our excellent, modern office spaces; and not be tethered by network cables and sockets. The new Microsoft Teams, communication and productivity tool was also rolled out to all staff, enabling 'Teams phone' to replace physical desk phones with all the features of traditional telephony but from business laptops or other mobile device. It offers, for example, transcribing messages left on voicemail so they can read before returning a call.

Compared to previous years, 2023/24 was a more iterative than transformative year for SCRA's Digital Service, principally focused on testing change, proofs of concept, and discovery work, in addition to investment in improving effectiveness and efficiency of existing systems. Our principal business platform, Core Systems and Applications Solution (CSAS) has provided the foundation and tooling for Digital Services to develop with agility and flexibly in the period. The (SCRA-chaired) Change Configuration Board (CCB) facilitated 18 change deployments to CSAS in the year to March 2024, including 3 major work packages principally servicing SCRA needs, and 7 smaller packages principally in aid of CHS transitioning towards their Tribunal Support Model.

CSAS as a shared platform has been carefully managed to sustain SCRA's and CHS's autonomous Digital needs. Alignment with SCRA business programmes has been a key driver, developing the Digital activity around the Connect Programme to service Care and Protect Programmes, with the Digital Service as a supplier to, and an enabler to fulfil business programme deliverables.

It is best practice and mandated by digital governance that we invest in and develop our Digital services based on user research. Towards discovery, we have published our research on Digital Poverty and Exclusion in Scotland, as well as researching the ethical use cases for Artificial Intelligence, accounting for rights-based and legal implications. Most of the work set out below in 'Future Planning 2024/25' was commenced this year and will be concluded next.

## Future Planning 2024/25

The following Digital capabilities will be delivered all or in-part during this next financial year:

- CSAS Work Packages in 2024/25 - sets of functional change to deliver and/or support business programme objectives - with quarterly packages 5, 6 and 7+ already in the development pipeline;
- A CHS/SCRA programme, jointly invested in CSAS, to develop features and functions that support and improve collaborative Hearing-related activity, processes and transactions, data sharing, and Digital maturity;
- Lean Analysis – a review CSAS efficiency and effectiveness – with focus on architecture improvements to reduce business transactions, feeding into work packages and standalone improvements in 2024/5;
- SharePoint Strategy – maintenance and up-dating of child document repository in a sustainable model – progress from discovery and elaboration into implementation;
- Documents Core Pack (DCP) – Letter generation workflow – streamlined, cut-down, improved and 'smarter' hearing notifications in service from June, beta-testing in LD & G, Glasgow & Ayrshire, followed by other templates; as enabler to automation thereafter;
- Transferring Standard Operating Model support and training materials into CSAS i.e. to make online help 'context sensitive', in discovery with potential for implementation;
- The Calendar 'App' - unifying calendars, sessions and hearings into a functional tool) is piloting in Lanarkshire, Dumfries and Galloway will be refined into a final iteration progressing towards business roll-out plans in summer;
- The Flexi-Pack 'App' - a tool to combine together documents into an indexed 'pack' for operational use cases, other than the Hearings Information Pack (HIP) – is piloting in Tayside and Fife, and similarly, will be refined and rolled-out;
- Folding Space Redaction Manager, is being piloted as an improvement to our current redaction tool (i.e. amending documents to permanently obscure non-disclosure information they contain), as a pre-requisite to simplify and otherwise improve and refine our non-disclosure workflow;
- The Virtual Hearing Platform Pilot is being used to test the sharing of Hearing papers with Children and Families, with 'beta-testing' in Paisley;
- Automation of the ingestion of Police Concern Reports - taking these documents and transforming them by extracting the meaningful data they contain in order to progress intended referral towards investigations, with reduced transactions and effort; and
- A programme of Cyber Security discovery work concluded in the previous period, will be converted to an in-year programme of investment.

Legislative discovery and development activity:

- Care and Justice Bill (CCJB), we will be investing victim information and workflow and other preparation in line with emerging requirements;

- Linked to CCJB, in partnership with Scottish Police, COPFS and SCTS we will be developing an instance of the Digital Evidence Sharing Capability (DESC) environment in 2024/25; and
- Article 12 implementation by Summer e.g. recording decisions in relation to seeking child views.

Other Digital development activity that will involve business change i.e. impact on local teams:

- Audio Visual equipment upgrades – Kilmarnock & Inverness initial feedback positive – formal review and business case before end May, target 20 Phase 1 Hearing Rooms by September/October;
- Public folder decommissioning – Summer; and
- Windows 11 – end of year.

The Digital Strategy will be developed in Summer 2024. The Digital Service has been telegraphing the following themes, in terms of things we will be doing more of:

- Improve digital collaboration with our partners by developing our data sharing capabilities; standardising, structuring and automating our information exchanges; in order to be more efficient and effective, to improve data quality, richness and integrity, enhance business intelligence and facilitate better outcomes.
- Introduce a digital service channel for children, young people and their families. Complement traditional papers-based means of communication, exchanges of information, gathering and presenting views, making arrangements for meetings and delivering outcomes; with internet-enabled and technology supported opportunities, accounting for need, accessibility and digital exclusion.
- Expand and mature our digital capabilities, to free up staff time. Reduce the human effort associated with record keeping, expedite the progression of decision making, and facilitate preparation for hearings and court; through the development of smart tools that reduce repetition, simplify and de-risk processes, and automate safe bulk activity.
- Invest proportionately in the security and safe use of our digital capabilities. Maximise the flexibility and availability of our digital products and services, while protecting confidentiality and data integrity. Maintain secure operating practices, accounting for risk, and cyber threat; with a workforce equipped to work remotely, in SCRA offices or Court, and adaptable between in-person and virtual contexts.



**Practice and Policy Strategy:** The Practice and Policy Strategy sets out the key policy and legislative areas in which we aim to exert influence, how we will respond to those with implications for how we plan and deliver services, and other changes and improvements to our professional practice that we see as priorities.

## 2023-24 Key Activities

### Our Practice

In 2023/2024 the Practice Team provided the full range of practice activities to support reporters in their day to day work. This included giving support and advice to localities throughout the year, developing practice materials, developing and delivering practice training and managing cases in the higher courts. In addition, the team were involved in supporting a range of national work as well as working with partner agencies at a national level.

Practice materials produced during the year included a practice note on deciding whether or not to oppose an appeal. In addition, significant revisions were made to practice notes on schedule 1 offences involving injury to a child and the taking of evidence by a commissioner. Practice Notes provide support to reporters in relation to aspects of their work, for example in explaining the law on a topic or providing style wording to be used in a document. In addition, the team published revisions of 2 significant practice directions, one on virtual attendance at hearings and PHPs and the other on the disclosure of evidence by reporters in children's hearing proof proceedings.

We delivered the full schedule of core practice training and more specialised training through the year. Most was delivered in person. In total during the year, we delivered 46 full days of in-person training and 10 half days of online training to reporters and assistant reporters. Although most of the training was delivered by the Practice Team along with senior practitioners, our domestic abuse training is delivered along with trainers from Scottish Women's Aid.

A significant piece of training development concluded this year, when the team delivered for the first time a new 3 day course on harmful sexual behaviour. This course addresses the range of issues that reporters might encounter when harmful sexual behaviour is a particular concern about a child who has been referred. These include messages from research that will inform reporters' decision making, criminal evidence, and the support of victims who may be required to give evidence in a proof.

In addition, the team continued to support partner agencies by delivering training inputs to them. For Police Scotland the team has provided inputs to their training for probationers, and their courses for Child Protection Detective Training and Child Death Senior Investigative Officers. Furthermore the team has been involved in delivering inputs to the Scottish Child Interview Model training delivered jointly by Police Scotland and Social Work Scotland.

The Practice Team also supported locality-led training and practice sessions on request. In addition, the team delivered locality based sessions with locality reporter managers and senior practitioners on the decision on whether or not to oppose an appeal.



Eleven cases in the higher courts concluded during the year. Significant issues raised in these cases included the mens rea for assault and the continued involvement as a relevant person of a man where paternity was disputed. Of those that concluded, none were initiated by us.

Law Reports were published to support reporter awareness and knowledge of developments in the case law, including cases involving the Principal Reporter and relevant cases in external proceedings. One related to the appeal that considered the mens rea for assault and another was about the significant decision from the criminal appeal court about corroboration.

The team supported national work in a range of projects under Programme Protect as well as work stemming from the Hearings for Children report. An aspect of this has been leading a project looking at the implications for reporter practice of Article 12 of the United Nations Convention on the Rights of the Child. The team was also a key part of SCRA's engagement with the Scottish Government in relation to the Children (Care and Justice) (Scotland) Bill, as well as playing a leading role in the work of the Government's Advisory Group on the Age of Criminal Responsibility.

## Policy

Policy activity and engagement within SCRA and across partners is vibrant and exciting. Improvement and reform ideas are influencing the conversations and are pushing re-evaluations of the way things have always been done.

SCRA are actively thinking about:

**Bairns' Hoose.** Staff are involved as part of the Pathfinder Pilot sites to develop new houses and are also involved as members of affiliated sites, looking at new ways of working.

**Contextual Safeguarding.** This area of academic and practice thinking is developing quickly and there is a growing network of Scottish Local Authorities interested in and using these approaches to risk outside the home (ROTH). Such approaches do not have the same focus as Reporter or Hearing decision making, on individual children. Instead, they consider the context in which harm has occurred / is occurring and what can be done about that context – for the benefit perhaps of multiple children.

**Family Group Decision Making.** This is more active in some areas of Scotland than others and involvement from SCRA has been at a strategic/ leadership level but we are thinking about how we develop the national practice model, and about how we involve localities in local developments more closely.

**Restorative Justice.** The Restorative Justice Action Plan (2019) committed to having restorative justice services widely available across Scotland by 2023. The progress of this work was impacted by the Covid19 pandemic and SCRA will engage with Community Justice Scotland (CJS) and the Children and Young People's Centre for Justice (CYCJ) to keep SCRA staff aware of and linked into relevant developments<sup>1</sup>.

**The Hearings for Children – Redesign Report.** SCRA are core members of the Redesign Board<sup>2</sup> and of sub groups linked into the redesign for planning and delivery in relation to the redesign.

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<sup>1</sup> [Restorative Justice Action Plan Annual Report 2022-2023 \(communityjustice.scot\)](https://www.communityjustice.scot/)

<sup>2</sup> [Children's Hearings: Redesign Board - gov.scot \(www.gov.scot\)](https://www.gov.scot/)

**The Promise.** SCRA's Head Office staffing profile has altered, to take account of the work we require to do in order to meet the Promise by 2030. This includes developing Project Management expertise and projects which will deliver national improvements and feed into national reforms.

**Artificial Intelligence.** The pace of change in the digital world is staggering and also quite unrelenting. Digital change offers some known and many unknown opportunities for SCRA. Some of the known opportunities are about to begin tests – and we are developing thinking and approaches all the time, taking account of the technology available to us.

**The legislative landscape** is still busy and our thinking and attention continues to be on lots of different instruments which will impact on the work we do. The key areas of new law / associated regulation / statutory and non-statutory guidance and training are:

The Children's (Care and Justice) (Scotland) Act 2024 as passed can be read [here](#). There will be some lead in time before this is in force – but we are starting to prepare for the changes now. One of the first changes to be enacted will be the rise in the age of referral to the Principal Reporter, up to age 18 in line with the UNCRC definition of a child.

**[United Nations Convention on the Rights of a Child \(Incorporation\) \(Scotland\) Act 2024](#)**

**[The Children \(Scotland\) Act 2020](#)**

**[The Disclosure \(Scotland\) Act 2020](#)**

**[Age of Criminal Responsibility \(Scotland\) Act 2019](#)**

We are also keep a close eye on the discourse around the [The National Care Service \(Scotland\) Bill](#), which is at stage 2 with the Health, Social Care and Sport Committee of the Scottish Parliament. If the collaborative redesign project linked to the NCS and Children's Services Research determine that children's services come into the NCS then this will have implications for the work of SCRA staff.

The [Victims, Witnesses and Justice Reform \(Scotland\) Bill](#) is still at Committee stage with the Criminal Justice Committee. Whilst the Bill is focused on criminal justice reform we have been very clear that improvements made in the criminal justice system need to transfer to the very different children's hearings system – particularly improvements related to trauma informed practice.

SCRA responded to the [Learning Disability, Autism and Neurodivergence Bill Consultation](#). This is likely to be an area of legislative reform and development which is very relevant for us and for the children and families coming to children's hearings.

We are also very conscious that consultations in relation to the children's hearings system, transitions to adulthood, the definition of care experience and the future of foster care are all planned to occur in Summer 2024. These are all relevant to SCRA's work and require appropriate time and effort. They may all result in additional legislation – to add to that already in process.



**People Strategy:** The People Strategy sets out how we will work to achieve the required balance of roles, skills and experience across all parts of the organisation, how we will work with staff to ensure they are skilled, confident and cared for, that they feel valued and respected, and are supported in their health and wellbeing. It incorporates the elements that have featured in workforce plans in recent years, but is wider in its coverage and addresses all of our aspirations and values from a people perspective, including plans to target improvement opportunities identified through staff engagement.

### 2023-24 Key Activities

In 2023/24, we carried out 88 recruitment exercises for 93 posts, 46 advertised internally and 42 advertised externally recruitment exercises. This is a return to pre covid levels of advertising and has provided opportunities for existing staff and welcomed new talent to the organisation.

We successfully maintained resource funding from the Scottish Government to retain fixed term contract Reporters and Assistant Reporters. The allocation of these resources was aligned to Localities based on an analysis of our work-loading data to ensure that the resources were aligned where they would have the most impact. We continue to review

We were pleased to be able to offer our staff group one of the highest consolidated pay offers across the Scottish Government framework. This provided staff with certainty of pay increases for a 2 year period. The Remuneration and Nominations Committee of the Board met regularly throughout this period to support the development of the pay offer. We also agreed to decouple progression arrangements from negotiated pay offers for eligible staff.

We offered staff two Wellbeing Days to cover the period of the Pay offer to reflect our continuing commitment to staff Health & Wellbeing. We have continued to provide and expand our financial wellbeing resources on our staff intranet in response to the challenging financial climate.

We rolled out our Inclusive Standards and Behaviours Framework during November 2023 to March 2024. We held a series of successful Locality and Team based learning events which introduced the Framework to over 80% of our staff. The Framework describes how we can all contribute to upholding SCRA's Values when carrying out our work. Further training will take place in 2024/5 and we will support our Localities and Team to further embed the Framework through a programme of workshops and events. We will also focus on embedding the Framework in our approach to line management; supervision and appraisal; recruitment and selection; and succession planning and talent management.

In 2023/24, we continued to actively support our health and wellbeing agenda across the organisation.

Our National Health and Wellbeing group continued to review and respond to wellbeing related areas within the staff survey, including working with the organisation to seek to provide as much stability as possible within workforce planning, including seeking to minimise the use of fixed term contracts where feasible, yet retaining opportunities and flexibility of resourcing.

Our local Head Office and Locality health and wellbeing groups continue to provide an invaluable staff led offering of inclusive wellbeing activities and resources, ranging from information sharing and peer support, to fun wellbeing activities including yoga, emergency first aid courses, local menopause cafes, therapeutic staff led painting and mindfulness sessions, and competitive but fun team building activities.

Our national Mental Wealth Group has continued to raise awareness of a series of campaigns throughout the year including menopause awareness; supporting loss (bereavement and wider loss such as loss of independence / carer support). We also ran our 4th annual national step challenge, the Big Team Challenge – this year stepping virtually from Edinburgh to Paris, in which 1/3 of staff participated.

We remain committed to supporting the mental wellbeing and health of all of our staff, including provision of a network of specialist resources via our Occupational Health and Employee Assistance Programmes, including trauma support, and through a network of trained Mental Health First Aiders (MHFA). Refresher training and peer support was provided to our staff network of MHFAs.

We promoted Mental Health Week, which this year had a focus on anxiety with the intention of encouraging a national conversation around mental health and providing an opportunity for staff to share their experiences of anxiety and what helped support them. This was further supported by our annual participation in 'Time to Talk' event in February, creating supportive communities by having conversations with family, friends and colleagues about mental health – and supporting time to check in with ourselves and others and the importance of connection.

We ran another annual flu vaccination voucher scheme available to all staff looking to support the health of our staff.

In the spring, we launched our Right to Disconnect Policy – which includes best practice guidance around wellbeing, working hours, right to disconnect from work, use of technology, agile working and supporting individual resilience and healthy sustainable work life balance. A resilience workshop and development of individual resilience plans was developed with all managers at our Manager event in March 2024 – with further follow up resilience for managers and staff being scoped for 2024/25.

We agreed a revision to the supervision framework to include an annual performance appraisal discussion and the need to focus on wellbeing during supervision. We will stand down SCRA's performance appraisal scheme and the new refreshed supervision framework will be rolled out in the first quarter of 2024/25.

During 2023/24, we continued to strengthen our approach to learning, and we delivered 103 learning and e-learning events with staff receiving a total of 8,225 hours of training across 2035 separate attendances. On average, staff received 4.3 learning events in 2023/24. Our aim is to continue to increase engagement in learning events across all staff groups.

The analysis of attendance at events was 39% Reporter staff, 25% of Managers, 29% of Support Staff and 6% of Head Office staff. Learning opportunities included: Keeping the Promise Support Staff events, General Data Protection Regulation refresher training, Inclusive Behaviours training, Practice training

Professional Management Programme, Mandatory Health and Safety Training, Inclusion and Diversity e-learning, and British Sign Language Training.

In 2023/234, the Organisational Development Team developed and embedded a programme focused on the upskilling of staff and digital champions through face to face, support and training, e-learning, and guidance in response to the research commissioned in the previous year. SCRA has strengthened our commitment to digital upskilling by confirming our investment in the Operational Development Team until 2027.

We continued to hold Managers events and saw the Locality Reporter Manager and Locality Support Manager networks strengthened providing continued opportunity for two-way discussion, engagement, and consultation with key groups across the organisation. We provided Constructive Conversations and Resilience training for managers at the Managers Day in March 2024.

The Principal Reporter/Chief Executive and the Executive Management Team continued to host Team Brief sessions to provide staff with a two-way opportunity to hear from the Senior Team on SCRA Plans and Change Management Programmes.

Internal partnership working remains a key focus and our National Partnership Forum met quarterly, chaired jointly by the Principal Reporter and UNISON Branch Secretary. The HR Sub-Group, which reports to the National Partnership Forum, focuses on employment policies and practices within SCRA and during 2023/24 the group reviewed our Flexible Working Policy, Supervision Framework, Staff Code of Conduct, Recruitment & Selection Policy, Dignity at Work Policy to ensure that they reflected best practice, fairness, transparency, and inclusion in their developments.

We implemented a twice yearly HR communication with the workforce to keep staff up to speed on policy and staff changes as well as any new initiatives being considered by the HR Sub Group.

We developed our three year 2024/27 People Strategy from inputs and consultations from staff, managers and UNISON throughout 2023/24. The focus of the next 3 years will be recruiting and retaining valued and committed people and engaging with, developing and supporting our people. It is a positive strategy to support the organisation through a period of change.



**Rights, Inclusion and Corporate Parenting Strategy:** The Rights, Inclusion and Corporate Parenting (RICP) Strategy aims to ensure a Rights, Inclusion and Corporate Parenting approach to children and families is rooted in the findings of Scotland's Independent Care Review and The Promise Scotland made to our care experienced young people and future recipients of care.

## 2023-24 Key Activities

### Rights and Inclusion

- Equality data helps us to better understand the needs of the people we work with and for and provides us with an evidence-base for implementing and measuring change and improvement. To improve the recording of children's equality data on CSAS, a quality improvement project was undertaken in the North Ayrshire Locality area throughout 2023 which saw an increase in the recording of children's ethnicity for those who are on a CSO from 48.6% to 56.9% within three months. This was a small project, involving two Assistant Reporters and two 12 small changes to processes, yet has shown that this improvement work is having an impact. This project will continue into 2024 and beyond and will be scaled up to achieve bigger more sustained improvements
- Our 2023 staff survey found that:
  - 98% of staff understand their individual responsibility for inclusion and diversity and how this relates to their role;
  - 95% of staff think that SCRA is committed to equality, diversity and inclusion;
  - 83% of staff know how and where to report a concern about discrimination or harassment;
  - 91% of staff feel they are treated fairly and respected in SCRA;
  - 91% of staff think that SCRA respects individual differences (e.g. cultures, working styles, backgrounds, ideas, etc);
  - 94% of staff think that their line manager demonstrates a commitment to and support for inclusion and diversity; and,
  - 80% of staff feel that SCRA provides an environment for free and open expression of ideas, opinions and beliefs.

The results of the staff survey are positive in terms of our inclusion and diversity work, and people's understanding of their responsibilities, their managers responsibilities and SCRA's commitment to equality, diversity and inclusion.

- We are continually looking at our estate to identify potential improvements to improve accessibility for staff and children and families who attend Children's Hearings. In addition, we now have Visual Information Guides for 32 of our Hearing Centres available on our website to help people coming to Hearings.
- Our Disability Network established a Neurodiversity Champions network which comprises 30 members of staff across the organisation in various roles. The majority of the Champions undertook a train the trainer course "It takes all kinds of minds" by Salveson Mindroom so that

they can provide training to our wider staff group and support when issues/queries arise. The Champions will also work on the replenishment of SCRA's sensory toolkits for children and their families in our Hearing Rooms.

- We concluded our British Sign Language Plan 2020-23 and have developed our next plan to support the commitments made in the National British Sign Language Plan. Our key achievements are:-
  - We improved the accessibility of our website, guidance and information and have a bespoke page on our website for BSL users. We also ensure that as many of our information videos as possible have BSL/English translation and/or subtitles and we are in the process of translating some key guidance including our complaints procedure.
  - We introduced the use of the Scottish Government's nationally funded BSL, online interpreting video relay service
  - We introduced an e-learning Deaf Awareness course for all staff and have run a number of 6 week BSL taster courses. 36 members of staff have attended the taster courses
  - We published guidance on communicating with people who are hard of hearing and guidance on working with a BSL interpreter
  
- In February 2024, SCRA held its first development session on what it means for SCRA to become an anti-racist organisation. This session started a three year programme of work in this area and focused on
  - understanding the nature and origins of racism in society
  - challenging racism – within and outwith work
  - baselining where SCRA is now
  - establishing anti-racist practice in SCRA
  - how racism and discrimination can affect our work with children – the nature of conscious and unconscious discrimination and bias
  - recruitment and retention and developing our workforce
  - promoting inclusive language and culture
  
- In 2023-2024 we signed up to membership of Henpicked, an expert Menopause organisation and are a Menopause Friendly Employer. We aim to progress to accreditation status in 24/25 and we continue to promote and raise awareness of the Menopause Toolkit we developed in 2022.
- At SCRA's staff conference in September 2023, we held a workshop session on LGBT+ Awareness – provided by the Scottish Trans/Equality Network, which explored LGBT+ terminology and definitions, social attitudes and experiences of discrimination faced by LGBT+ people in Scotland. The session also included LGBT+ equality and inclusion good practice
- In 2023, we finalised SCRA's new Inclusive Standards & Behaviours Framework. These sit alongside our Management Standards and other existing policies, such as the Code of Conduct and Dignity at Work Policy to better illustrate and describe the values and behaviours we expect all our colleagues to uphold and demonstrate at work. The Standards & Framework outlines how we can all, through

our behaviours, language, attitudes and approaches, contribute to an inclusive SCRA which recognises the value of diversity and is consistent with SCRA's core corporate values. The six overarching inclusive principles to inclusive standards and behaviours are:

- Working together – we will form effective, inclusive, psychologically safe and respectful partnerships and relationships with people, internally and externally, from a range of diverse backgrounds, sharing information, best practice, resources and support;
  - Communicating & influencing – we communicate purpose and direction with clarity, integrity and enthusiasm while respecting the varied needs, beliefs and opinions of others;
  - Developing self & others – we focus on continuous learning and development for ourselves, for others and for the organisation;
  - Changing & improving – we will seek out opportunities to create effective change and harness innovation and creativity to ensure continuous improvement through our ways of working, including how we seek and provide feedback;
  - Leadership & decision-making – we engage inclusively and supportively with others in delivering a shared vision by valuing our differences, ensuring fairness and opportunity for all. We use evidence and knowledge to support accurate, reliable and expert decision-making and the provision of advice carefully, ensuring we consider alternative options, implications and risks; and,
  - Delivering a quality customer focussed service – we deliver our services for our people and the children and families with whom we work with professional excellence, expertise and efficiency, taking account of the diverse needs of everyone we work with. We provide exceptional and inclusive customer service internally and externally, with our partners as well as children and families.
- In recognition of the importance of inclusive behaviours and leadership, we commissioned the Employers Network for Equality & Inclusion (enei) to review the Inclusive Standards & Behaviours Framework and develop a national rollout programme of training for implementation. The implementation of the Inclusive Standards & Behaviours Framework commenced in November 2023 with a training session with SCRA's Executive Management Team and a session with the HR Team; followed by all SCRA managers in December 2023 and January 2024, with all staff being trained by end March 2024

### Looking forward

This is the last year of work under our current Equality Outcomes 2020-2024; consultation and engagement on SCRA's Equality Outcomes 2024-2027 began in summer 2023, with consultation taking place with our workforce, partner agencies, children and the public between November 2023 and March 2024. Our Equality Outcomes 2024-2027 are:

1. We will consistently ask for and check the accuracy of children's equality data to improve the recording of children's protected characteristics on SCRA's computer system, CSAS so that we can identify areas of



inequality and also identify trends and patterns in outcomes between and within the protected characteristics.

2. We will review and revise our recruitment process so that it is more inclusive to attract more diverse candidates to work for SCRA and encourage greater workforce diversity.

3. We will become a proactively anti-racist organisation; this will include all staff taking part in a mandatory anti-racist programme of work led by an expert external provider, actively challenging racism and better understanding potential discrimination in our decision-making.

4. We will work to understand the impact of socio-economic disadvantage on how we engage with children and families, focusing specifically on how age, disability and sex influence their ability to engage with, and participate in, Children's Hearings; to ensure we do not discriminate against those who experience poverty.

## Rights

Our Rights work cuts across everything that we do – our Equalities and Inclusion agenda, our Corporate Parenting agenda and through the critical daily practice of making good, rights based decisions for children and promoting and supporting them to exercise their Rights as they come to Hearings – understanding what they need to help them to have their voice, recognition of what they need to happen and how they would like to participate in their Hearing.

A key area that has been explored through the Article 12 project is that of how we give an opportunity to children to provide their views in relation to our decision making on referrals (and related court proceedings), as directed by UNCRC article 12.

The project aim fits with ensuring we are acting in compliance with statutory and other obligations, particularly once legislation in relation to UNCRC comes into force. It also fits with The Promise in relation to the voice of the child being heard and taken into account. The project is also to some extent a first step of exploration of more relational ways of working at referral which is recommended in Hearings for Children. And it fits with seeking to operate to best appropriate practice, not just compliance.

The development of options, and possibly recommendations, will enable the Head of Practice and Policy to determine the most appropriate practice in relation to article 12 for reporter decision-making. The work will also support subsequent consistent application through training and Practice Direction. Stage 1 of this project is now complete – the exploratory phase, 2024/25 will move into considering our options and translation into practice.

We have undertaken a self-assessment on getting ready for UNCRC Incorporation – and we feel in a good position to – albeit with work still to do.

We have updated the information available to children and young people and their families to further explain and promote their Rights – using videos, animation, and accessible written materials.

## Looking forward

SCRA will continue to work towards mainstreaming children's rights across our work by:

- Adopting the UNCRC Skills and Knowledge Framework within SCRA and adapting our approach to have a rights lens.
  - Re- launching our Child Protection & Safeguarding policy.
  - Developing our draft Gender Based Violence / Domestic Abuse Policy with staff and those with lived experience.
  - Having a rights focus in developing training and an expectation around training for staff.
  - Making local links with groups of children who can help in our work.
  - Reporting in relation to rights, including secure care.
  - Developing the responsibilities we have to children and families and explaining this clearly in our Standards.
  -
- SCRA will review and develop the information available to children and families about rights. This will include:
- Victims rights.
  - The availability and usefulness of local Advocacy service provision.
  - Exploring new ways for children to give their Hearing all the information they want and ways for the Reporter and the Hearing to communicate with children.

## Corporate Parenting

SCRA continues to value its Modern Apprenticeship Programme, which has been running since 2011, in providing not only the organisation with valuable care lived experience input but also in providing young people with care experience employment and training opportunities. To date, we have provided 14 Modern Apprenticeships to care experienced young people.

In addition, we also run work experience programmes for people with experience of Children’s Hearings and/or of being in care. In the reporting period we ran one work experience programme.

Our Voice of Experience Reference Group, which is comprised of colleagues from across Scotland with a wide range of experiences of care, including fostering, adoption, being in care and as kinship carers, was formed in March 2022. The group has met regularly throughout 2022 and 2023 both online and in person to identify areas of improvement for children, young people and families attending Hearings. They have submitted two reports to our Executive Management Team and the Keeping the Promise Programme Board with recommendations for improvements. The Principal Reporter has attended a number of the away days to support the group and their activities. The Voice of Experience Reference Group has also had guest speakers, including those specialising in care and trauma, as well as hosting staff who wish to consult with them about Keeping the Promise projects and Equalities. They continue to meet regularly to further consider improvements needed to make the Hearings System – and the work of SCRA – care-experienced person friendly.

SCRA showed its support to Care Experience Week by members of staff taking part in the Love Rally on 29 October, organised by Who Cares? Scotland, which celebrates the care experienced community and provided opportunities for learning and connection. The theme was Lifelong Rights and focused on the commitments made in The Promise, that care can have a lifelong impact and support for care experienced people must exist throughout their lifetime.

As part of our corporate parenting duties and our ongoing commitment to improving Hearing rooms for children, we continue to roll out a Hearing Room Improvement Programme to upgrade facilities for children attending Hearings. During the reporting period and building upon our existing property portfolio improvements, the following Hearing Room upgrades were undertaken in 2023-2024: Kilmarnock; Paisley; Dumfries; Glenrothes; and Elgin. The focus of these works are to improve the experience for children and families coming to Hearings. The Hearing Room improvement project is now part of the overall Programme Management Framework ensuring alignment between all work, projects and intention – to get the best from local test for improvement, digital services and what we know from research.

SCRA is not currently listed as a public authority that is required to report on the Fairer Scotland Duty, however, we consider the understanding of the impact of socioeconomic disadvantage and inequality to be integral to everything we do and have been committed to the Duty since it was introduced. SCRA continues to offer virtual, as well as hybrid, Children’s Hearings, in addition to traditional face-to-face Hearings and our approach is constantly being refined as we learn. In keeping with this more flexible approach to Hearings provision, we are able to provide a range of options for Hearings attendance to best suit individual children and family’s needs, for example, where they live rurally to attend Hearings virtually, or for a child to attend a Hearing from school if they do not have the technology to do so from home. As part of our quality improvement and Keeping The Promise work, SCRA has five Child Friendly Scheduling projects which aim to seek the views of children in terms of the scheduling and delivery of their Hearings (e.g. what time they would like their Hearing to be, what day of the week they would prefer, how they would like to attend – virtually or in-person – and how they would like to give their views during the Hearing). This work will continue into 2024 and beyond

### **Trauma**

Understanding Trauma is critical to being a good Corporate Parent – understanding the impact of events in peoples lives and the profound effects that this can have on them and their families. It is also key to understanding what our people need who are working with trauma and the impact of it – in depth medical reports, grounds for referral, court proceedings for often, very upsetting circumstances – the Promise tells us we need to care for the people who care for people. And so vicarious or secondary trauma is a sharp focus for us.

SCRA is committed to Trauma Informed Practice and better understanding and appreciating the impact of Adverse Childhood Experiences (ACE’s) on the children and families we work with, and also on our colleagues. To enhance this, our Trauma Training Programme, which is aligned to the National Trauma Training Framework – has four elements:

- Locality and Head Office based Secondary Trauma Sessions;
- Trauma informed e-learning (provided by NHS Education Scotland);
- Trauma skilled training course (provided by NHS Education Scotland); and,
- Train the Trainer Programme (provided by NHS Education Scotland).

We have taken a staged approach to becoming more trauma informed, focussing initially on the Secondary Trauma Sessions which focus on the signs and symptoms of secondary trauma, as well as emphasising the supports available for colleagues experiencing secondary vicarious trauma. These sessions encourage managers and colleagues to consider what supports they may need and how they can limit the impact of vicarious trauma as a result of the work we do with vulnerable children and families. Sessions have been delivered to our all SCRA Localities.

We have worked with NHS Education Scotland to provide comprehensive e-learning and more focused face-to-face trauma informed training. The e-learning modules are mandatory for all SCRA staff on our e-learning platform and is a requirement for further trauma training. The Trauma Skilled Training aims to help colleagues translate understanding and knowledge from the following areas into their practice at work: ways that trauma affects people; what trauma skilled practice looks like; how to hear and talk about trauma; how to develop relationships that support recovering following traumatic events; and the importance of caring for our own well-being.

To date, 50 colleagues have received this training. We have worked with NES Scotland to train our own in house trainers and this training will be further rolled out based on the plan developed by our internal trainers. SCRA has also developed an annual psychological support process with our Occupational Health Provider which offers all case holding/access staff with the opportunity for further supports based on a self-assessment process which is considered by professionally qualified OH staff who will determine whether staff members require any further additional supports. This will be launched late March 2024.

### **Our Improvement work**

Our main corporate parenting improvement activity for 2023/24 has focussed around our Care programme – some examples of work undertaken are detailed below:

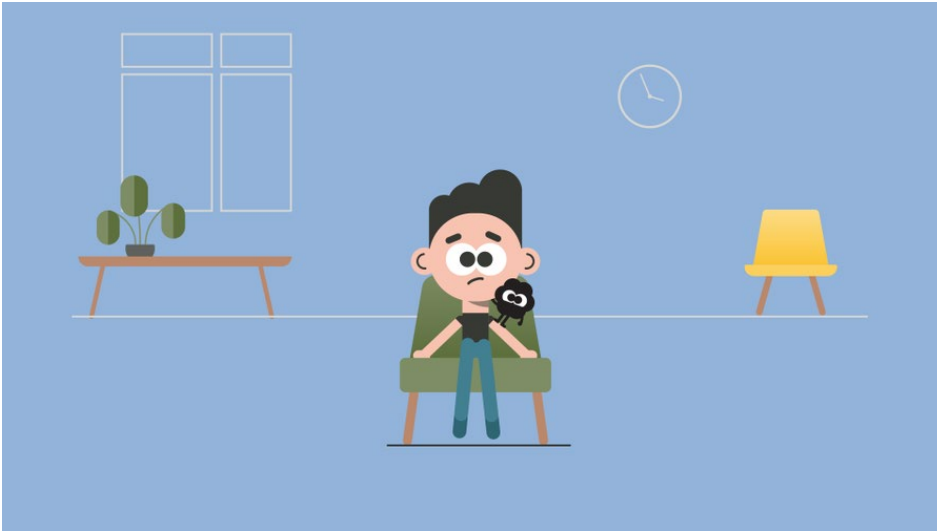
#### **Language that Cares -**

Language Leaders, with young experts - Our Hearings Our Voice launched their Articulate Animation, supported by CHS and SCRA launching internal language guides.

They had a premiere at the CCS in Glasgow – a private screening where we got to hear from the young people directly and get an insight into the full design process that became the animation below.

The young people took full direction – from script writing through to voice over – a day in the edit house working directly with the animators and sound technicians.

This is an incredible piece of work and demonstrates a fantastic, collaborative and young person led project that is set to have a wide reach and impact.



Link to Animation - [Launch of Articulate Animation - Our Hearings, Our Voice \(ohov.co.uk\)](https://www.ohov.co.uk)

Spoken word - Achilles: <https://www.youtube.com/watch?v=jF2giM71xkg>

Ash: <https://youtu.be/174dyWueREk>

Language Guides from SCRA and CHS:

[Launch of Articulate Animation - SCRA](#)

[Film and guides launched to improve language in hearings \(chscotland.gov.uk\)](https://www.chscotland.gov.uk)

### Communi-crate Pilot

The Promise tells us:

‘Many of the children who appear at Hearings have a known speech, language and communication issue and there is an over representation of children with additional support needs’

‘Children must be provided with all the support they need to fully participate and be heard in Hearings. At a very minimum, plain, accessible language must be the norm for all professionals appearing at Hearings’

VIP – a group of Hearings experienced young people who we have been working with, identified a challenge in hearings was the ability for children and young people to participate. They suggested a solution which was developing a ‘bag of tricks’ with a range of communication aides for children and young people to use in their hearing.

A short project to pilot the use of a ‘Communi-Crate’ has taken place in Glasgow and has been evaluated for it’s effectiveness.

The project saw a set of communication tools be collated and offered for use in or before hearings to support young people to express themselves.

We have received excellent feedback from this pilot and will be looking to work with more localities, CHS and the panel community to test further

**What is good about the Communi-crate? **

①

*You can write or draw your answer here*

it help me with answering  
The questions The the ddy

**What is bad about the Communi-crate? **

②

*You can write or draw your answer here*

Not a thing

**KTP Commitment Standards**

The Keeping the Promise Commitment Standards pilot aims to increase attendance of children, Young People and Relevant Persons at hearings by better preparing them for the hearing. We know from research that better preparation prior to a hearing can increase an individual’s ability to participate in hearings leading to a better hearing experience. We hope that the project will lead to a reduction in the number of deferred hearings which not only benefits children and families by reducing the trauma of coming to multiple hearings, it also allows localities to operate more efficiently, freeing up capacity to spend time making a difference to the things that truly make a difference to children and families.

The project teams will contact families before a hearing to provide practical support such as offering upfront travel costs, data, support with pre-hearing visits, check HIP’s received, ensure access to information about supports to children and families such as local advocacy services and offer support to use a QR code on their notification letter to take them to further information about the hearing centre as well as a virtual tour of the hearing centre.

Pilot sites have already completed intensive training with input around trauma, speech and language, neuro-diversity and data recording and are excited to launch the Project on the 1st of June 24.

**Understanding My Hearing – Western Isles**

The Understanding My Hearing Project launched in the Western Isles in April aims to support children and young people better prepare for their hearings, enable them to participate more effectively, understand what happens during a hearing and what the hearing decisions mean for them.

The launch received really positive feedback from professionals, here are some of their thoughts about each stage of the Understanding My Hearing Process:

1. Proactively inviting children and young people to a pre-hearing visit



The pre-hearing visit will provide an opportunity for children and YP to visit the hearing centre before their hearing, meet the Reporter and share parts of the scrapbook if they choose. Pre-Hearing visits have always been offered, but uptake has been limited. The move to pro-actively invite children in to see where their Hearing will take place contributes to SCRA’s commitment to Keeping The Promise.

2. Sending out a Taking Control of My Hearing Scrapbook prior to the hearing to support children and young people prepare for their hearing.



The concept and design of the Scrapbook came from two young Board Members from Our Hearings, Our Voice (OHOV) – an independent board of children and young people with experience of the Hearings System.

They envisage the scrapbook being used by the child or young person on their own, or with a “trusted professional that the young person feels comfortable talking to ... someone to sit down and go through the booklet with them.”

3. Hearing Outcomes sent to the child in plain English



4. Inviting the child to a post hearing meeting with the Reporter





We have also worked closely with hearing experienced adults and young people to develop processes and tools to support children and young people to understand their hearings and the decisions made about them. As well as providing space in the scrap book where hearing decisions can be recorded, after the hearing children and young people will be sent their hearing outcome in plain English and invited to a meeting with the Reporter to discuss what the decisions mean in reality for them and explain their hearing rights after a hearing.

### **Letters and Notifications:**

We have been working with a core group from across the organisation which includes operational staff, representatives from Our Hearings Our Voice (OHOV), the Practice team, the participation group, digital and the voice of lived experience, alongside support from a speech and language specialist to develop a new approach to our letters – beginning first of all with notifications. This collaboration has been really important to enable the new letters to have the best content presented in an accessible way and will be built in a more efficient digital way in future.

The new look notification letters are due to go live on the 1st June. These notifications will be piloted first by the localities taking part in the Keeping the Promise Commitment Standards pilot in Glasgow, Ayrshire and LD&G, with further roll out thereafter. The investigation and decision letters will be completed for the launch of the Article 12 project on 16th July 2024. The hearing outcome and court phase of the communications project is scheduled for later in the year.

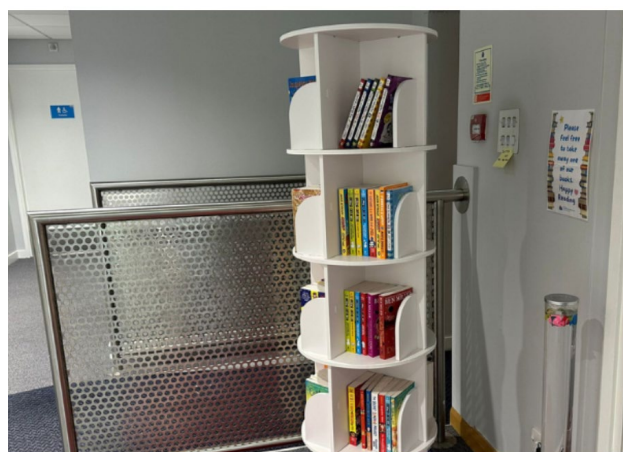
### **Postcard feedback pilot launched**

Working jointly with Children’s Hearings Scotland, we have launched a feedback pilot aimed at encouraging feedback – good and bad – from children and young people attending Hearings. Launched on 23 October, the pilot ran until March 2024 in our Hearing centres in Alloa, Elgin, Falkirk, Livingston and Stirling.

The postcards contain a QR code that links to a new feedback webpage on the My Corporate Parents website for children and young people. Once they scan the code, children and young people can provide feedback about their experience of the Children’s Hearings System. Both SCRA and CHS will work together to respond to the feedback. At the end of each Hearing, the Panel Member chairing the Hearing will offer the child or young person a feedback postcard. The card can also be given to a trusted adult to pass on if the child or young person isn’t present.

### **Dolly Parton Imagination Library**

During Book Week Scotland in November, we celebrated our fourth year of working in partnership with the fabulous Dolly Parton Imagination Library. The programme started just before the Covid-19 pandemic and has been rolled out annually to all Hearing centres since early 2020. The books are distributed to SCRA by the Dolly Parton Imagination Library and are then gifted to children aged 5 and under attending Children’s Hearings. Thousands of books have been gifted to children across Scotland since we started the project.



## Toys and Books

A real drive took place in quarter four to roll out a new set of fresh, new, sturdy and multi-use toys to Hearing and waiting rooms across the country. The toys were to provide children with something to do while they wait, distract or help them focus when in their hearings, or provide a sensory benefit to them. On top, and following the success of the Dolly Parton imagination library, we rolled out a book offering to older children – aimed at ages 8 plus these books are available in all hearing suites – and after work around anti-racism and inclusion, should provide a range of books to allow children to recognise themselves in these when they see them – and cover many relevant issues that are facing some of our children – as well as many opportunities to escape.



## Hearings for Children (The Promise) – Reform

Following a year of collaboration through the Hearings system Working Group and collaborative re-design project, the output – the Hearings for Children report, was published in May 2023. This set out a series of recommendations for the Hearings System and the wider care system in Scotland.

The Scottish Government published their response to the Hearings for Children report just before Christmas. The response gave each of the recommendations a status in terms of their acceptance.

The Breakdown was as follows:

- Accept – 63 recommendations
- Accept with conditions – 26 recommendations
- Require exploration or consultation – 42 recommendations
- Do not accept – 7 recommendations

The response was hugely supportive of the Reporter role, the work that we have been undertaking to date in response to the recommendations and clearly demonstrated the input from our staff engagement.

Work was then undertaken to map all project work across to the Government's response to ensure that our project work is speaking directly to the asks whilst continuing to drive internal efficiency and quality improvement.

Scottish Government, through the planning group have extracted the recommendations that have a) been accepted, accepted with conditions or require further exploration and b) don't require legislative change and have grouped these into proposed workstreams.

As part of the multi-agency planning group, we have been part of the group considering the placement of these proposals and the relative priority of each – alongside grouping them and considering sequencing. The Hearings re-design Board had its first meeting in March 2024, will oversee this work.

We will continue to work with Scottish Government and others as this important work is taken forward.

### **Research Team Update**

It has been a challenging year for the research team due to staff recruitment and retention issues. These issues have now been resolved, with additional investment agreed to increase the capacity of the research team until March 2027. The purpose of this additional investment is to support the delivery of an ambitious programme of research and provide capacity to support internal improvement activities relating to Keeping The Promise and Hearings for Children reform.

Despite the staffing difficulties experienced it has been a productive year for the research team with several pieces of research reaching conclusion, and planning for research to be conducted during 2024/25 underway. These are detailed below.

### **Staying Connected Research**

In December 2023 the final report for this project was jointly published by SCRA and Families Outside. The report detailed the impact of simultaneous imprisonment and care-experience had on children's ability to maintain their relationships with their siblings, and received media coverage from the Herald newspaper. An online launch event for the report was hosted by Families Outside in December 2023. They have also used findings from the study to develop a suite of materials to support families affected by these issues, and the practitioners that support them.

### **Virtual Hearings Research**

In August 2023 a presentation on the impact that virtual hearings have had on the rights and participation of hearings-experienced children was delivered at the Royal Geographic Society's Annual Conference. In September 2023 a paper on the same theme was published in a special edition of the peer-reviewed journal Adoption and Fostering. In April 2024 a book chapter on children's experiences of virtual hearings, that has been written and illustrated in conjunction with the young people at Our Hearings, Our Voice (OHOV), was accepted for publication. The book, entitled "Care and Coronavirus: Perspectives on Childhood, Youth and Family" will be published towards the end of 2024. A synopsis of the findings from both publications was submitted in written evidence to the Scottish Covid Inquiry during 2023.

### **Participation workshops**

The research team worked collaboratively with Families Outside and OHOV to prepare and facilitate four workshops at the annual conferences of the Children and Young People's Centre for Justice and the Scottish Association of Social Workers on the meaningful participation of children and young people in research, policy and practice.

### **Research focussed on children in conflict with the law**

Evidence from published pieces of research on CSE and the Age of Criminal Responsibility were used to inform evidence provided to the Jay Review of criminally exploited children in December 2023. In January

2024 we published a rapid review of evidence on children aged 12-15 who were reported to the Reporter for cyber-enabled and cyber-dependent offences in response to a request for evidence by the CYCJ. Ethical approval was also sought for a mixed methods study to explore the experiences of children aged 12-15 who are referred to the Reporter for serious and persistent offending. This research will be conducted during the 2024/25 business year.

### **Victims Research**

Between December 2023 and March 2024 the research team worked with Victim Support Scotland to develop a piece of research that will inform how victim information and support services will be operated after implementation of the Children (Care and Justice) (Scotland) Act. The study is currently undergoing ethical review and will run throughout the 2024/25 business year.

### **Ethics, rights and legalities of using AI in the Children's Hearings System**

Throughout 2023 the research team worked with members of the digital team to develop research focussed on understanding the implications that using artificial intelligence within the Children's Hearings System could have on children and families. The study, which will gather views from children, families and professionals, will explore views on different ways that AI could be used, and what the potential risks and benefits of these might be. Ethical approval for the study was obtained in August 2023, with the research due to commence during the 2024/25 business year.

### **Support for Keeping The Promise and Hearings for Children Reform Improvement Activity**

Since December 2023 the research team has been working with the Child Friendly Scheduling Teams to review the improvement and monitoring data that was gathered through the tests of change being conducted with locality teams. We have also been conducting focus groups with locality staff involved in delivering the tests for change in order to identify perceived benefits and risks of implementing Child Friendly Scheduling nationally. A report will be prepared and submitted to the Programme Protect in June 2024.

Since February 2024, the team have also been working to support Programme Protect to devise data measurement tools for the Customer Care Standards project, and training locality staff in how to gather and record information for the project.



**Operational Strategy:** The Operational Strategy sets out our aims, approaches and priorities for planning and delivering front line services and provides a framework within which Locality Plans can translate this into local delivery. It dovetails with our Performance Management Framework which sets out the annual cycle by which plans and objectives at national, locality, team and individual levels are developed and aligned, performance appraised, reviewed and reported, and quality embedded into everything that we do.

See section 1.2.4 on page 49.

Figure 1. Key Activities

# INVESTMENT IN PEOPLE

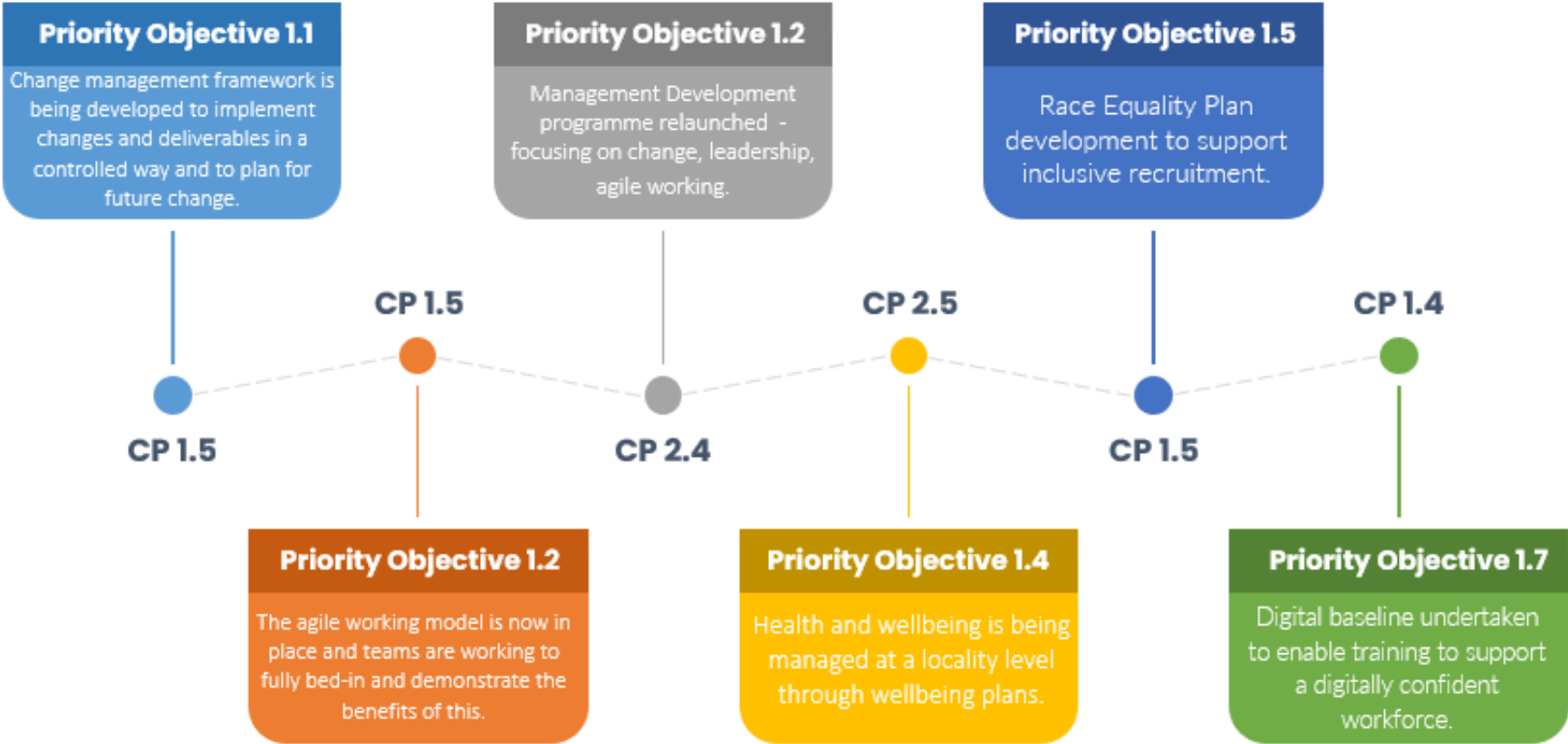


Figure 2. Key Activities

# EFFECTIVE AND EFFICIENT SERVICE DELIVERY

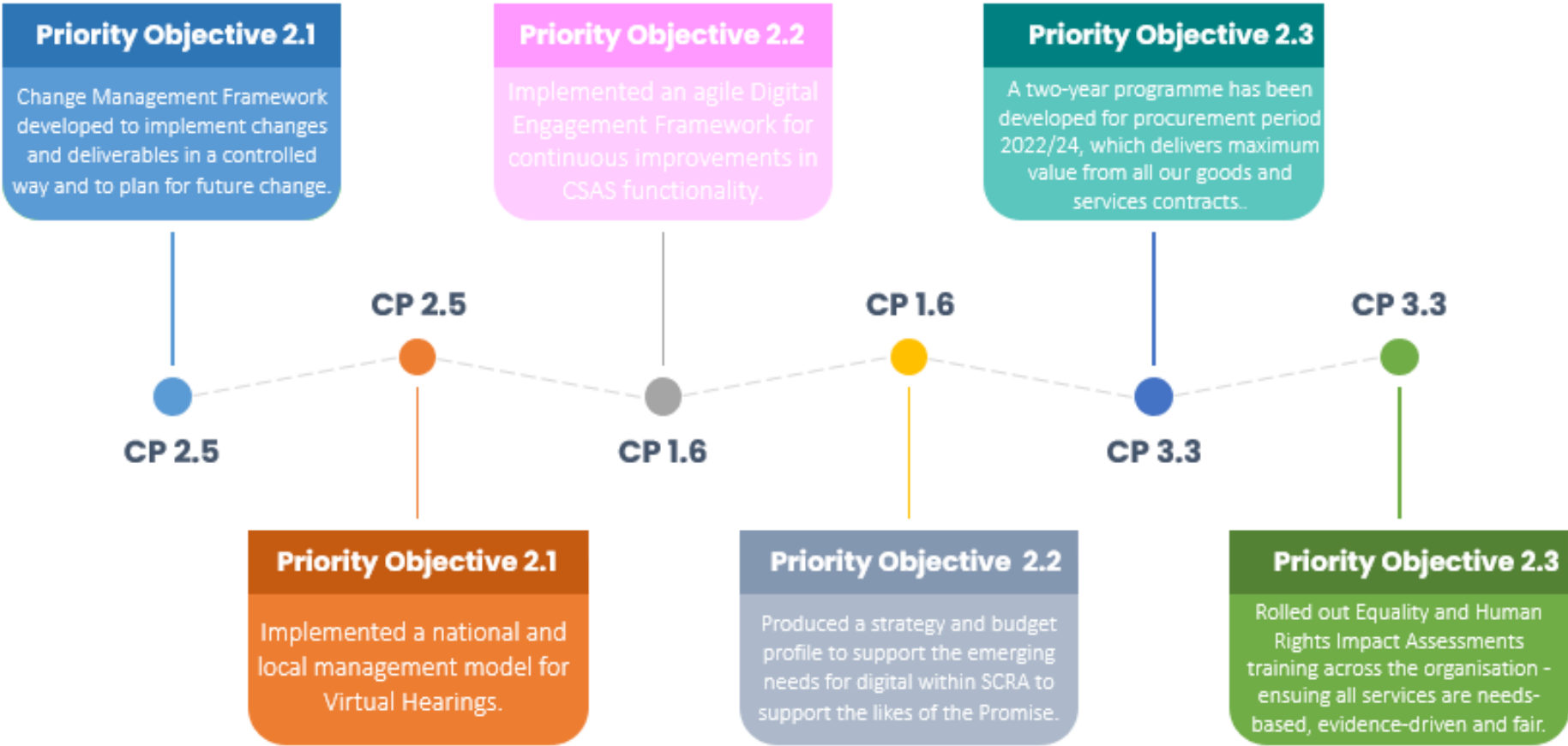


Figure 3. Key Activities

# CHILD CENTERED CORPORATE PARENTING

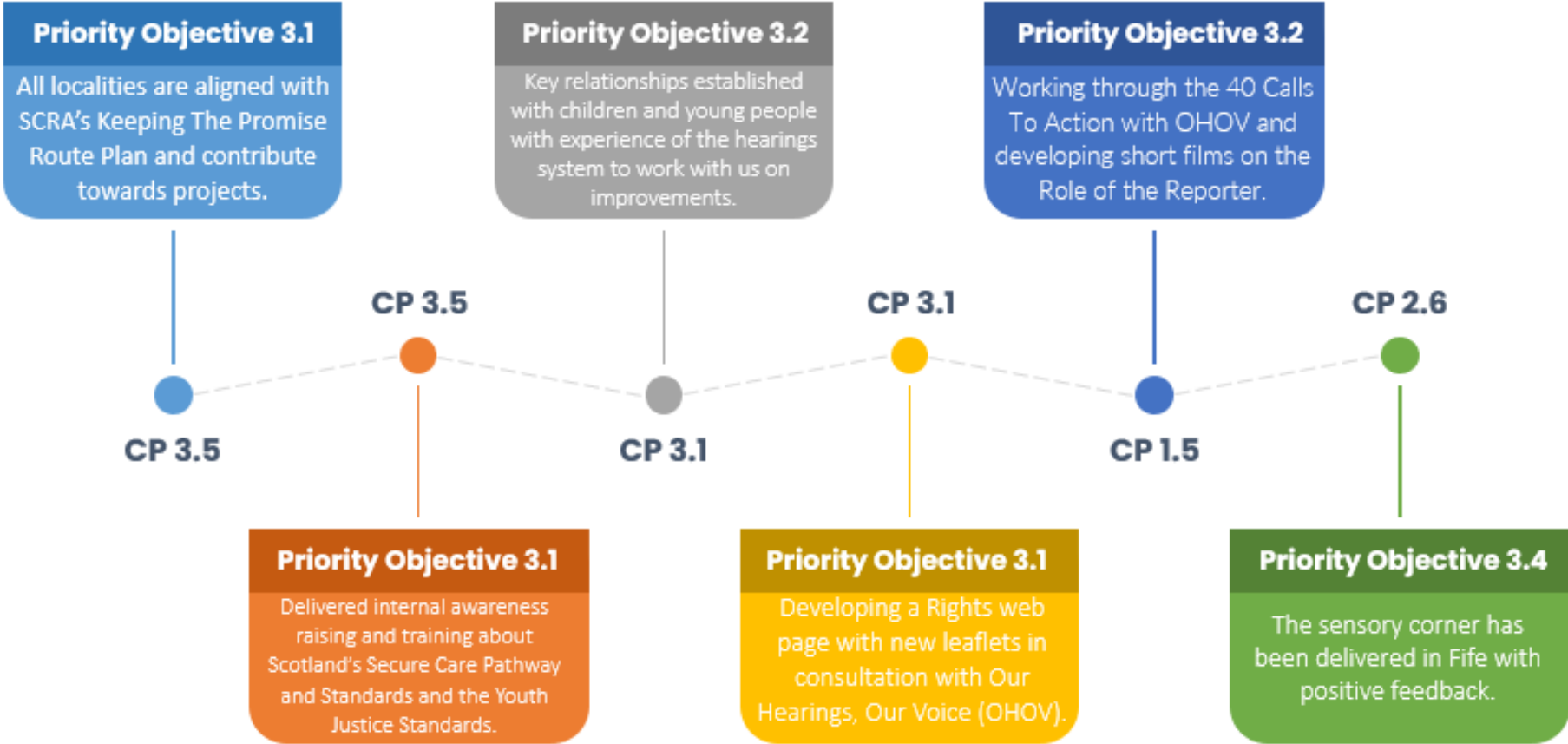
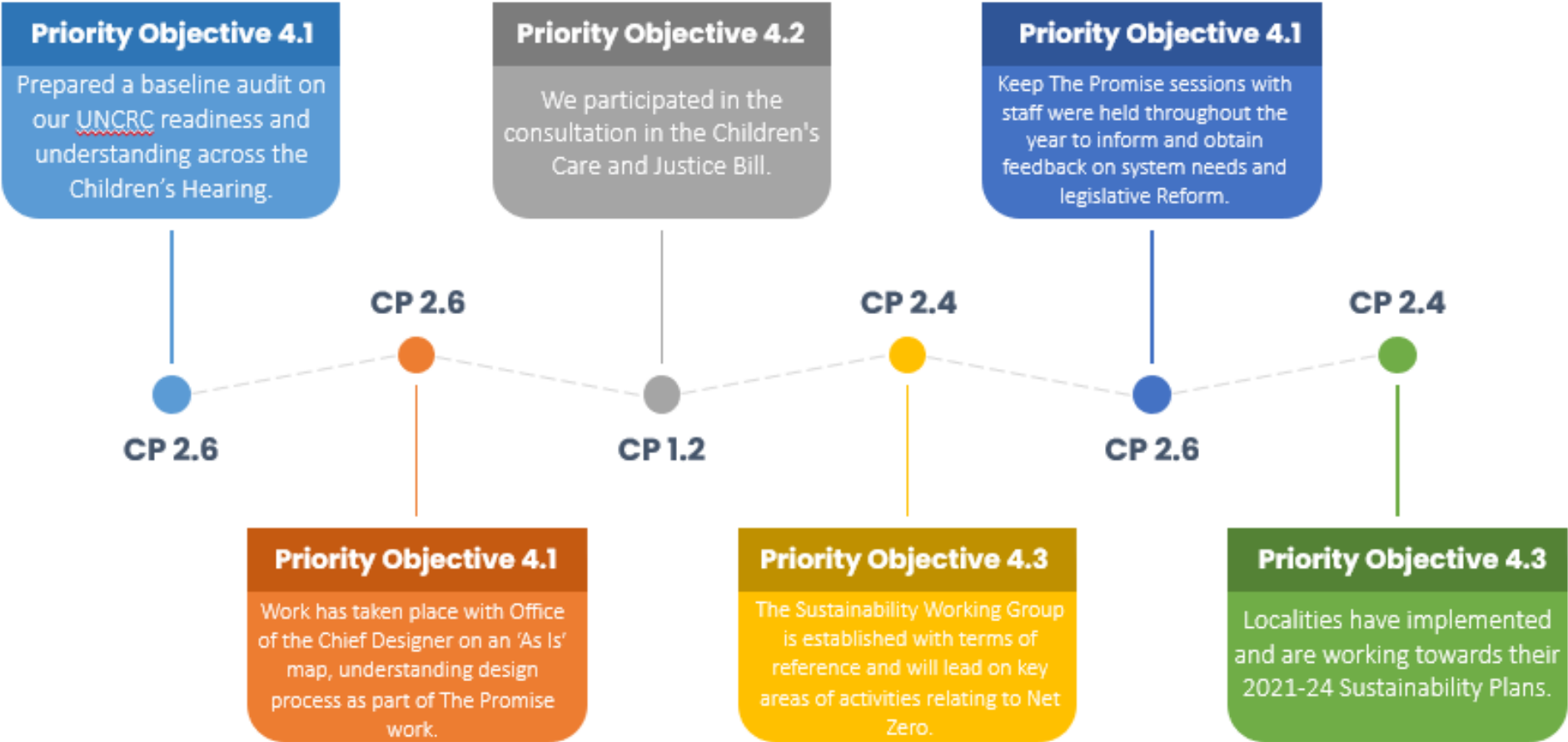


Figure 4. Key Activities

# ENGAGEMENT WITH THE POLITICAL ENVIRONMENT AND INFLUENCING SOCIAL POLICY





### 1.2.3 Key Performance Indicators

This section will provide detail around SCRA’s achievements in the year in terms of its key performance indicators (summarised in figure 7) and further information is provided below around the operational context that these have been achieved in.

#### Summary of Key Performance Indicators

##### Performance Measures

SCRA has nine key performance indicators which are reported to the Board on a quarterly basis. For the previous couple of years, targets were not applied to the operational indicators (a) decisions within 50 working days and b) Hearings within 20 working days) due to the impact of the pandemic. These have been reintroduced for 2023/24. The annual outcomes are summarised below.

Figure 5.

Performance measures	Target	Outcome	Prior Year
a) The percentage of decisions on referrals made within 50 working days of receipt	72%	70%	69%
b) The percentage of referrals over 100 working days	4%	5.1%	n/a
c) The percentage of Hearings scheduled to take place within 20 working days	70%	66%	57%
d) The percentage of working days lost to short term absence	2%	1.5%	2.0%
e) The percentage of working days lost to long term absence	2%	3.4%	3.7%
f) Variance in annual revenue spends as a percentage of the available revenue budget	1%	4.5%	0.4%
g) Percentage of revenue savings achieved in the year	2%	8.6%	1.9%
h) Variance in annual capital spends as a percentage of the available capital budget	5%	6.9%	14.7%
i) The Scottish Government efficiency savings target will be met	0.6%	Met	Met

Key: - Green: Target met or exceeded; Red: Target missed

(a) Decision making by Reporters within 50 working days was up 1.1 percentage points (pp) against the prior year with an increased number of decisions compared to 2022/23 also. It was marginally below the 72% target and is rated as amber.

(b) The percentage of referrals open over 100 working days is a new target. On average, 5.1% of referrals were open beyond 100 working days in the year this was above the 4% target and is rated as red.

(c) Hearing scheduling was up 9 percentage points (pp) in the year to 66%. The performance in 2023/24 continues the improvement in 2022/23 which started to reflect the move away from the operational pressures and prioritisation required during the pandemic. Performance was below the 70% target and is rated as amber.

(d) Short term absence at 1.5% was within the 2% target and was 0.5pp lower than the prior year. We are pleased to see such a positive improvement on short term absence. This will be in part staff having the more flexibility about where they work from even when they are feeling unwell, but not unwell enough to be absence from work. But this reduction may also be a result of the various health and wellbeing supports that SCRA has in place, such as EAP, vicarious trauma support, menopause support etc.

(e) Long term absence at 3.4% was down 0.3pp from the prior year but still well above the 2% target. We continue to make improvements in this area, however we recognise that long term absence remains a challenge in terms of available resources. We work closely with managers pre, during and post long term absence to ensure that the most appropriate supports are in place to sustain the employee at work. We have trained a number of mental health first aiders and our Mental Wealth Group is particularly active across the organisation in terms of signposting supports, health and wellbeing tools and initiatives and local health and wellbeing groups are responding to Locality needs. Appropriate management of our long term cases is in place, including occupational health advice and guidance, employee assistance counselling provision, and potential ill-health retirements.

(f&g) Revenue savings mainly arose from staff vacancies and an anticipated Scottish Government pay policy based on higher cost of living pressures.

(h) Capital savings arose primarily from deferring works on Glenrothes and a pause on ICT development specifically relating to Children (Care and Justice)(Scotland) Bill preparations.

There are two quality measures around property. SCRA's Hearing centres are our main public facing facilities and these are the main focus of our attention. The first quality measure therefore considers the operational suitability of our Hearing centres. Alongside this, there is a quality measure now included to measure the efficiency of how we use property and the cost effectiveness of our estate.

#### Quality Measures - 2023/24

- 1 Percentage of Hearing centres that comply with our requirements 69.7% (69.7% in 2022/23)
- 2 The average percentage quality score achieved across the estate 91.1% (90.4% in 2022/23)

## 1.2.4 Operational Performance and Strategy

This section provides the operational context for the report, focussing on strategies and activities which were used to support the Children’s Hearings System in the year.



**Operational Strategy:** The Operational Strategy sets out our aims, approaches and priorities for planning and delivering front line services and provides a framework within which Locality Plans can translate this into local delivery. It dovetails with our Performance Management Framework which sets out the annual cycle by which plans and objectives at national, locality, team and individual levels are developed and aligned, performance appraised, reviewed and reported, and quality embedded into everything that we do.

### 2023-24 Key Activities

The Operational Teams worked to 10 main objectives in 2023/24 :

- 1: Contribute towards and support the work of SCRA's KTP Team.
- 2: Develop a digitally confident and mature workforce.
- 3: Embed a flexible and agile working model.
- 4: Ensure organisation is ready and equipped for improvement and transformational change.
- 5: Promote and ensure staff wellbeing.
- 6: Promote the equality, diversity and inclusion in the workforce.
- 7: Work towards improving environmental sustainability.
- 8: Develop and embed an agile effective operating model.
- 9: Engage with developments to optimise and enhance the operating model for effective and efficient service delivery.
- 10: Engage with and provide support to the Programme Groups in delivery of the Business Plan.

Work continued to embed the Standard Operating Model and to upgrade digital skills. Investment in the Operational Development Team has provided support for operational staff with digital development and training, the provision of a helpdesk and support in development of our digital champions network. They also support the work of the programme.

Operational Teams have become increasingly involved in the work of the Protect Programme which is developing a Target Operating Model and improved change strategy of the organisation. They have been involved in developing, testing and rolling out improvement activity in support of the programme. They have been using QI methodology to focus on improvements in their areas.

The benefit of the investments which have been put in place to respond to the challenges faced by the Operational Teams are beginning to be realised. However, the operating context of the Children’s Hearing

System remains challenging, in particular the resourcing challenges faced across the system, and this is reflected in performance in 2023/24. Operational Teams are working closely with multi agency partners locally to address these.

### Children referred

In 2023/24, 8,196 children were referred on non-offence grounds. This is down 9.2% from the previous year. The number of children referred on offence grounds in the year, at 2,701, was up 2.4%.

There are certain types of referrals that indicate greater or immediate concern about the child person's safety. These include Child Protection Orders (CPOs). At 478, 36 more children had CPOs (8.1%) granted in the year.

### Reporter Decisions

When making a final decision in relation to a referral, the Reporter will select the ground which reflects the principal concern(s) about the child. These grounds are set out in section 67(2) of the Children's Hearings (Scotland) Act 2011, and are summarised, and are summarised below.

Section 67 ground	
(a)	Lack of parental care
(b)	Victim of a Schedule 1 offence
(c)	Close connection with a Schedule 1 offender
(d)	Same household as a child victim of Schedule 1 offender
(e)	Exposure to persons whose conduct likely to be harmful to child
(f)	Close connection with a person who has carried out domestic abuse
(g)	Close connection with Sexual Offences Act offender - Parts 1, 4 & 5
(h)	Accommodated and special measures needed
(i)	Permanence order and special measures needed
(j)	Offence
(k)	Misuse of alcohol
(l)	Misuse of a drug
(m)	Child's conduct harmful to self or others
(n)	Beyond control of a relevant person
(o)	Failure to attend school without reasonable excuse
(p)	Pressure to enter into civil partnership (or same household as such a child)
(q)	Force to marry (or same household as such a child)

For ease of reference, referrals on (j) Offence grounds are classed as offence referrals with the others being classed as non-offence.

Reporters investigate where necessary, when a referral is received, to assist them in considering the likely need for compulsory measures. They do so by obtaining information on the child and their circumstances

from relevant agencies. Some of this information may now be provided at the point of referral rather than requiring to be requested. In the year, 22.1% of children with a referral decided, had a decision to arrange a Hearing. This was a 0.9pp increase on the prior year.

### **Pre-Hearing Panels and Hearings**

Pre-Hearing Panels (PHPs) are convened before some Children's Hearings to consider any special arrangements needed for the Children's Hearing. These are:

- whether to deem/undeed an individual as a relevant person;
- whether to excuse a child or relevant person from the obligation to attend the Children's Hearing;
- whether an individual has participation rights; and
- whether an individual should be allowed to attend only by electronic means.

PHPs increased by 83.5% to 1,767 against 963 last year, an increase of 804. The emergency Covid legislation around removing requirement for a child to attend a Hearing was in place for the first half of 2022/23 which is why there is such a large increase (two-thirds of Pre-Hearing Panels had this as a purpose for the meeting).

Children's Hearings decide whether compulsory measures of intervention are necessary (in respect of the child) to protect the child and/or address their behaviour. Hearings decreased by 3.3% to 21,613 against 22,341 in the prior year, an decrease of 728. Primarily this is due to the continued decreases in children with Compulsory Supervision Orders and the review Hearings associated with them.

### **Applications to the Sheriff for proof**

If the child and/or their relevant persons do not accept some or all of the statement of grounds for referral which form the basis of the Children's Hearing, or the child does not or cannot understand the grounds, the Children's Hearing may direct the Reporter to apply to the Sheriff to establish the statement of grounds for referral (sections 93 and 94 of the Children's Hearings (Scotland) Act 2011). Overall, 2,001 applications were determined in 2023/24 and 89.5% were held to be established by the Sheriff. This was 25 more applications determined in the year (1.3%).

### **Compulsory measures of supervision**

Compulsory Supervision Orders (CSOs) are the most common form of compulsory intervention made by Children's Hearings. They are also the only longer-term option available to Children's Hearings. It is the statutory responsibility of local authorities to implement CSOs. At the year-end, 6,490 children were subject to CSOs. This is 299 fewer than the prior year-end, a decrease of 4.4%.

## Appeals

Children and/or their relevant persons can appeal to the Sheriff against decisions made by Children's Hearings and Pre-Hearing Panels. In 2023/24, 281 children had 331 appeals concluded, a 26.4% decrease from the prior year. A child may have multiple appeals within the year. Of the 331 appeals concluded, 43% found the Hearing's decision justified, 3% found the Hearing's decision justified but a change of circumstances was applied, 39% found the Hearing's decision not justified and in 15% of cases, the appeal was abandoned.

## Consultation with employees

SCRA is committed to involving staff throughout the organisation in its decision-making process - works in partnership with staff and has a partnership agreement with UNISON as the recognised Trade Union. Working in partnership mainstreams consultation and engagement with staff in all aspects of SCRA's working environment through employment issues to service delivery issues.

There is an embedded structure of consultation and engagement through the National Partnership Forum which has a number of sub groups like the HR Sub Group, Health/Wellbeing and Staff Survey Group, Equalities Network and more standalone networks such as the Joint Negotiating and Consultation Committee, Health and Safety Committee, Participation Group, etc. Partnership working is strong across SCRA and is the root of our organisation development, consultation and collective bargaining processes. UNISON are our recognised Trade Union and work hard to ensure that partnership working is successful in SCRA. As an organisation we would encourage staff to join the SCRA UNISON branch so that they can feel the benefits and have a voice in a strong partnership relationship.

As part of the Partnership Agreement with UNISON, SCRA has an established Recognition and Procedure Agreement, which governs the negotiations of pay and national conditions of service for all staff. It formally acknowledges the importance of establishing and maintaining confidence in the negotiating arrangements.

We reviewed our National Partnership Agreement with UNISON, working together to do so, which saw SCRA and UNISON develop further their commitment to work together and we will launch that with Localities over the course of the summer 2024

A series of in depth workshops have been organised between SCRA and UNISON. Two of the three planned workshops took place in February and March 2024, with the final workshop planned for September/October 2024.

These sessions have been extremely useful for both the senior team and SCRA Branch members. The focus has been on:

- Resources and SCRA sustainability
- SCRA future purpose, strategic ambition and planning priorities
- Models of improvement and change management being adopted by SCRA
- Programme and project structure, design and delivery, investment and resourcing
- Alignment of SCRA's current activity to Keeping the Promise and progressing Hearings for Children
- Workforce development and support

The workshops are timely given the level of change ahead for SCRA and the wider Hearings system and the prolonged financial uncertainty that the organisation continue to face. Issues impacting on the workforce were very much to the fore. Key commitments made over the course of the workshops are:

- To prioritise an input to the Partnership Forum on SCRA’s future digital plans – particularly in relation to digital enablement of our future work
- Ensuring Improved communication across senior team and branch in relation to ongoing strategic thinking and planning
- More support for stewards and managers in continuing to work in partnership with high levels of mutual regular engagement, sharing of thinking and collaboration in planning
- Joint work on promoting the benefits of trade union membership and partnership work across SCRA – with a programme of work to support the relaunch of the Partnership Agreement across 2024

### Payment Performance

In line with Scottish Government guidance, SCRA’s policy is to pay all sums due to suppliers, that are not in dispute, within the lesser of 10 working days and the agreed contractual terms. During the year ended 31 March 2024, SCRA paid 86% (31 March 2023: 77%) of sums due to suppliers within the terms of its payment policy. SCRA continues to reduce its volume of invoices and work to improve the processing time of invoices in order to improve performance in 2024/25.

### Anti-bribery

SCRA’s Executive Management Team and Board have taken steps to ensure SCRA has policies in place to guard against corruption and bribery, including SCRA’s procurement policy, financial regulations and Fraud and Corruption policy.

### Environmental Performance

Our Climate Change report for 2022/23 was submitted to Scottish Government at the end of November 2023. (Emissions data for 2023/24 are not yet available.) Our reported direct and indirect GHG emissions total 578.2 tCO<sub>2</sub>e which is an have increase of 5.5% compared with last year.

Emission Source & Scope	2022/23				2021/22	
	Unit	C		E	C	E
Heating - Natural Gas	1 kWh	1,270,314	↓	231.9	1,457,088	266.9
Heating - Oil	1 litres	3,800	↑	9.7	3,001	7.6
Electricity (generation)	2 kWh	797,318	↑	154.2	708,558	150.4
Electricity (transmission losses)	3 kWh	797,318	↑	14.1	708,558	13.3
Business Travel - miles	3 miles	101,029	↑	27.7	67,627	19.0

Emission Source & Scope	2022/23				2021/22	
	Unit	C		E	C	E
Water - Supply	3 m3	2,898	↑	0.3	2,289	0.3
Water - Treatment	3 m3	2,898	↑	0.6	2,289	0.5
Waste - mixed recycling	3 tonnes	18	↑	0.4	14	0.3
Waste - paper recycling	3 tonnes	28	↓	0.6	46	1.0
Waste - Landfill	3 tonnes	10	↓	4.7	15	7.0
Waste - Combustion	3 tonnes	19	↓	0.4	24	0.5
WEEE - mixed - Recycled	3 tonnes	2	n/a	0.0		
Homeworking	3 %home-based	60%	–	133.7	60%	81.2
<b>Total (tCO2e)</b>		<b>578.2</b>			<b>548.1</b>	

This is the first overall increase in our reported emissions since 2014/15 and is entirely related to a change in how GHG emissions are now calculated for home working. An allowance in the emission factor for reduced staff commuting has been removed producing a higher figure for home working. Staff commuting is not currently recorded by SCRA and is not reflected in our Scope 3 emissions.

The impact of this change to the calculation is that we have narrowly missed our three year target of reducing reported GHG emissions by between 10% and 20%. The figure was on track at the end of Year 2 at 14.5%, but using the new calculation for work from home emissions the reduction at the end of Year 3 is 9.86%. Although disappointing, it is now proposed to set a new 3 year target of reducing emissions by between 10 and 20% from the 2022/23 figure of 578.2 tCO2e.

In addition to the target above, the following corporate targets have been set:

- Net zero direct emissions from our estate by 2038
- Zero waste sent to landfill by 2030
- Become a net zero organisation by 2045

When we complete our annual Climate Change report our GHG emissions are recorded under three categories or “scopes” relating to direct and indirect emissions:

Scope 1 emissions are those made directly, through the burning of fuels to heat our business premises or are from Fleet vehicles (n/a for SCRA)

Scope 2 emissions are those made indirectly, for example the electricity we consume in our premises that has been produced on our behalf.



Scope 3 emissions are any indirect emissions associated with our business activity e.g. business travel, employee commuting, manufacturing of the goods and products we use and customer activity that occurs as a result of our services.

SCRA has set its Climate Change reporting boundaries as Scope 1, 2 and parts of 3.

Whilst our owned and leased buildings currently account for the largest part of our carbon footprint (Scope 1 & 2 emissions), it is known that Scope 3 emissions are currently under reported due to the difficulty/ complexity involved. At present, around 31% of our reported emissions are from Scope 3 activities although the true figure will be much higher. It is expected that Scope 3 emissions will be more comprehensively reported over time and this could lead to an increase in reported emissions for most organisations.

In the last year we have engaged specialist consultants, through a Scottish Government framework, to carry out energy audits of our buildings. A review of our 19 owned buildings has recently been completed and the full report of their findings is currently being considered and will be used to inform our approach to property use. Energy conservation measures (ECM's) have been identified for each site with the main ECM's proposed being:

- Energy Monitoring – Sub meters
- LED Lighting & Controls
- Glazing Upgrades
- Insulation – Roof & Walls
- BMS Installation
- Electrification of Heating
- Solar PV

Matters relating to Sustainability and Climate Change are more regularly considered as a part of organisational planning and service delivery. Our Strategic Sustainability and Environmental Ambassadors groups meet regularly to consider the priority areas for action.

The Strategic Sustainability Group re-confirmed the need to prioritise eight areas for action by the organisation.

- Property Use
- Energy Consumption
- Travel
- Waste Minimisation
- Sustainable Procurement
- Biodiversity
- Staff Awareness, Engagement and Behaviour Change
- Data Capture & Analysis

As more Scope 3 emissions are brought into our reporting boundary, the challenge of achieving Net Zero will go beyond the buildings we use and will affect the services we deliver and the resources we

use/procure to deliver those services. The legislative and policy position envisages transformational change to deliver Net Zero emissions by 2045. Our Net Zero objective will be incorporated into our business planning and future operating model.

### **1.2.5 2024/25 Planning**

The Business Plan objectives for 2024/25 clearly set out how all parts of the organisation will contribute to delivery of our Corporate Plan aims and our contribution to greater improvement in the Hearings System.

The business plan will be delivered through our programme management framework and reported on through related governance structures which, in themselves, are reviewed regularly.

Work will continue with the Scottish Government and our Partners as we take forward the transformational change in the wider system – whilst improving what we can in our current. – and of course, ensuring that the operational delivery of our critical service continues steadily, absorbing and positively responding to change as it is implemented to ensure the best service possible for the children and families that come into the system.

**Neil Hunter**  
**Accountable Officer**

## 2 Accountability Report

### 2.1 Director's Report

The table below shows the date of appointment for Board members in 2023/24.

Board Member	Appointment Date
Michelle Miller (Chair)	01 May 18 – 30 Apr 24
Kay Barton	01 Nov 21
James Edgar	01 Oct 17
Lorraine Moore	01 Nov 21
Hazel Smith	01 Dec 22
Martin Toye	01 Jun 16 – 31 May 24
Suzanne Vestri	01 Oct 16
Ying Zhang	01 Dec 22

All current Board members have fixed term contracts and of the above current members six are female and two are male.

The Board members have been appointed by the Scottish Ministers. They are appointed on the basis of having knowledge or experience relevant to the general purpose of SCRA or to the functions of the Principal Reporter/Chief Executive.

The table below shows the date of appointment for Executive Management Team members in 2023/24.

EMT Member	Job Title	Appointment Date
Neil Hunter	Principal Reporter/Chief Executive	04 Apr 11
Lisa Bennett	Head of Strategy and Organisational Development	14 Sep 15
Douglas Cameron	Head of Digital Delivery	13 Dec 23
Susan Deery	Head of Human Resources	01 Oct 14
Helen Etchells	Senior Operational Manager	12 Aug 19
Alistair Hogg	Head of Practice and Policy	01 Jun 19
Lawrie McDonald	Head of Digital Delivery	01 Sep 15 – 01 May 23
Edward Morrison	Head of Finance and Resources	01 Dec 10 – 31 Mar 24
Paul Mulvanny	Senior Operational Manager	12 Aug 19

All EMT members have permanent UK contracts and of the above three are female and six are male. The Principal Reporter/Chief Executive has specific responsibility for the discharge of Reporters' statutory functions.

#### 2.1.1 Audit

The Public Finance and Accountability (Scotland) Act 2000 places personal responsibility on the Auditor General for Scotland to decide who is to undertake the audit of each central government body in Scotland. For the financial years 2022/23 to 2026/27 the Auditor General has appointed Audit Scotland to undertake the audit of SCRA. The general duties of the auditors of central government bodies,

including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

### 2.1.2 Register of Interests

A Register of Interests for Board members and senior staff is maintained by SCRA and may be accessed by contacting the Governance Officer at Ochil House, Springkerse Business Park, Stirling, FK7 7XE, or on SCRA's website, <https://www.scra.gov.uk/about-scra/our-board/> and <https://www.scra.gov.uk/about-scra/senior-management/>.

### 2.1.3 Report of personal data incidents

The SCRA reports all reportable breaches to the Information Commissioner's Office (ICO) in compliance with data protection legislation. A risk assessment is completed for each data breach to determine whether it is likely to result in a risk for the rights and freedoms of any individual. There was a total of three breaches reported to the ICO in 2023-24. The ICO has not taken any formal action against SCRA in relation to any of the reported breaches, but has made some recommendations for improvement, which we have accepted and implemented where appropriate.

### 2.1.4 Non-Disclosure Orders

A Non-Disclosure Order is a special provision attached to a child's case in instances when it is considered necessary to protect the whereabouts of a child, or person(s) with whom the child is residing, due to significant concerns about their safety.

There was a total of 26 incidents in 2023-24 where Non-Disclosure Orders/Rule 16 were breached. The SCRA was responsible for 12 Non-Disclosure/Rule 16 breaches, and two of these were reported to the ICO. In comparison, there was a total of 29 Non-Disclosure/Rule 16 breaches in 2022-23, of which the SCRA was responsible for 17.

### 2.1.5 Case Information

The SCRA holds information on children and their families, who are involved in the Children's Hearings System. Much of this information is special category data as defined by the UK GDPR and by the Data Protection Act 2018. The three breaches that were reported to the ICO are summarised below:

- For a Non-Disclosure case, the child's mother (Non-Disclosure Associate) received an unredacted copy of the Record of Proceedings in error, which contained the carers surname. This Non-Disclosure breach occurred as the documents were printed from SharePoint, rather than from the HIP pre-copy.
- For a Non-Disclosure case, the child's father (Non-Disclosure Associate) received a redacted copy of the social work report. However, on this occasion the entire report was subject to Non-Disclosure. This Non-Disclosure breach occurred as a redacted report would normally be issued for Non-Disclosure cases, and the staff members responsible for the breach, overlooked the fact that on this particular occasion, the entire report was subject to Non-Disclosure.

- The father of a child received hearing papers for another child, which he had no connection with. This breach occurred as the notification, which the father received about his own child, had inadvertently become attached to the hearing papers for the unconnected child, during a bulk print.

The SCRA continues to monitor breaches of personal data as part of its activities to improve information security and data protection compliance. Each locality has an Information Governance (IG) Lead and the IG Leads Group meets regularly to monitor activity, including lessons learnt from breaches. The lessons learned from the breaches is posted on Connect monthly for staff to read. All staff have been trained on GDPR; they are also required to do annual GDPR refresher training. The Board's Audit and Risk Committee receives six monthly reports on Information Governance.

## 2.2 Statement of Accountable Officer's Responsibilities

Under Schedule 3 of the Children's Hearing Scotland Act (2011), the Scottish Parliament has directed the SCRA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of SCRA and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accountable 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 Parliament, 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 (FRoM) have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis

Under section 15 of the Public Finance and Accountability (Scotland) Act 2000, the Accountable Officer of the Scottish Government Directorate with responsibility for sponsorship of SCRA designated the Principal Reporter/Chief Executive of SCRA as the Accountable Officer for the Administration. The Head of Finance and Resources is designated as Depute Accountable Officer. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the Administration's assets, are set out in the Scottish Public Finance Manual (SPFM).

As Accountable Officer, I confirm that:

- As far as I am aware, there is no relevant audit information of which the auditors are unaware, and 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 auditors are aware of that information.
- The annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

## 2.3 Governance Statement

### 2.3.1 Scope of responsibility

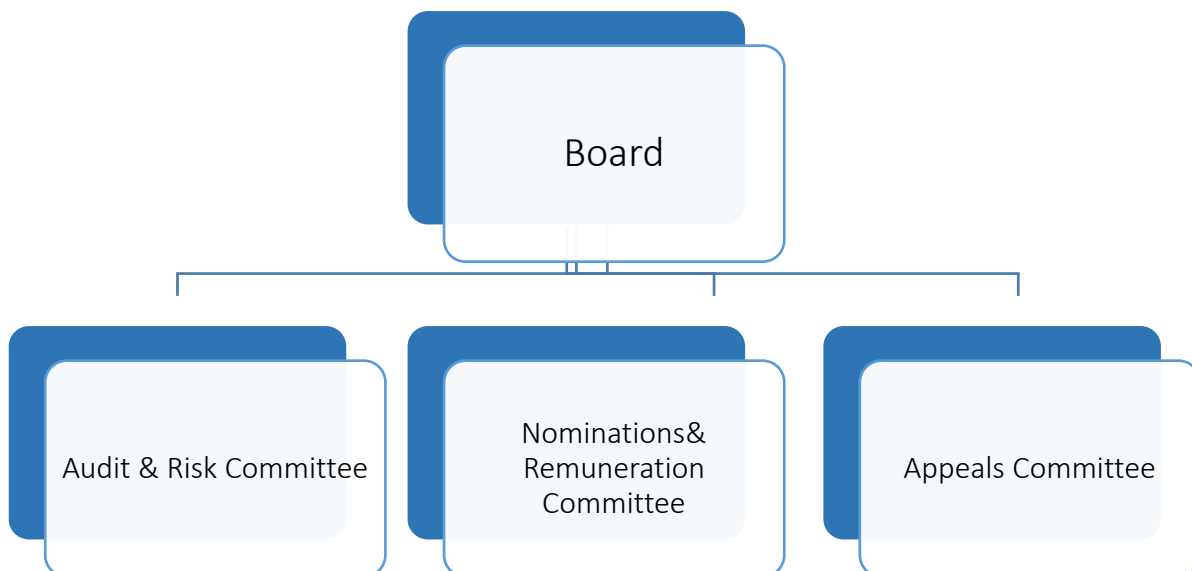
As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of SCRA's policies, aims and objectives, as set by Scottish Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in the Memorandum to Accountable Officers for Other Public Bodies.

### 2.3.2 Governance framework

SCRA's governance framework accords with generally accepted best practice principles and guidance from Scottish Ministers in the Scottish Public Finance Manual (SPFM) and has been in place for the year ended 31 March 2024 and up to the date of the approval of the financial statements. The SPFM provides guidance to the Scottish Government, and other relevant bodies, on the proper handling of public funds. It is designed to ensure compliance with statutory and parliamentary requirements, promote value for money, high standards of propriety, effective accountability and robust systems of internal control.

### 2.3.3 Board and committee structure

The Board Committee structure encompasses an Audit and Risk Committee, a Remuneration and Succession Planning Committee, a Nominations Committee and an Appeals Committee. The Committees report into the Board, on a routine basis, on the business conducted at their meetings.



### 2.3.4 Operation of the board

SCRA's Board comprises the Chair and seven non-executive members. The Principal Reporter/Chief Executive attends ex-officio. Members of the Board are appointed by Ministers and the normal term of office for a non-Executive member is four years. Board members may serve for a maximum of eight years. The Board has responsibility for ensuring that SCRA fulfils the aims and objectives set by Scottish Ministers.

The role of the Board is to:

- Establish the overall strategic direction within the policy and resources framework agreed with the Scottish Government;
- Ensure that the organisation meets its objectives;
- Demonstrate high standards of corporate governance at all times;
- Ensure that any statutory or administrative requirements for the use of public funds are complied with.

The Board met five times during 2023/24 (June 2023, September 2023, December 2023, January 2024, March 2024) on regular business. Two Board Development days were held in April 2023 and November 2023. One joint meeting of the Board with Children's Hearings Scotland's Board was held in June 2023.

The Board regularly review the organisation's key policies which include the Human Resources Policies, Health & Safety Policies, Information Security Policies, Data Protection Policies, Risk Management Policy, Fraud Policy, Location Policy (part of Property Strategy), Procurement Policy, Media Handling Policy, Environmental Policy and Complaints Policy.



### 2.3.5 Board programme of business

Standing Items	Specific Items for 2023/24
<ul style="list-style-type: none"> <li>• Committee Minutes</li> <li>• Chief Executive’s Report</li> <li>• Budget Monitoring</li> <li>• Organisational Performance</li> <li>• New Risks</li> </ul>	<ul style="list-style-type: none"> <li>• Keeping The Promise Progress Updates</li> <li>• Board Member Recruitment and Board Objectives</li> <li>• Staff Survey 2023</li> <li>• Draft Corporate Plan 2024/27</li> <li>• Draft Budget 2024/25</li> <li>• Draft Business Plan 2024/25</li> <li>• Review of risk policy</li> <li>• Communications Plan</li> <li>• UK Government Boardroom Apprenticeship Pilot Programme</li> <li>• Review of the role of the Children’s Reporter</li> </ul>
Annual	
<ul style="list-style-type: none"> <li>• Budget</li> <li>• Annual Accounts and Management Representation Letter</li> <li>• Annual Report</li> <li>• Corporate and Business Plans</li> <li>• Locality Performance Review</li> <li>• Complaints</li> <li>• Environmental Report</li> <li>• Property Strategy</li> <li>• Financial Strategy</li> <li>• Committee Annual Reports</li> <li>• Health &amp; Safety</li> <li>• Workforce Planning Report</li> <li>• Overview of Policies</li> <li>• Research Programme</li> <li>• Inclusion and Diversity Annual Report</li> <li>• Annual Procurement Report</li> <li>• Board and Committee Standing Orders and Terms of Reference Review</li> <li>• Influencing Report</li> </ul>	
Bi-annual	
<ul style="list-style-type: none"> <li>• Strategic and Operational Risk Registers</li> <li>• Programme Board Update</li> </ul>	

### 2.3.6 Board Development Meetings

Business conducted at the Board Development Days (April and November 2023) included:

- Keeping The Promise
- Board Effectiveness Internal Audit Action Plan
- Locality Update – Lanarkshire, Dumfries and Galloway
- Board governance – learning plan, objectives, committee membership, recruitment, Internal Audit Governance Review
- GDPR refresher training

### 2.3.7 Audit and Risk Committee

The Audit and Risk Committee comprises the Chair and three non-executive members. The Principal Reporter/Chief Executive attends ex-officio. It meets quarterly and reviews the adequacy of the arrangements for ensuring sound internal control and in particular scrutinises all audit reports and the actions taken by managers in response to audit recommendations. The Audit and Risk Committee carries out an annual self-assessment and reports annually on its activities to the Board.

Standing Items	Other Business Items
<b>Information Governance</b>	<b>Annually</b>
<ul style="list-style-type: none"> <li>• Data Protection and Information Governance Six-monthly Report</li> </ul>	
<b>Quality Assurance and Performance</b>	
<ul style="list-style-type: none"> <li>• Case Sampling Reports</li> </ul>	
<b>External Audit</b>	
<ul style="list-style-type: none"> <li>• Update on Topical/Regulatory Issues</li> </ul>	
<b>Internal Audit</b>	<b>Annually</b>
<ul style="list-style-type: none"> <li>• Reports on fieldwork</li> </ul>	
<ul style="list-style-type: none"> <li>• Annual Plan Progress</li> </ul>	
<ul style="list-style-type: none"> <li>• Report to the Board on the Audit and Risk Committee’s business</li> <li>• Meeting with Internal/External Auditors</li> <li>• Fraud Report</li> <li>• External Audit Report to those charged with Governance on the Audit Management Representation Letter</li> <li>• Internal Audit Annual Report</li> <li>• Annual Accounts, Governance Statement, Accounting Policies</li> <li>• Internal and External Audit Plans</li> <li>• Quality Assurance Programme</li> <li>• Joint Inspection of Children’s Services – Overview</li> <li>• ARC self-evaluation</li> <li>• Internal Audit Recommendations Follow-up</li> </ul>	

<b>Risk Management</b>	<b>Bi-annual</b>
<ul style="list-style-type: none"> <li>• New Risks</li> </ul>	
<b>Topical/Regulatory/Governance Issues</b>	
<b>Specific Items during 2023/24 (in addition to above)</b>	
<ul style="list-style-type: none"> <li>• CSAS Benefits Realisation</li> <li>• Risk Management Policy Review</li> </ul>	<ul style="list-style-type: none"> <li>• Review of Strategic and Operational Risk Registers</li> <li>• Pensions Update</li> </ul>

### 2.3.8 Nominations and Remuneration Committee

The Nominations and Remuneration Committee comprises the Chair and three non-executive members. It is responsible for governance of the pay and remuneration policy for the organisation and the approval of Principal Reporter/Chief Executive appraisal and pay. It also monitors progress on the organisation's succession planning arrangements.

Business dealt with during 2023/24 (meetings held June 2023, December 2023):

- Pay Award Development 2023/24
- Pay Award Proposal and Performance Appraisal PR/CE

Board Chair and Member Recruitment

### 2.3.9 Appeals Committee

The Appeals Committee comprises a Chair and two non-executive members and meets as required. Its remit is to:

- hear appeals from SCRA staff in respect of any of the matters set out in SCRA's Manual of Personnel Policies & Procedures and in accordance with the arrangements set out therein;
- come to a substantive decision on any appeal; and
- report the outcome to the Board at its next meeting following any appeal.

The Committee did not meet in 2023/24.

### 2.3.10 Executive management

The Executive Management Team (EMT) comprises the senior managers in the organisation who are responsible for establishing and maintaining a sound internal control system. The EMT meets monthly and is supported by a Health and Safety Committee, Equalities Group, an Information Governance Leads Group and a Digital Change Advisory Board. EMT members also meet regularly as a Programme Board. The EMT receives regular reports on budget management, organisational performance and changes in

strategic/operational risks, whereas the Board focuses on strategy, performance and behaviour. The Principal Reporter advises the Board on all matters and is solely responsible for operational issues. Board members have no authority to instruct the Principal Reporter/Chief Executive or any member of staff on operational matters.

### 2.3.11 Internal controls

The internal control framework comprises a network of systems designed to provide assurance that organisational objectives will be achieved, with particular reference to:

- risk management;
- the effectiveness of operations;
- the economical and efficient use of resources;
- compliance with applicable policies, procedures, laws and regulations;
- safeguards against losses, including those arising from fraud, irregularity or corruption; and
- the integrity and reliability of information and data.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. It is based on an ongoing process designed to identify and prioritise the risks, evaluate the likelihood of those risks being realised and the impact should they be realised. The system of internal control has been in place in SCRA for the year to 31 March 2024, and up to the date of approval of the annual report and accounts.

The following internal control systems are assessed annually as part of the Scottish Government Certificates of Assurance process which must be completed by the Chief Executive. This process was completed in April 2024 and no major control gaps have been identified.

- |                        |                    |                        |
|------------------------|--------------------|------------------------|
| • Risk Management      | • Procurement      | • Health & Safety      |
| • Business Planning    | • Human Resources  | • Compliance           |
| • Project Management   | • Major Investment | • Information          |
| • Financial Management | • Fraud            | • Equality & Diversity |

### 2.3.12 Risk management arrangements

A framework for measuring, controlling and monitoring strategic risks has been in place throughout the financial year. A regular review of the Strategic Risk Register is undertaken by the Executive Management Team and the Strategic Risk Register is reported to the Audit and Risk Committee and Board every six months. Strategic risk management is fully established in the corporate planning and decision making processes of SCRA. The Operational Risk Register is overseen by the Senior Operational Managers. Localities maintain their own Risk Registers and these are continuously reviewed at Locality Management Team meetings. Digital Strategy risks are monitored by the Digital Change Advisory Board and programme/project risks are monitored by the Programme Board. EMT is supported in discharging its risk management responsibilities by the Planning and Performance Network.

The key strategic risks tracked throughout 2023/24 included:

- IT Security measures are insufficient to prevent a successful cyber-attack on SCRA case information which results in loss of data which cannot be recovered;
- SCRA do not maintain a skilled, motivated and flexible workforce which can meet current demands and future needs;
- Significant policy, legislative and reform/transformation change agenda impacts on SCRA's ability to deliver core services or necessary change programmes;
- 2024/25 Scottish Government budget does not deliver required level of revenue funding with impact on ability to deliver a quality service and respond effectively to new legislative and policy pressures;
- Failure to progress Board approved Environmental plan and inability to accelerate plans to meet new targets;
- Inability to engage with digital inhibits realisation of full potential of new technologies resulting in significant operational disruption;
- The optimum model for CSAS ownership and accountability and a joint future partnership between SCRA and CHS is not adequately defined and agreed; and
- Inability to meet staff expectations on pay/reward resulting in operational disruption/staff engagement in change.
- Inability to spend 2023/24 Children's Care and Justice Bill (CCJB) capital allocations due to lack of specificity of the necessary adaptations to facilities and systems for referral of 16 and 17 year olds.

SCRA developed two joint risks with Sponsor Team relating to financial sustainability and preparation for new legislation.

SCRA's internal auditors are BDO, appointed for the period 1 July 2023 to 30 June 2026. In developing their new three year Internal Audit Plan the Internal Auditor identifies controls testing and assurance of key processes and systems on a risk prioritised basis.

### 2.3.13 Digital programme

In November 2017 a joint meeting of Children's Hearings Scotland (CHS) and SCRA Boards approved a joint digital delivery plan and the award of contract to an identified supplier, following a competitive tender exercise. The new Core Systems and Applications (CSAS) was fully implemented in 2021/22 and the main focus throughout 2022/23 and 2023/24 has been on further development of the system functionality and consolidation and optimisation of new ways of working digitally. Beyond CSAS there was a particular focus on WiFi refresh and expansion and preparatory work is underway for development of Digital Evidence Sharing Capability (DESC) for the children's hearing system in 2024/25. Additional activity was focused in the first part of 2023/24 on engaging vendors and ensuring they were resourced and capable of delivering a strong conclusion to the financial year.

### 2.3.14 Programme Management Framework

SCRA has established and developed a Programme Management Framework, with the structures and governance arrangements required to manage change and implementation within the organisation, now, and into the future. It supports clear processes, scope, structures and controls for change activity.

The Programme Management Framework has four streams: Care, Connect, Protect and People. Lessons learned across the previous Reform project (Keeping the Promise staff engagement, collaborative redesign project and Hearing System Working Group membership) have been taken into the Programme Protect discovery work and the Programme Board approach. A recent programmes audit confirmed the good practice of this approach. The Programme Manager and Programme/Project leads meet with EMT quarterly to review progress and confirm outcomes are on schedule.

### **2.3.15 Information governance**

All Information Governance duties are carried out by Information Governance (IG) Leads who meet frequently as a Group with the SCRA Senior Information Risk Officer (SIRO) as Chair. The day to day work of the Information Governance Team includes General Data Protection Regulation (GDPR) compliance.

### **2.3.16 Data security**

A total of three data breaches, including 2 breaches of non-disclosure orders, have been reported to me by SCRA's SIRO, who also ensures appropriate reporting to the Information Commissioner's Office.

The main cause of non-disclosure breaches is failing to redact documents correctly and the main cause of case information breaches is information being sent to an incorrect address because relevant parties failed to inform SCRA of the change of address, or SCRA is informed of the new address but delays updating it on CSAS. Controls are in place to mitigate the risk of information loss. SCRA works proactively with partners both locally and nationally to highlight information security, and assist them in managing their information more securely in their own locations/settings.

### **2.3.17 Quality and performance**

SCRA's Quality Assurance and Performance Team is responsible for providing assurance on the effectiveness of the arrangements within SCRA for discharging the Principal Reporter/Chief Executive's statutory responsibilities towards children referred to the Reporter and meeting agreed quality standards. The case sampling programme for 2023/24 marked a return to a full programme of in-depth exercises carried out by Locality staff on areas of core activity following 2 years of programmes modified in response to operational pressures caused by the pandemic, the introduction of CSAS and reform and improvement related to the Promise.

Audit & Risk Committee considered reports on the following areas in the period 2023/24, and approved the management action plan made in response to the findings of each one.

- In May 2023, a report on the Reporter's preparation and content of signed witness statements for children's hearings proof proceedings
- In August 2023, a report on the Reporter's drafting of the statement of grounds under section 67(2)(m) of the Children's hearings (Scotland) Act 2011
- In November 2023, a report on the Reporter's preparation for proof
- In February 2024, a report on the Reporter's decision making in respect of referrals where the child is alleged to have committed an offence

The Practice and Quality network continues to meet throughout the year with a purpose to share best practice and to help improve the quality of the service provided to children and young people. In addition

to sharing the findings from case sampling and identifying and over-seeing improvements arising from these, the network provides a forum for sharing learning from local partnership learning reviews (previously significant case reviews) and joint inspections of services for children.

### **2.3.18 Internal audit**

In addition to the Quality Assurance and Performance Team, SCRA has an internal audit service provided under contract, which operates to the Public Sector Internal Audit Standards. They submit regular reports to the Audit and Risk Committee which include an independent opinion on the adequacy and effectiveness of SCRA's system of internal control together with recommendations for improvement.

No high risk recommendations were identified by the auditors in 2023/24. In the auditors' opinion, the risk management activities and controls in the areas which they examined were found to be suitably designed to achieve the specific risk management, control and governance arrangements. Based on their verification reviews and sample testing the risk management, control and governance arrangements were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control and governance objectives were achieved for the period under review.

### **2.3.19 Assessment of corporate governance arrangement**

As Accountable Officer, I have reviewed the effectiveness of corporate governance arrangements. My review is informed by:

- the executive managers within SCRA who have responsibility for the development and maintenance of the internal control framework, including the organisation's Senior Information Risk Officer;
- the work of the internal auditors and the Quality Assurance and Performance Team who submit to the Audit and Risk Committee regular reports which include the Head of Internal Audit's independent and objective opinion on the adequacy and effectiveness of SCRA's system of internal control together with any recommendations for improvement;
- comments made by the external auditors in their management letters and other reports;
- assurances from senior staff in SCRA's 2023/24 Internal Control Checklist which will be submitted to the Sponsor Division as part of the Scottish Government's Certificates of Assurance process;
- a range of other accountability mechanisms including quarterly organisational performance reviews, end to end process reviews, regular assessment of management of key risks, regular review of organisational policies and potentially, information from whistle-blowers in line with the Whistleblowing Policy.

During the financial year 2023/24, no significant control weaknesses or issues have arisen, and no significant failures have arisen in the expected standards for good governance, risk management and control.

## 2.4 Remuneration and Staff Report

### 2.4.1 Nominations and Remuneration Committee (unaudited)

As detailed in 2.3.8, the Nominations and Remuneration Committee is responsible for governance of the pay and remuneration policy for the organisation and the approval of Principal Reporter/Chief Executive appraisal and pay.

#### Policy on remuneration

SCRA's overall remuneration policy aims to:

- attract, retain and motivate competent and skilled staff at all levels of the organisation
- reward staff for their contribution to SCRA by arrangements which are simple, fair and transparent.

#### Performance assessment methods

Performance is measured in accordance with a performance appraisal scheme that includes annual objective setting and performance review. For senior managers these objectives relate to both individual performance and corporate performance.

Where performance is satisfactory, staff not at the maximum of their salary scale will progress to the next step in the scale.

#### Policy on duration of contracts, notice periods and termination payments

It is SCRA's policy normally to offer open-ended appointments, subject to Probationary Policy criteria, operational and resource considerations. The notice period for senior managers is three months. Any payment in relation to termination of employment through retirement or redundancy is governed by SCRA's relevant policies and procedures. Any discretionary payment made to any member of staff on termination is subject to approval by the Board and the Scottish Government.



## 2.4.2 Senior managers' service contracts (unaudited)

In the event of early termination of a senior manager service contract and subject to Scottish Government advice and necessary approvals, a payment in lieu of notice up to a maximum of 3 months' salary may be made.

	Date of contract	Unexpired term	Notice period
Neil Hunter	04 April 2011	Open-ended contract	3 months
<i>Principal Reporter/Chief Executive</i>			
Edward Morrison	01 December 2010	Open-ended contract	3 months
<i>Head of Finance and Resources</i>			
Susan Deery	01 May 2016	Open-ended contract	3 months
<i>Head of Human Resources</i>			
Helen Etchells	12 August 2019	Open-ended contract	3 months
<i>Senior Operational Manager</i>			
Paul Mulvanny	12 August 2019	Open-ended contract	3 months
<i>Senior Operational Manager</i>			
Alistair Hogg	01 June 2019	Open-ended contract	3 months
<i>Head of Practice and Policy</i>			
Lisa Bennett	14 September 2015	Open-ended contract	3 months
<i>Head of Strategy and Organisational Development</i>			
Douglas Cameron	13 December 2023	Open-ended contract	3 months
<i>Head of Digital Delivery</i>			
Lawrie McDonald	01 April 2020	01 May 2023	3 months
<i>Head of Digital Delivery</i>			

## 2.4.3 Board members' and Senior Managers' remuneration (audited)

SCRA does not make any contribution to the Local Government Pension Scheme, nor provide any other form of pension benefit, in respect of any Non-Executive Board Member.

Non-executive Board Members	Salary and allowances 2023-24 £000	Salary and allowances 2022-23 £000
Michelle Miller (Chair)	20-25	20-25
Anela Anwar (left office 30 Nov 22)	n/a	0-5*
Tam Baillie (left office 31 Aug 22)	n/a	0-5*
Kay Barton	0-5	0-5
James Edgar	0-5	0-5
Lorraine Moore	0-5	0-5
Hazel Smith (from 01 Dec 22)	0-5	0-5*
Martin Toye	0-5	0-5
Suzanne Vestri	0-5	0-5
Ying Zhang (from 01 Dec 22)	0-5	0-5*

\* The full-year equivalent remuneration for Anela Anwar, Tam Baillie, Ying Zhang and Hazel Smith for 2022-23 fall within the band £0-£5,000.

Executive Management Team Members	Salary and allowances 2023-24 £000	Pension benefits 2023-24 £000	Single total figure of remuneration 2023-24 £000	Salary and allowances 2022-23 £000	Pension benefits 2022-23 £000	Single total figure of remuneration 2022-23 £000
Neil Hunter	100-105	14	115-120	100-105	24	125-30
<i>Principal Reporter/Chief Executive</i>						
Edward Morrison	75-80	20	95-100	70-75	2	75-80
<i>Head of Finance and Resources</i>						
Susan Deery	75-80	20	95-100	70-75	2	75-80
<i>Head of Human Resources</i>						
Helen Etchells	75-80	20	95-100	70-75	35	105-110
<i>Senior Operational Manager</i>						
Paul Mulvanny	75-80	20	95-100	70-75	37	110-115
<i>Senior Operational Manager</i>						
Alistair Hogg	75-80	18	95-100	70-75	13	85-90
<i>Head of Practice and Policy</i>						
Lisa Bennett	75-80	18	95-100	70-75	19	90-95
<i>Head of Strategy and Organisational Development</i>						
Douglas Cameron <sup>1</sup>	20-25	n/a	n/a	n/a	n/a	n/a
<i>Head of Digital Delivery (appointed 13 December 2023)</i>						
Lawrie McDonald <sup>2</sup>	5-10	23	25-30	75-80	29	105-110
<i>Head of Digital Delivery (left office 01 May 2023)</i>						

<sup>1</sup> Douglas Cameron's 2023-24 salary and allowances would be in the £65,000-£70,000 bracket if reported on an annualised basis. Pension benefits cannot be reported due to absence of comparable data from 31 March 2023.

<sup>2</sup> Lawrie McDonald's 2023-24 salary and allowances would be in the £75,000-£80,000 bracket if reported on an annualised basis.

No senior manager received any benefits in kind or non-cash remuneration in 2023-24 (2022-23: Enil). No significant awards were made, or compensation paid, to former senior managers in 2023/24 (2022/23: none).

## Senior managers' pension entitlements

Executive Management	Real increase in pension in year to 31 March 2024	Real increase in lump sum in year to 31 March 2024	Total accrued pension at 31 March 2024	Total accrued lump sum at 31 March 2024	CETV <sup>1</sup> at 31 March 2023	CETV <sup>1</sup> at 31 March 2024	Real increase in CETV <sup>1</sup> during year
Team Members	£000	£000	£000	£000	£000	£000	£000
Neil Hunter	0-2.5	0	30-35	0	403	474	47
<i>Principal Reporter/Chief Executive</i>							
Edward Morrison	0-2.5	0-2.5	45-50	65-70	823	953	92
<i>Head of Finance and Resources</i>							
Susan Deery	0-2.5	0-2.5	40-45	65-70	772	895	86
<i>Head of Human Resources</i>							
Helen Etchells	0-2.5	0	30-35	0	396	491	73
<i>Senior Operational Manager</i>							
Paul Mulvanny	0-2.5	0-2.5	35-40	45-50	603	719	86
<i>Senior Operational Manager</i>							
Alistair Hogg	0-2.5	0-2.5	30-35	30-35	529	623	68
<i>Head of Practice and Policy</i>							
Lisa Bennett	0-2.5	0-2.5	25-30	10-15	292	365	55
<i>Head of Strategy and Organisational Development</i>							
Douglas Cameron <sup>2</sup>	n/a	n/a	30-35	35-40	n/a	579	n/a
<i>Head of Digital Delivery (appointed 13 December 2023)</i>							
Lawrie McDonald	0-2.5	0	5-10	0	83	91	5
<i>Head of Digital Delivery (left office 01 May 2023)</i>							

<sup>1</sup> CETV is Cash Equivalent Transfer Value.

<sup>2</sup> Douglas Cameron's real increase in CETV, pension and lump sum cannot be reported due to absence of comparable data from 31 March 2023.

## Senior managers' pension entitlements: prior year comparatives

Executive Management	Real increase in pension in year to 31 March 2023	Real increase in lump sum in year to 31 March 2023	Total accrued pension at 31 March 2023	Total accrued lump sum at 31 March 2023	CETV* at 31 March 2022	CETV* at 31 March 2023	Real increase in CETV* during year
Team Members	£000	£000	£000	£000	£000	£000	£000
Neil Hunter	0-2.5	0	25-30	0	342	403	20
<i>Principal Reporter/Chief Executive</i>							
Edward Morrison	0-2.5	(5)-(2.5)	40-45	65-70	739	823	11
<i>Head of Finance and Resources</i>							
Susan Deery	0-2.5	(5)-(2.5)	40-45	65-70	694	772	10
<i>Head of Human Resources</i>							
Helen Etchells	0-2.5	0	25-30	0	332	396	28
<i>Senior Operational Manager</i>							
Paul Mulvanny	0-2.5	0-2.5	30-35	45-50	513	603	38
<i>Senior Operational Manager</i>							
Alistair Hogg	0-2.5	(2.5)-0	30-35	30-35	466	529	15
<i>Head of Practice and Policy</i>							
Lisa Bennett	0-2.5	(2.5)-0	20-25	10-15	252	292	11
<i>Head of Strategy and Organisational Development</i>							
Lawrie McDonald	0-2.5	0	5-10	0	49	83	23
<i>Head of Digital Delivery</i>							

## Other staff members' remuneration

The full-time equivalent remuneration paid to SCRA staff ranged from £19,914 to £103,059 (2022-23: £17,356 to £101,559). Remuneration figures exclude cash-equivalent transfer values and employer pension contributions.

	2023-24 Salary	2023-24 Allowances	2023-24 Total remuneration	2022-23 Salary	2022-23 Allowances	2022-23 Total remuneration
Highest paid Executive Management Team member	£103,059	£0	£103,059	£101,559	£0	£101,559
25 <sup>th</sup> percentile	£28,071	£0	£28,071	£26,571	£0	£26,571
Median	£36,059	£0	£36,059	£34,341	£0	£34,341
75 <sup>th</sup> percentile	£49,729	£0	£49,729	£47,361	£0	£47,361

The 25<sup>th</sup> percentile pay ratio has decreased from 3.82:1 to 3.67:1. The median pay ratio has decreased from 2.96:1 to 2.86:1. The 75<sup>th</sup> percentile pay ratio has decreased from 2.14:1 to 2.07:1. In all cases, these ratios are decreasing due to the highest paid Executive Management Team member's salary and overall

remuneration increasing by 1.5% between 31 March 2023 and 31 March 2024, whereas the median and percentile staff quoted above received pay awards of at least 5%.

SCRA believes the median pay ratio for 2023/24 is consistent with its pay, reward and progression policies for SCRA employees taken as a whole.

#### 2.4.4 Amounts payable to and from third parties for the services of a senior manager (audited)

Children’s Hearings Scotland paid SCRA £2,910 in 2023/24 in respect of senior management services from Edward Morrison (2022/23: £5,430).

#### 2.4.5 Staff breakdown by gender and permanent/non-permanent contracts (unaudited)

	2023-24	2022-23
Staff with permanent contract - Male	42	45
Staff with permanent contract - Female	307	310
Agency staff/staff with short-term contract - Male	9	9
Agency staff/staff with short-term contract - Female	62	74
<b>Total</b>	<b>420</b>	<b>438</b>

Average numbers are calculated using actual whole-time person equivalents at 1 April 2023, 30 June 2023, 30 September 2023, 31 December 2023 and 31 March 2024.

Included in these numbers above are six male executive team members and three female executive team members. SCRA does not employ any senior civil servants.

#### 2.4.6 Staff numbers and related costs (audited)

(i) Staff costs – staff with a permanent (UK) employment contract

	2023-24 £000	2022-23 £000
Salaries and wages	14,785	13,740
Social security costs	1,519	1,494
Contributions to pension scheme	3,021	2,818
Cost of early retirement	(2)	(25)
IAS 19 adjustment to pension scheme contributions	69	4,440
	<b>19,392</b>	<b>22,467</b>

## (ii) Staff costs – other staff

	2023-24 £000	2022-23 £000
Salaries and wages	2,940	2,927
Social security costs	297	314
Contributions to pension scheme	604	562
	<b>3,841</b>	<b>3,803</b>

## (iii) Staff costs – all staff

	2023-24 £000	2022-23 £000
Salaries and wages	17,725	16,667
Social security costs	1,816	1,808
Contributions to pension scheme	3,625	3,380
Cost of early retirement	(2)	(25)
IAS 19 adjustment to pension scheme contributions	69	4,440
	<b>23,233</b>	<b>26,270</b>

The average pay per FTE employee, excluding the Principal Reporter/Chief Executive, increased by 5.5% between 31 March 2023 and 31 March 2024, reflecting SCRA's implementation of its 2023/24 pay policy.

## (iv) Exit packages

SCRA agreed 1 exit package during 2023/24, costing £13k (2022/23: none). This package did not include compulsory redundancy, but did constitute 1 special payment of £13k.

## (v) Consultancy

In 2023/24, SCRA spent £25,477 on consultancy (2022/23: £94,478).

**2.4.7 Staff Sickness Absence (unaudited)**

In the year to 31 March 2024 average staff sickness absence was 4.9% (2023: 5.7%). The target for the year to 31 March 2024 was 4.0% (31 March 2023: 4%). Further detail can be found in the section 1.2.3 of the Performance Report.

## 2.4.8 Disability, Diversity and Equal Treatment (unaudited)

SCRA is a Disability Confident Employer. We continue to work on our portfolio for assessment to become a Disability Confident Leader and will be engaging with other Disability Confident Leaders in learning from their journey. Currently, as a disability confident employer we are committed to and can demonstrate the following:

- We provide a fully inclusive and accessible recruitment process
- We offer an interview to disabled people who meet the essential criteria for the role
- We are flexible when assessing people so disabled job applicants have the best opportunity to demonstrate that they can do the job
- We plan for, and make reasonable adjustments to, the assessment and interview process
- We make sure people involved in the interviewing process understand the Disability Confident commitment and know how to offer and make reasonable adjustments
- During employment, we proactively offer and make reasonable adjustments as required
- We have appointed Inclusion Ambassadors from various locations and roles across the organisation and Equality, Diversity and Inclusion (EDI) Leads in each locality who continually champion and promote our inclusion and diversity initiatives across the organisation. We have and continue to provide them with appropriate awareness raising and training.
- We have a Disability Group/Network who drive forward key initiatives and work based on an annual action plan
- We provide paid employment both on a permanent and fixed term basis, including Modern Apprenticeships, to employees with a wide range of disabilities
- We engage with Jobcentre Plus, Work and Health Programme providers to provide training and/or access support as required
- We provide an environment that is inclusive and accessible for staff, partner organisations, children, young people and their families
- We support employees to manage their disabilities or health concerns
- We ensure there are no barriers to development and progression for disabled staff
- We ensure managers are aware of how they can support staff who are sick or absent from work
- We promote information and advice on mental health conditions
- We have signed up to the Mental Health at Work Standards and Commitments and have developed an action plan of activity to improve mental health supports to all staff
- We have trained Mental Health First Aiders available to staff across the organisation.
- We provide occupational health services and an employee assistance programme
- We have a Disability Leave Policy which supports staff with a disability in managing their time off related to their disability.

More information on SCRA's approach to supporting diversity and equal treatment in employment can be found in our People Strategy (pages 25-27), our Rights, Inclusion and Corporate Parenting Strategy (pages 28-42) and our Mainstreaming Report (<https://www.scra.gov.uk/wp-content/uploads/2024/03/SCRA-Equalities-and-Inclusion-Mainstreaming-Report-2023-2024.pdf>).

### 2.4.9 Facility time (unaudited)

Under the Trade Union (Facility Time Publication Requirements) Regulations SCRA is required to publish the following information.

#### *Relevant union officials*

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
10	8.51

#### *Percentage of time spent on facility time*

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	2
1%-50%	7
51%-99%	0
100%	1

#### *Percentage of paybill spent on facility time*

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

Provide the total cost of facility time	£80,964
Provide the total paybill	£23,166k
Provide the percentage of the total paybill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total paybill} \times 100)$	0.35%

#### *Paid trade union activities*

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: $(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$	100%
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## 2.5 Parliamentary Accountability Report

SCRA is required to report on any high-value losses and special payments incurred in the financial year, any fees and charges receivable in the financial year and any remote contingent liabilities as at the date the accounts were signed by the Accountable Officer.

- No reportable losses were incurred in the financial year to 31 March 2024.
- No reportable special payments were made in the financial year to 31 March 2024.
- No reportable fees or charges were received in the financial year to 31 March 2024.
- There are no remote contingent liabilities as at the date the accounts were signed.

Neil Hunter  
Accountable Officer

2.6 Independent auditor's report to the members of Scottish Children's Reporter Administration, the Auditor General for Scotland and the Scottish Parliament

## 3 Financial Statements

### 3.1 Statement of Comprehensive Net Expenditure for year ending 31 March 2024

	Note	2023-2024	2022-2023
		£000	£000
<b>Expenditure</b>			
Staff costs	3	23,233	26,270
Other expenditure	4	5,858	5,417
Depreciation and amortisation	5,7	2,697	2,391
		<u>31,788</u>	<u>34,078</u>
<b>Income</b>	2	<u>(205)</u>	<u>(411)</u>
<b>Net expenditure</b>		31,583	33,667
Interest payable		109	75
Interest receivable		-	-
Pension scheme finance cost	11	(5)	1,110
<b>Net expenditure before Scottish Government funding</b>		<u>31,687</u>	<u>34,852</u>
<b>Other comprehensive net expenditure</b>			
Items which will not be reclassified to net expenditure:			
Actuarial loss/(gain) on pensions	11	(4,190)	(44,408)
Revaluation loss/(surplus) on property		(577)	-
<b>Comprehensive net expenditure/(surplus) for the year</b>		<u>26,920</u>	<u>(9,556)</u>

### 3.2 Statement of Financial Position as at 31 March 2024

	Note	31 March 2024 £000	31 March 2023 £000
<b>Non-current assets</b>			
Property, plant and equipment	5	8,513	7,219
Right of use assets	5	5,760	6,538
Intangible assets	7	3,924	4,133
<i>Total non-current assets</i>		<u>18,197</u>	<u>17,890</u>
<b>Current assets</b>			
Trade and other receivables	8	510	627
Cash and cash equivalents	9	3,869	2,201
<i>Total current assets</i>		<u>4,379</u>	<u>2,828</u>
<b>Total assets</b>		<b>22,576</b>	<b>20,718</b>
<b>Current liabilities</b>			
Trade and other payables	10	3,711	2,603
Other provisions	13	37	507
Lease obligations	5	531	717
<i>Total current liabilities</i>		<u>4,279</u>	<u>3,827</u>
<b>Non-current assets less net current liabilities</b>		<b>18,297</b>	<b>16,891</b>
<b>Non-current liabilities</b>			
Payables	10	45	43
Pension liability/(asset)	11	(4,307)	-
Provision for unfunded pensions	12	142	159
Other provisions	13	438	-
Lease obligations	5	5,344	5,866
<i>Total non-current liabilities</i>		<u>1,662</u>	<u>6,068</u>
<b>Assets less liabilities</b>		<b><u>16,635</u></b>	<b><u>10,823</u></b>
<b>Taxpayers' equity</b>			
General fund	18	(18,888)	(19,932)
Pension reserve	11	32,468	28,277
Revaluation reserve		3,055	2,478
<b>Total taxpayers' equity/(deficit)</b>		<b><u>16,635</u></b>	<b><u>10,823</u></b>

The Accountable Officer authorised these financial statements for issue on 18 September 2024.

**Neil Hunter**  
Accountable Officer

### 3.3 Statement of Cash Flows for year ending 31 March 2024

	Notes	2023-2024 £000	2022-2023 £000
<b>Cash flows from operating activity</b>			
<b>Net expenditure</b>		<b>(31,583)</b>	<b>(33,667)</b>
Adjustments for non-cash items			
Increase/(Decrease) in pension fund liability		(4,307)	(39,039)
Increase in pension reserve		4,191	44,408
Depreciation and amortisation charges	5,7	2,697	2,391
Revaluation losses (gains) on non-current assets	4	22	-
IFRS16 Adjustment to Right of Use Asset		-	46
<i>Movements in working capital</i>			
Decrease/(Increase) in trade and other receivables	8	117	248
Decrease/(Increase) in trade and other payables	10,13	(80)	172
<i>Movements in provisions</i>			
Increase/(Decrease) in provision for unfunded pensions	12	(17)	(23)
<b>Net cash outflow from operating activities</b>		<b>(28,960)</b>	<b>(25,464)</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment	5	(919)	(1,104)
Purchase of intangible assets	7	(358)	(319)
<b>Cash flow from financing activities</b>			
Scottish Government funding for year		32,731	30,318
Repayment of leasing liabilities		(722)	(718)
Interest paid on lease obligations		(106)	(72)
Other interest paid		(3)	(3)
Net interest expense on pension asset	11	5	(1,110)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,668</b>	<b>1,528</b>
Opening Cash Balance	9	2,201	673
<b>Closing Cash Balance</b>	<b>9</b>	<b>3,869</b>	<b>2,201</b>

### 3.4 Statement of Changes in Taxpayers' Equity

	General Fund £000	Pension Reserve £000	Revaluation Reserve £000	Total Reserves £000
Balance at 31 March 2022	(15,398)	(16,131)	2,478	(29,051)
<b>Changes in taxpayers' deficit for 2022-23</b>				
Actuarial gain on pension reserve		44,408		44,408
Net expenditure for the year	(34,852)			(34,852)
Total recognised income and expense for 2022-23	(50,250)	28,277	2,478	(19,495)
Funding from Scottish Government	30,318			30,318
<b>Balance at 31 March 2023</b>	<b>(19,932)</b>	<b>28,277</b>	<b>2,478</b>	<b>10,823</b>
<b>Changes in taxpayers' deficit for 2023-24</b>				
Net gain on revaluation of property			577	577
Actuarial gain on pension reserve		4,191		4,191
Net expenditure for the year	(31,687)			(31,687)
Total recognised income and expense for 2023-24	(51,619)	32,468	3,055	(16,096)
Funding from Scottish Government	32,731			32,731
<b>Balance at 31 March 2024</b>	<b>(18,888)</b>	<b>32,468</b>	<b>3,055</b>	<b>16,635</b>

### **3.5 Notes of the financial statements**

#### **1. Statement of accounting policies**

The financial statements have been prepared in accordance with the 2023-2024 Government Financial Reporting Manual (FReM) issued by HM Treasury.

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 most appropriate to the particular circumstances of SCRA for the purposes of giving a true and fair view has been selected. The particular policies adopted by SCRA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

##### **a. Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, investment properties, plant and equipment and intangible assets to fair value as determined by the relevant accounting standard. The financial statements have been prepared on a going concern basis.

##### **b. Employee benefits**

SCRA has an agreement with Falkirk Council under which all staff are eligible to enter the Local Government Pension Scheme managed by the Council in accordance with the rules thereof. It is a defined benefit scheme providing pension benefits and life assurance for all staff members.

The defined benefits pension scheme's assets are included at market value and this is compared to the present value of the scheme liabilities using a projected unit method and discounted at a rate in accordance with the FReM and consistent with IAS 19. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to net expenditure. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in pension scheme finance cost. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to reserves and are recognised in the Statement of Comprehensive Net Expenditure.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected accrued benefit method. The valuation used for contributions during 2023/24 was at 31 March 2020; a new valuation at 31 March 2023 will be used to determine contributions from 2024/25 to 2026/27. Details of these valuations are included in reports published by Falkirk Council.

The contribution rates for 2023-24 were an average of 6.2% by employee and 20.7% by employer.

### c. Property, plant and equipment

SCRA's policy is to carry out a full independent external valuation of land and buildings every five years supplemented by interim desktop valuations. The full estate of Land and Buildings was valued on an open market basis as at 31 March 2020 and re-valued as at 31 March 2021 due to the uncertainties in 2020 arising from the pandemic. A further desktop valuation was carried out as at 31 March 2022 of SCRA's three highest valued properties, which accounted for approximately 50% of the estate. These resulted in no movement of 31 March 2021 valuations which has given confidence that the carrying value of land and buildings as at that date is appropriate. The full estate of Land and Buildings was valued on an open market basis as at 31 March 2024.

Other property, plant and equipment are stated at depreciated historical cost as a proxy for fair value as the assets in this category have a low value and short useful life. It is SCRA's policy to capitalise assets which have an expected useful life in excess of one year and cost more than £1,000 including VAT. Purchases as part of a project are considered together when applying the £1,000 minimum limit.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to SCRA, and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Comprehensive Net Expenditure during the financial year in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation reserve. Decreases that offset previous increases of the same asset are charged against revaluation reserve; all other decreases are charged to the Statement of Comprehensive Net Expenditure.

### d. Right of Use Assets and lease liabilities

At inception of a contract, SCRA considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition, SCRA assesses whether the contract meets two key evaluations:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to SCRA;
- SCRA has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

At lease commencement date, SCRA recognises a right-of-use asset and a lease liability on the balance sheet. The lease liability is measured as the present value of the lease payments that are not paid at that date, discounted using the HM Treasury discount rate promulgated in the PES papers. The interest element of the lease payments are charged to the Statement of Comprehensive Net Expenditure. The right-of-use asset is measured at cost, comprising the initial measurement of the lease liability, any initial direct costs incurred by SCRA and an estimate of any costs to dismantle and remove the asset at the end of the lease net of any incentives received.



At the 31 March 2024, Ryden, Chartered Surveyors, valued the current market rents of SCRA's leased properties and it was deemed that this has not resulted in a material change to the overall valuation of right-of-use asset currently held at cost

SCRA depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. SCRA also assesses the right-of-use asset for impairment when such indicators exist

In line with the FReM, SCRA accounts for short-term leases and leases of low-value assets as an expense in the Income and Expenditure Account on a straight-line basis over the lease term, rather than recognising a right-of-use asset and lease liability.

SCRA's right of use assets and corresponding lease obligations are for buildings used for offices and hearing centres.

#### e. Depreciation

Depreciation is provided on property, plant and equipment on a straight-line basis at rates sufficient to write down their cost or revalued amounts to their residual values over their estimated useful lives. The depreciation rates for the principal categories of assets are as follows:

Land	Not depreciated
Assets under construction	Not depreciated
Buildings	5 – 50 years
Fixtures & Fittings	4 years
Plant & Machinery	10 years
Computer Equipment	2 – 4 years
Software (including Developed Software)	2 – 10 years
Other Equipment	4 years
Leasehold Improvements	lesser of 10 years and the remaining term of the lease
Right of Use assets	lesser of useful life and the remaining term of the lease

#### f. Impairment

Assets which are subject to amortisation or depreciation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised by the amount by which the carrying amount exceeds its recoverable amount.

#### g. Assets held for sale

A property is derecognised and held for sale under IFRS 5 when all the following requirements are met:

- A management decision has been made to dispose of the property;
- The property is being actively marketed for sale;
- The sale is highly probable within 12 months of classification as held for sale

**h. Government grants**

It is SCRA's policy to credit all government grants and grant-in-aid to the General Reserve in line with the FReM.

**i. Liabilities**

All material amounts outstanding as at 31 March 2024 have been included in the Statement of Comprehensive Net Expenditure irrespective of when actual payment was made.

**j. Provisions**

Provision is recognised in the Statement of Financial Position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**k. Other income**

SCRA recognises other income in the year to which it relates.

**l. Intangible assets**

Intangible assets are stated at historic purchase cost less accumulated amortisation. Acquired computer software licences and developed software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over the asset's useful life.

**m. Other administration and programme costs**

The costs reported in the Statement of Comprehensive Net Expenditure include other administration costs but there is no specific expenditure on programme costs.

**n. Pensions**

The accounts have been prepared incorporating the requirements of *International Accounting Standard 19 – Employee Benefits* (IAS 19) and include an actuarial valuation of the pension scheme liability as explained in note 11 to the accounts. This reflects the inclusion of liabilities falling due in future years in respect of pension liabilities arising from the application of IAS 19 to SCRA. Hymans Robertson, the actuary to the pension scheme who has collated the information from the Local Government Pension Scheme (LGPS) fund in which SCRA participates, has calculated the liability arising under IAS 19. The actuary to the LGPS fund in which SCRA participates conducts a triennial review of the funding basis of the pension scheme, along with yearly reviews when appropriate. The last formal valuation of the funds was conducted as at 31 March 2023. In preparing the projected pension expense for the year to 31 March 2024, the actuary has assumed employees continue to earn new benefits in line with the regulations as they currently stand and that the pensionable payroll remains stable with new entrants replacing leavers. The other main financial assumptions are set out in note 11.

To the extent that the pension deficit is not met from SCRA's sources of income it may only be met by future grant in aid from SCRA's sponsoring department, the Scottish Government Education Department. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be paid in advance of need.

SCRA is required to meet the additional costs of benefits beyond the normal pension scheme benefits in respect of employees who retire early. SCRA provides in full for these costs when the early retirement has been agreed. SCRA, rather than the pension scheme, is liable for that portion of pensions relating to early retirement.

**o. Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Currently SCRA has no trade payables classified as non-current liabilities.

**p. Value Added Tax**

SCRA is not registered for VAT and all costs are shown inclusive of irrecoverable VAT.

**q. Review of accounting policies and estimation techniques**

These financial statements have been prepared under International Financial Reporting Standards (IFRS).

Areas of judgement in how SCRA's accounting policies are applied include the fair values of properties (see note 1.c) and pension estimation technique.

**Sensitivity analysis**

The most significant financial impact arising by assumptions are those used to calculate the pension asset/deficit. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2024	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.1% decrease in Real discount Rate	2%	2,616
1 year increase in member life expectancy	4%	5,469
0.1% increase in the Salary Increase Rate	0%	195
0.1% increase in the Pension Increase Rate (CPI)	2%	2,467

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, the actuary estimates that a one year increase in life expectancy would approximately increase SCRA's Defined Benefit Obligation by around 3-5%. In practice the actual cost of

a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

In order to quantify the impact of a change in the financial assumptions used, the value of the scheme obligations as at 31 March 2024 have been calculated and compared on varying bases. The approach taken is consistent with that adopted to derive the IAS19 figures provided in these financial statements, based on the profile (average member ages, retirement ages etc.) of SCRA as at the date of the most recent actuarial valuation.

The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

## 2. Income

Income of £205k (2022-23: £411k) is comprised mainly of property rental income, shared services income, and staff secondment income.

## 3. Staff Costs

A detailed breakdown of Staff Costs and Numbers is contained within the Remuneration and Staff Report section of the Accountability Report.

## 4. Other expenditure

	2023-24	2022-23
	£000	£000
Running costs	2,652	2,325
Other property costs	2,319	2,060
Hearing and legal costs	256	350
Training, recruitment and other staff costs	449	315
Short-term and low-value leases	33	201
Board fees and expenses	50	48
Auditor remuneration	48	43
Internal auditors' remuneration	29	29
Loss on revaluation of non-current assets	22	46
	5,858	5,417

## 5. Tangible non-current assets

Additions of total property, plant and equipment in the schedule of £1.703m (2022/23: £1.123m) appear in the cash flow as £0.919m (2022/23: £1.104m) after adjustment for opening and closing property, plant and equipment accruals in trade and other payables.

	Land	Buildings	Assets under construction	Leasehold Improvements	Fixtures and fittings	Computer Equipment	Other equipment	Plant and machinery	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost/Valuation</b>									
At 1 April 2023	1,473	3,644	52	3,929	1,765	1,327	2,383	145	14,718
Additions			663	280	335	425			1,703
Transfers			(664)	49	527		88		0
Disposals					(64)	(13)	(2)		(79)
Revaluation	(43)	213							170
<b>At 31 March 2024</b>	<b>1,430</b>	<b>3,857</b>	<b>51</b>	<b>4,258</b>	<b>2,563</b>	<b>1,739</b>	<b>2,469</b>	<b>145</b>	<b>16,512</b>
<b>Accumulated depreciation</b>									
At 1 April 2023	0	257	0	2,995	1,088	780	2,234	145	7,499
Provided in year		128		292	240	236	68		964
Withdrawn on disposal					(64)	(13)	(2)		(79)
Revaluation		(385)							(385)
<b>At 31 March 2024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,287</b>	<b>1,264</b>	<b>1,003</b>	<b>2,300</b>	<b>145</b>	<b>7,999</b>
<b>Net book value</b>									
<b>At 31 March 2024</b>	<b>1,430</b>	<b>3,857</b>	<b>51</b>	<b>971</b>	<b>1,299</b>	<b>736</b>	<b>169</b>	<b>0</b>	<b>8,513</b>
At 31 March 2023	1,473	3,387	52	934	677	547	149	0	7,219

## Prior year comparatives

	Land	Buildings	Assets under construction	Leasehold Improvements	Fixtures and fittings	Computer Equipment	Other equipment	Plant and machinery	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost/Valuation</b>									
At 1 April 2022	1,473	5,430	25	4,591	1,645	1,430	2,512	145	17,251
Additions			169	570	219	158	7		1,123
Transfers		(1,786)	(142)	18	124	51	(51)		(1,786)
Disposals				(1,250)	(223)	(312)	(85)		(1,870)
Impairment									0
<b>At 31 March 2023</b>	<b>1,473</b>	<b>3,644</b>	<b>52</b>	<b>3,929</b>	<b>1,765</b>	<b>1,327</b>	<b>2,383</b>	<b>145</b>	<b>14,718</b>
<b>Accumulated depreciation</b>									
At 1 April 2022	0	927	0	4,043	1,146	855	2,266	145	9,382
Provided in year		128		202	165	198	92		785
Withdrawn on disposal				(1,250)	(223)	(312)	(85)		(1,870)
Withdrawn on transfer		(798)				39	(39)		(798)
<b>At 31 March 2023</b>	<b>0</b>	<b>257</b>	<b>0</b>	<b>2,995</b>	<b>1,088</b>	<b>780</b>	<b>2,234</b>	<b>145</b>	<b>7,499</b>
<b>Net book value</b>									
<b>At 31 March 2023</b>	<b>1,473</b>	<b>3,387</b>	<b>52</b>	<b>934</b>	<b>677</b>	<b>547</b>	<b>149</b>	<b>0</b>	<b>7,219</b>
At 31 March 2022	1,473	4,503	25	548	499	575	246	0	7,869

**Right of use assets (IFRS16 – Leases)**

	2023-24 £000	2022-23 £000
<b>Cost/valuation</b>		
Opening Balance	7,973	0
Additions	36	6,331
Transfers		1,786
Termination of lease	(588)	
Adjustment on adopting IFRS 16		(144)
<b>Closing Balance</b>	<b>7,421</b>	<b>7,973</b>
<b>Accumulated depreciation</b>		
Opening balance	1,435	0
Provided in year	814	735
Transfers		798
Termination of lease	(588)	
Adjustment on adopting IFRS 16		(98)
<b>Closing Balance</b>	<b>1,661</b>	<b>1,435</b>
<b>Net Book Value</b>	<b>5,760</b>	<b>6,538</b>

**Maturity analysis of lease obligations at 31 March**

	Lease payments 2023-24 £000	Finance charges 2023-24 £000	Lease payments 2022-23 £000	Finance charges 2022-23 £000
Within one year	531	157	717	106
Between 1-2 years	625	145	528	156
Between 2-3 years	627	132	622	144
Between 3-4 years	652	115	624	131
Between 4-5 years	664	99	649	115
Between 5-10 years	2,333	252	2,755	331
Between 10-15 years	411	47	567	65
Between 15-20 years	32	0	121	4
Balance at 31 March	<b>5,875</b>	<b>947</b>	<b>6,583</b>	<b>1,052</b>

**6. Assets held for sale**

SCRA has no assets held for sale as at 31 March 2024 (2023: none).

## 7. Intangible assets

Additions of total intangible assets in the schedule of £0.757m (2022/23: £0.436m) appear in the cash flow as £0.358m (2022/23: £0.319) after adjustment for opening and closing intangible asset accruals in trade and other payables.

	Software licences £000	Information Technology £000	Total £000
<b>Cost/Valuation</b>			
As at 1 April 2023	280	6,436	6,716
Additions	0	757	757
Transfers	0	0	0
Disposals	0	0	0
<b>At 31 March 2024</b>	<b>280</b>	<b>7,193</b>	<b>7,473</b>
<b>Accumulated amortisation</b>			
At 1 April 2023	273	2,310	2,583
Provided in year	4	962	966
Withdrawn on disposal	0	0	0
<b>At 31 March 2024</b>	<b>277</b>	<b>3,272</b>	<b>3,549</b>
<b>Net Book Value</b>			
<b>At 31 March 2024</b>	<b>3</b>	<b>3,921</b>	<b>3,924</b>
At 31 March 2023	7	4,126	4,133
<b>Prior year comparatives</b>			
<b>Cost/Valuation</b>			
As at 1 April 2022	280	6,000	6,280
Additions	0	436	436
Transfers	0	0	0
Disposals	0	0	0
At 31 March 2023	280	6,436	6,716
<b>Accumulated amortisation</b>			
At 1 April 2022	269	1,443	1,712
Provided in year	4	867	871
Withdrawn on disposal	0	0	0
At 31 March 2023	273	2,310	2,583
<b>Net Book Value</b>			
At 31 March 2023	7	4,126	4,133
At 31 March 2022	11	4,557	4,568



## 8. Trade and other receivables

## (i) Current assets

	2023-24 £000	2022-23 £000
Prepayments	230	248
Other receivables	280	379
<b>Balance at 31 March</b>	<b>510</b>	<b>627</b>

## (ii) Intra governmental balances

	2023-24 £000	2022-23 £000
Balances with local authorities	7	280
Balances with other central government bodies	256	59
Balances with bodies external to government	247	288
<b>Balance at 31 March</b>	<b>510</b>	<b>627</b>

## 9. Cash and cash equivalents

	2023-24 £000	2022-23 £000
Balance at 1 April	2,201	673
Net change in cash and cash equivalents	1,668	1,528
<b>Balance at 31 March</b>	<b>3,869</b>	<b>2,201</b>
Bank accounts	3,866	2,197
Petty cash balance	3	4
	<b>3,869</b>	<b>2,201</b>

All bank balances at 31 March 2024 are held with commercial banks.

## 10. Trade and other payables

## (i) Current liabilities

	2023-24	2022-23
	£000	£000
Trade payables	1,156	107
Tax and social security	465	877
Other payables	465	632
Accruals	1,625	987
<b>Balance at 31 March</b>	<b>3,711</b>	<b>2,603</b>

The increase in total trade and other payables of £1.108m (2022/23: increase £0.504m) is shown in the statement of cash flows as an decrease of £0.08m (2022/23: increase £0.172m) after adjustment for movements in property, plant and equipment (note 5) and intangible assets (note 7).

## (ii) Non-current liabilities

	2023-24	2022-23
	£000	£000
Public Works Loan Board (PWLB) loans	37	37
Other payables, accruals and deferred income	8	6
<b>Balance at 31 March</b>	<b>45</b>	<b>43</b>

## (iii) Intra governmental balances

	Payables: current 2023-24 £000	Payables: non-current 2023-24 £000	Payables: current 2022-23 £000	Payables: non-current 2022-23 £000
Balances with local authorities	476	0	1,277	0
Balances with other central government bodies	696	37	898	37
Balances with bodies external to government	2,539	8	428	6
<b>At 31 March</b>	<b>3,711</b>	<b>45</b>	<b>2,603</b>	<b>43</b>

## 11. Pensions

### Financial assumptions

The assumptions SCRA instructed the actuary to use are:

Period Ended	31 March 2024 % per annum	31 March 2023 % per annum
Pension Increase Rate (CPI)	2.75%	2.95%
Salary Increase Rate	3.25%	3.55%
Discount Rate	4.85%	4.75%

As at the date of the most recent valuation, the duration of the Employer's funded liabilities is 17 years.

### Demographic assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% per annum for both males and females. Based on these assumptions, the average future life expectancies at age 65 for SCRA, assuming future pensioners members are aged 45 as at last formal valuation date, are:

	Males	Females
Current Pensioners	20.6 years	23.4 years
Future Pensioners	22.2 years	25.1 years

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowances for future improvements, for both current and future pensioners, are CMI 2021 model with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% per annum.

Please note that the mortality assumptions used to value SCRA's obligations in the Closing Position are different to those used to value SCRA's obligations in the Opening Position.

A commutation allowance is included for future retirements to elect to take 75% of the maximum additional tax-free cash up to HMRC limits.

All other demographic assumptions are as per the latest funding valuation of SCRA.

### Asset ceiling adjustment

The fair value of plan assets at 31 March 2023 and 31 March 2024 exceeded the estimated present value of liabilities. In accordance with International Financial Reporting Interpretations Committee Interpretation 14 ("IFRIC 14"), SCRA only recognises that net asset, in its Statement of Financial Position, to the extent that it represents the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions. SCRA has no unconditional right to refunds from the plan. When expressed as the present value of estimated future service costs less the present value of estimated future service contributions, the economic benefit available in the form of reductions in future contributions is £7.02m, before accounting for unfunded pension liabilities; this is what SCRA has recognised in its Statement of Financial Position. Without an asset ceiling, SCRA would have recognised a net pension asset of £15.672m at 31 March 2024 (2023: £20.164m).

Change in the fair value of plan assets, defined benefit obligation and net asset/liability  
for the year end 31 March 2024

	Assets £000	Obligations £000	Impact of asset ceiling adjustments £000	Net asset (liability) £000
Fair value of plan assets	146,682			146,682
Present value of funded liabilities		123,510		(123,510)
Present value of unfunded liabilities		3,008		(3,008)
Effect of the asset ceiling			(20,164)	(20,164)
<b>Opening position as at 31 March 2023</b>	<b>146,682</b>	<b>126,518</b>	<b>(20,164)</b>	<b>0</b>
Service cost				
- Current service cost	0	3,710		(3,710)
- Past service cost (including curtailments)	0	0		0
- Effect of settlements	0	0		0
<b>Total service cost</b>	<b>0</b>	<b>3,710</b>		<b>(3,710)</b>
Net interest				
- Net income on plan assets	6,997			6,997
- Net cost on defined benefit obligation		6,034		(6,034)
- Interest on the effect of the asset ceiling			(958)	(958)
<b>Total net interest</b>	<b>6,997</b>	<b>6,034</b>	<b>(958)</b>	<b>5</b>
<b>Total defined benefit cost recognised in the Statement of Comprehensive Net Expenditure</b>	<b>6,997</b>	<b>9,744</b>	<b>(958)</b>	<b>(3,705)</b>
Cash flows				
- Participants' contributions	1,092	1,092		0
- Employer contributions	3,641	0		3,641
- Estimated benefits paid	(4,117)	(4,117)		0
- Estimated unfunded benefits paid	(181)	(181)		0
- Estimated contributions in respect of unfunded benefits paid	181	0		181
- Effect of business combinations and disposals	0	0		0
<b>Expected closing position</b>	<b>154,295</b>	<b>133,056</b>	<b>(21,122)</b>	<b>117</b>
Remeasurements				
- Change in financial assumptions	0	(8,310)		8,310
- Change in demographic assumptions	0	(2,505)		2,505
- Other experience	(7,190)	14,472		(21,662)
- Return on assets excluding amounts included in net interest	5,280	0		5,280
- Changes in the effect of the asset ceiling	0	0	9,757	9,757
<b>Total remeasurements recognised in Statement of Taxpayers' Deficit</b>	<b>(1,910)</b>	<b>3,657</b>	<b>9,757</b>	<b>4,190</b>
Fair value of plan assets	152,385			152,385
Present value of funded liabilities		134,000		(134,000)
Present value of unfunded liabilities		2,713		(2,713)
Effect of the asset ceiling			(11,365)	(11,365)
<b>Closing position as at 31 March 2024</b>	<b>152,385</b>	<b>136,713</b>	<b>(11,365)</b>	<b>4,307</b>

Change in the fair value of plan assets, defined benefit obligation and net asset/liability  
for the year end 31 March 2023

	Assets	Obligations	Net asset (liability)
	£000	£000	£000
Fair value of plan assets	144,202	0	144,202
Present value of funded liabilities	0	179,801	(179,801)
Present value of unfunded liabilities	0	3,440	(3,440)
<b>Opening position as at 31 March 2022</b>	<b>144,202</b>	<b>183,241</b>	<b>(39,039)</b>
Service cost			
- Current service cost	0	7,803	(7,803)
- Past service cost (including curtailments)	0	0	0
- Effect of settlements	0	0	0
<b>Total service cost</b>	<b>0</b>	<b>7,803</b>	<b>(7,803)</b>
Net interest			
- Net income on plan assets	3,907		3,907
- Net cost on defined benefit obligation		5,017	(5,017)
<b>Total net interest</b>	<b>3,907</b>	<b>5,017</b>	<b>(1,110)</b>
<b>Total defined benefit cost recognised in the Statement of Comprehensive Net Expenditure</b>	<b>3,907</b>	<b>12,820</b>	<b>(8,913)</b>
Cash flows			
- Participants' contributions	1,095	1,095	0
- Employer contributions	3,363	0	3,363
- Estimated benefits paid	(3,244)	(3,244)	0
- Estimated unfunded benefits paid	(182)	(182)	0
- Estimated contributions in respect of unfunded benefits paid	182	0	182
- Effect of business combinations and disposals	0	0	0
<b>Expected closing position</b>	<b>149,323</b>	<b>193,730</b>	<b>(44,407)</b>
Remeasurements			
- Change in financial assumptions	0	(74,830)	74,830
- Change in demographic assumptions	0	(1,175)	1,175
- Other experience	0	8,793	(8,793)
- Return on assets excluding amounts included in net interest	(2,641)	0	(2,641)
- Asset ceiling adjustment	(20,164)	0	(20,164)
<b>Total remeasurements recognised in Statement of Taxpayers' Deficit</b>	<b>(22,805)</b>	<b>(67,212)</b>	<b>44,407</b>
Fair value of employer assets	126,518	0	126,518
Present value of funded liabilities	0	123,510	(123,510)
Present value of unfunded liabilities	0	3,008	(3,008)
<b>Closing position as at 31 March 2023</b>	<b>126,518</b>	<b>126,518</b>	<b>0</b>

## Fair value of employer assets at 31 March 2024

Asset Category	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	%
<b>Equity securities:</b>				
Consumer	11,218.7	-	11,218.7	7%
Manufacturing	12,381.4	-	12,381.4	8%
Energy and utilities	6,223.2	-	6,223.2	4%
Financial institutions	11,197.8	-	11,197.8	7%
Health and care	6,424.2	-	6,424.2	4%
Information technology	10,229.1	-	10,229.1	7%
Other	1,200.8	-	1,200.8	1%
<b>Debt securities:</b>				
Corporate bonds (investment grade)	-	-	-	0%
Corporate bonds (non-investment grade)	-	-	-	0%
UK Government	16,098.6	-	16,098.6	11%
Other	2,025.5	-	2,025.5	1%
<b>Private equity:</b>				
All	-	1,391.9	1,391.9	1%
<b>Real estate:</b>				
UK property	-	8,357.0	8,357.0	5%
Overseas property	-	0.5	0.5	0%
<b>Investment funds and unit trusts:</b>				
Equities	28,343.8	-	28,343.8	19%
Bonds	6,932.3	-	6,932.3	5%
Hedge funds	-	-	-	0%
Commodities	-	-	-	0%
Infrastructure	-	22,584.4	22,584.4	15%
Other	-	3,521.6	3,521.6	2%
<b>Derivatives:</b>				
Inflation	-	-	-	0%
Interest rate	-	-	-	0%
Foreign exchange	-	-	-	0%
Other	-	-	-	0%
<b>Cash and cash equivalents:</b>				
All	4,254.2	-	4,254.2	3%
<b>Totals</b>	<b>116,530</b>	<b>35,855</b>	<b>152,385</b>	<b>100%</b>

## Fair value of employer assets at 31 March 2023

Asset Category	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	%
<b>Equity securities:</b>				
Consumer	8,956.8	-	8,956.8	6%
Manufacturing	7,856.4	-	7,856.4	5%
Energy and utilities	5,108.7	-	5,108.7	3%
Financial institutions	10,668.4	-	10,668.4	7%
Health and care	4,800.1	-	4,800.1	3%
Information technology	11,885.9	-	11,885.9	8%
Other	1,433.3	-	1,433.3	1%
<b>Debt securities:</b>				
Corporate bonds (investment grade)	-	-	-	0%
Corporate bonds (non-investment grade)	-	-	-	0%
UK Government	6,004.7	-	6,004.7	4%
Other	2,736.9	-	2,736.9	2%
<b>Private equity:</b>				
All	-	1,766.9	1,766.9	1%
<b>Real estate:</b>				
UK property	-	9,085.4	9,085.4	6%
Overseas property	-	12.2	12.2	0%
<b>Investment funds and unit trusts:</b>				
Equities	37,869.9	-	37,869.9	26%
Bonds	7,795.4	-	7,795.4	5%
Hedge funds	-	-	-	0%
Commodities	-	-	-	0%
Infrastructure	-	15,950.9	15,950.9	11%
Other	5,683.3	3,021.8	8,705.1	6%
<b>Derivatives:</b>				
Inflation	-	-	-	0%
Interest rate	-	-	-	0%
Foreign exchange	-	-	-	0%
Other	-	-	-	0%
<b>Cash and cash equivalents:</b>				
All	6,045.0	-	6,045.0	4%
<b>Totals</b>	<b>116,845</b>	<b>29,837</b>	<b>146,682</b>	<b>100%</b>

**12. Provision for unfunded pensions**

	2023-24	2022-23
	£000	£000
Balance at 1 April	159	182
Provisions utilised during the year	(16)	(15)
Actuarial valuation adjustment	(1)	(8)
Balance at 31 March	<u>142</u>	<u>159</u>

**13. Other provisions**

	2023-24	2022-23
	£000	£000
Balance at 1 April	507	218
Released in year	(55)	(139)
	<u>452</u>	<u>79</u>
Provided in year	23	428
Balance at 31 March	<u>475</u>	<u>507</u>
Not later than one year	37	507
Later than one year and not later than five years	23	-
Later than five years	415	-
	<u>475</u>	<u>507</u>

**14. Events after the reporting date**

No events occurred between the reporting date and the authorisation date that materially affect any of the information contained in these financial statements.

**15. Financial instruments**

As the cash requirements of SCRA are met through grant-in-aid, financial instruments play a more limited role in creating and managing risk than would apply in a non public sector body of a similar size.

The majority of financial instruments relate to cash or cash equivalents and to contracts for non-financial items in line with SCRA's expected purchase and usage requirements. SCRA is therefore exposed to little credit, liquidity or market risk.

**16. Related party transactions**

SCRA is a Non-Departmental Public Body sponsored by Scottish Government Education and Skills Department (SGESD). SCRA receives funding from SGESD which is regarded as a related party. During the year SCRA had a number of transactions with other government departments and agencies. No Board



Member, key manager or other related party has undertaken any material transactions with SCRA during the year 2023/24 (2022/23: none).

## **17. Capital commitments**

SCRA has no significant capital commitments as at 31 March 2024 (2023: £nil).

## **18. Reserves**

SCRA's General Fund balance as at 31 March 2024 is a deficit of £18.9m (31 March 2023: £19.9m). The deficit at 31 March 2023 arose due to an excess of total pension service costs over employer's contributions, and pension net interest costs. SCRA received written assurance from the Scottish Government in April 2023 that Ministers have an ongoing commitment to SCRA as a going concern, and that there are no plans to change the existing arrangements whereby the Scottish Government funds SCRA, including pensions, through grant-in-aid and non-cash budgets.

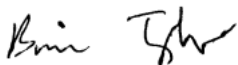
## 4 Appendix

### 4.1 Direction by the Scottish Ministers



#### **SCOTTISH CHILDREN'S REPORTER ADMINISTRATION DIRECTION BY THE SCOTTISH MINISTERS**

1. The Scottish Ministers, in pursuance of Schedule 3 of the Children's Hearing Scotland Act (2011), hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2024, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 9 June 2023 is hereby revoked.



Brian Taylor

A member of the staff of the Scottish Ministers

Dated: 12 June 2024

**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION**

**Annual Procurement Report  
1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024**

**Accountable Director:** Acting Head of Finance and Resources **Date:** 18th September 2024

**Recommendation:**

The SCRA Board is asked to:-

- a) Note Procurement activity during 2023/24 in line with SCRA's Corporate Procurement Strategy and the Procurement Reform (Scotland) Act 2014.
- b) Note the ongoing contribution of the Procurement Strategy to SCRA's ongoing work.

**Reason for Report:** Procurement Duties requirement.

**Resource Implications:** Within existing budgets.

**Strategy:** Corporate Procurement Strategy 2020-24.

**Equalities Duties** Equalities Impact Assessment Required/Completed:

**Yes**

**No – annual update of  
Procurement activity**

**Consultation:** EMT, SG Procurement.

**Document Classification:** Not protectively marked.

## **1. Background Information**

1.1 In accordance with The Procurement Reform (Scotland) Act 2014, SCRA is required to publish an Annual Procurement Report which should include:

- A summary of the regulated procurements that have been completed during the period covered by the report;
- A review of whether those procurements complied with SCRA's Procurement Strategy;
- The extent to which any regulated procurements did not comply, and a statement detailing how SCRA will ensure that future regulated procurements do comply;
- A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period covered by the report;
- A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the report period;
- A summary of regulated procurements expected to commence in the next two financial years; and
- Reporting on other matters as contained within SCRA's Corporate Procurement Strategy.

1.2 The report, attached at Appendix 1, also provides an overview of SCRA procurement performance across the year as well as the range and scope of the Procurement Team work and its criticality to the smooth operation and support of many aspects of SCRA's work.

1.3 In addition to the mandatory sections, the report also provides an update on other procurement activity including work in connection with Inclusion & Diversity, Cyber Resilience, Fair Work and Spotlight on Procurement.

1.4 A copy of the Annual Procurement Report will be published on SCRA's website and a link will be sent to the Scottish Ministers.

## **2. Recommendations**

2.1 The SCRA Board is asked to:

- a) Note the Procurement activity during 2023/24 and the continued delivery of SCRA's Procurement Strategy.
- b) The continuing contribution of the Procurement Strategy to SCRA's ongoing work.



# Procurement in SCRA

## Annual Procurement Report

For the period  
1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024

Published September 2024

### VERSION CONTROL

Version No.	Revised By	Description of Changes	Date
1.0	Helen Mora	First Issued Version	31/07/2022
2.0	Helen Mora	First Issued Version	23/08/2023
3.0	Christina Thomson	First Issued Version	01/08/2024

## Contents

1. Introduction
2. Summary of Regulated Procurements Completed
3. Review of Regulated Procurement Compliance
4. Community Benefits Summary
5. Supported Businesses Summary
6. Future Regulated Procurements
7. Non-regulated Procurements Completed
8. Procurement Performance
9. Other Procurement Activities
10. Continuous Improvement Activities
11. Annual Procurement Report Template
12. Ownership and contact details

Appendix A: Summary of Regulated Procurements Expected to Commence in the next two financial years.

Appendix B: Summary of non-regulated procurements completed.

Appendix C: Annual Procurement Report Template

Appendix D: Glossary

## 1. INTRODUCTION

### 1.1 About SCRA

The Scottish Children's Reporter Administration (SCRA) is a national body focused on children and young people most at risk. SCRA was formed under the Local Government (Scotland) Act 1994 and became fully operational on 1st April 1996. Our main responsibilities as set out in the Act are:

- To facilitate the work of Children's Reporters
- To deploy and manage staff to carry out that work
- To provide suitable accommodation for Children's Hearings

The Children's Hearings System provides the operational setting in which SCRA, and its partner agencies work. The aim is to provide a safety net for vulnerable children and young people and deliver tailored solutions which meet the needs of the individuals involved, while helping to build stronger families and safer communities.

SCRA's revised Procurement Strategy 2020-23 was approved by the Board in May 2020 and refreshed in March 2023 for the period 2020 to 2024. This was further updated in March 2024 to cover the period 2024 to 2027<sup>1</sup>. The Strategy details the principal aims of SCRA Procurement as follows:

- Deliver a professional and flexible procurement service to both internal managers and external suppliers through an inclusive procurement approach, ensuring that SCRA receives best value for money in the procurement of all goods, services and works to deliver an effective and efficient service to children, young people and families.
- Contribute to SCRA carrying out its functions and the achievement of its purposes by ensuring that suitable contracts are in place, to allow the dissemination of information and data and to ensure we have adequate premises for hearings to take place.
- Ensure full compliance with UK legislation and Public Sector Regulations, in accordance with the General Duties and Sustainable Procurement Duty, giving due regard to SCRA's needs and requirements to ensure operational effectiveness is maximised.
- Ensure SCRA's procurement practices contribute to the Scottish Government's objective for sustainable economic growth and contribute to the achievement of relevant National Outcomes.

The Strategy set out six priorities for the four years covered by the Strategy. The priorities and progress to date are covered in the table at section 3.2.

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<sup>1</sup> <https://www.scra.gov.uk/wp-content/uploads/2024/04/SCRA-Procurement-Strategy-2024-2027-Mar-24-Revision.pdf>

The Principal Reporter/Chief Executive is clear in his Procurement Strategy foreword that the solid approach to procurement, captured in the strategy, allows SCRA Localities and Teams across the country to have the kind of access to specialist support and advice they need, now and in the future, to make wise, best value decisions about goods and services, to benefit from the scale of national contracts and to vision future ways of making things ever more efficient, responsive and adaptable to our changing needs.

## **1.2 Procurement Vision**

Our vision for the future is one where the approach to procurement and contract management is inclusive and fully integrated into our business strategies and a culture of best practice is embedded which will deliver legally compliant procurement processes, ensuring value for money, sustainability, quality services and continuous improvement.

## **1.3 Looking Ahead**

In developing plans for 2024/25 and beyond, the Procurement Team will ensure objectives align with the seven public procurement priorities published by the Public Procurement Group (PPG) in May 2021 and updated in April 2022: Leadership & Visibility, Sustainable Economic Recovery, Supply Chain Resilience, Maximise Impact of the Sustainable Duty, Climate Emergency, Achieving professional excellence and Developing use of systems to drive sustainable outcomes and support reporting.

Specific activity in 2024/25 includes three-yearly refresher training to all Delegated Purchasers, completing a Scottish Government Procurement and Commercial Improvement Programme (PCIP) health check, and implementing any recommendations for improvement arising from the health check.

## **1.4 Publication of Report**

This report will be published on SCRA's website at [www.scra.gov.uk](http://www.scra.gov.uk).



## 2. SUMMARY OF REGULATED PROCUREMENTS COMPLETED

The following regulated procurements were completed in the period from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.

Date of Award	Contract Title/ Subject Matter	Supplier	Total Est. Value (Including Extensions (Ex. VAT)	Total Est. Value (Excluding Extensions) (Ex. VAT)	Contract Start Date	Contract End Date (Excluding Extensions)
21/12/2023	Asset Valuation Services (2024)	Ryden LLP	£65,590	£65,590	21/12/2023	21/12/2023
15/03/2024	AV Equipment	Computa-center	£170,953	170,953	15/03/2024	29/04/2024
02/06/2023	General Office Supplies (Framework)	Lyreco UK Ltd	£313,800	£313,800	1/07/2023	30/06/2027
15/12/2023	Hearing Room Improvement Next Phase Consultant	Lee Boyd Ltd	£57,789	£57,789	15/12/2023	31/03/2025
15/06/2023	Internal Audit Services (SCRA)	BDO LLP	£96,600	£72,450	1/07/2023	30/06/2026
28/04/2023	Multi-Function Devices Maintenance Only	Agilico	£86,000	£57,300	11/6/2023	10/06/2025
03/05/2023	Security Accreditation Services	Blade Sec IA Security Ltd	£59,770	£35,862	1/05/2023	30/04/2026
05/10/2023	Winter Gritting Services (Re Let)	Mitie Landscapes Ltd	£69,304	£41,590	1/11/2023	31/10/2026

\* The above table does not include contract extensions which were taken during 2023/24.

## 3. REVIEW OF REGULATED PROCUREMENT COMPLIANCE

3.1 In compliance with Section 15(5) of the Procurement Reform (Scotland) Act 2014 and published Statutory Guidance, SCRA is now required to set out how it will ensure its regulated procurements will:

- Contribute to the carrying out of its functions and achievement of its purposes
- Deliver value for money
- Be carried out in accordance with the General Duties and the Sustainable Procurement Duty
- Ensure payment of invoices are made no later than 30 days after the invoice relating to payment is presented

### 3.2 Review of compliance with Corporate Procurement Strategy

Key Priorities	Compliance in 2023/24
1. Ensure full compliance with	EU and UK Public Sector regulations
For all regulated procurements comply with statutory requirements for addressing Fair Work Practices, including payment of a Living Wage	Complied: <ul style="list-style-type: none"> <li>Assumed addressed by Scottish Procurement &amp; Property Directorate (SPPD), Yorkshire Purchasing Organisation (YPO) and Crown Commercial Services (CCS) in setting up Frameworks(G-Cloud, Estates Management Services, Managed Print Solutions)</li> <li>Statements on workforce matters, CSR, Environmental performance and Sustainability included in Invitations to Tender (ITTs) and evaluation criteria where applicable.</li> </ul>
Develop a diverse range of suppliers, including SMEs, Supported Businesses and Third Sector	Complied: <ul style="list-style-type: none"> <li>Assumed addressed by SPPD, YPO and CCS in setting up Frameworks (as above) and by including SMEs in non-regulated procurements.</li> <li>No opportunities for Supported Businesses.</li> </ul>
Consider Community Benefit clauses in all contracts for goods and services over £50k in value	Complied: <ul style="list-style-type: none"> <li>Assumed addressed by SPPD, YPO and CCS in setting up Frameworks (as above).</li> <li>No Cat C Community Benefits opportunities.</li> </ul>
Ensure that regulated procurements are carried out in compliance with SCRA's sustainable procurement duty	Complied: <ul style="list-style-type: none"> <li>Assumed addressed by SPPD, YPO and CCS in setting up Frameworks (as above).</li> <li>Sustainability Test included in Procurement Strategies and Evaluation Criteria included in tenders issued, where appropriate.</li> </ul>
Comply with SCRA's Health & Safety Policy by ensuring that suppliers comply with relevant regulations and best practice	Complied: <ul style="list-style-type: none"> <li>Assumed addressed by SPPD, YPO and CCS in setting up Frameworks and in SCRA tender exercises, where relevant.</li> </ul>
Follow SCRA's established approach of consulting and engaging with those affected by its procurements	Complied: <ul style="list-style-type: none"> <li>Where appropriate SCRA engaged with internal stakeholders either by setting up User Intelligence Groups (UIGs) or in discussions with contract/business leads.</li> </ul>
Ensuring SCRA's contracts deliver value for money	Complied: <ul style="list-style-type: none"> <li>Procurement Strategies identify best route to market and ensure demand is justified.</li> </ul>

	<ul style="list-style-type: none"> <li>• Business Cases include whole life costing where appropriate.</li> <li>• Opportunities for collaboration actively considered.</li> </ul>
Ensuring that SCRA pays its suppliers within 30 days and endeavour to make payment within 10 working days of receipt of a valid invoice.	Partly complied: <ul style="list-style-type: none"> <li>• Improvement in 2023/24 payment performance, further improvement is targeted in 2024/25.</li> </ul>
<b>2. Promote continuous improvement</b>	
Develop contract management across SCRA	Partly complied: <ul style="list-style-type: none"> <li>• Adherence to Contract &amp; Supplier Management (CSM) guidance was assessed in 2022/23 and a number of improvement actions agreed with contract managers. Closer monitoring of practices is planned for 2024/25.</li> </ul>
Develop and train staff involved in purchasing and/or managing contracts and suppliers	Partly complied: <ul style="list-style-type: none"> <li>• No Delegated Purchaser (DP) Training was carried out in 2022/23. Refresher Training is planned for 2024/25. Other training captured in Section 10.</li> </ul>
Meet regularly with Property, IT, and HR ensuring SCRA receives best value whilst meeting legal obligations	Complied: <ul style="list-style-type: none"> <li>• Regular meetings with IT, HR and Property Teams throughout 2023/24.</li> </ul>
Develop relationships with Scottish Government Procurement and identify opportunities for collaborative working with other public bodies	Complied: <ul style="list-style-type: none"> <li>• Good relationships with Scottish Government Procurement and membership of Cluster Group.</li> </ul>

### 3.3 Review of regulated procurements

SCRA's Head of Finance and Resources reviewed all regulated procurements in the period April 2023 to March 2024, as shown in the table above, for compliance with the organisation's Procurement Strategy and Policy.

In summary all eight of our regulated procurements:

- where relevant were tendered via PCS;
- complied with SCRA Procurement Policy thresholds;
- where appropriate, included statements in the ITTs on Fair Work Practices, sustainability including fair and ethically traded goods and payment performance for suppliers and sub-contractors.

Three were awarded after advertising, three were awarded under Scottish Government Frameworks, one was awarded using an APUC Framework, one was awarded using a CCS Framework. There were no regulated procurements awarded by Non-Competitive Action (NCA).

#### **4. COMMUNITY BENEFITS SUMMARY**

- 4.1 Consideration is given to the inclusion of Community Benefit Clauses (CBCs) in our procurement exercises, however, there were no relevant procurements during the reporting period.

#### **5. SUPPORTED BUSINESSES SUMMARY**

- 5.1 SCRA actively take steps to facilitate contract opportunities for Supported Businesses where possible. Although initial enquiries were made regarding furniture this was not pursued any further and no other suitable opportunities were identified during 2023/24.

#### **6. FUTURE REGULATED PROCUREMENTS**

- 6.1 A summary of regulated procurements expected to commence within the next two financial years is included at Appendix A. Of the 10 identified exercises which total £6M, it should be noted that a significant amount of this spend includes commitment to various sized contracts over a longer period of time. Details may be subject to change due to budget revisions/resource availability, in particular following the development of the organisation's Digital Capital Programme for 2024/25.

#### **7. NON-REGULATED PROCUREMENTS COMPLETED**

- 7.1 A summary of non-regulated procurements and contract extensions with an estimated value above £20k, awarded in the reporting period, is included at Appendix B.
- 7.2 In addition 10 non-regulated procurements below £20k, with a total value of around £60k were awarded in the reporting period.

#### **8.0 PROCUREMENT PERFORMANCE**

##### **8.1 Supporting national policies**

###### **Digital**

SCRA and Children's Hearings Scotland (CHS) continued to develop the shared core system CSAS this year. In addition, there was significant investment in virtual hearings technology, and refresh of laptops. SCRA hearing rooms now have cloud-based video conference and collaboration units and guest Wi-Fi provision. The Procurement Team have supported the Digital Programme

Manager by providing procurement advice and leading on any tendering requirements.

### **Environment**

The potential for environmental benefits are considered in procurement exercises and where appropriate sustainability is included as one of the criteria for tender evaluation with bidders advised that sustainability is a key feature of the Procurement Reform Bill and a focus of Scottish Government.

Procurement also contribute to the mandatory environmental reporting by completing the procurement section of the annual Climate Change Report.

There is now more prominence given to Climate Change in the organisation's Corporate Procurement Strategy and Sustainability Tests are routinely completed for all regulated procurements.

The Procurement Team support Business Managers and the Head of Property in their efforts to review historical electricity and gas consumption patterns with a view to reducing future emissions.

## **8.2 Procurement & Commercial Improvement Programme (PCIP) - Health check**

SCRA requested that the date for SCRA's 2024 PCIP Health check be brought forward to April 2024 to allow work to be carried out and evidence to be gathered prior to the retirement of the Head of Finance & Resources and SCRA's full time Procurement Officer.

SCRA were assessed as Green for The Procurement Model, Procurement Documentation, Sustainability and Risk/Fraud Management and Amber for Climate Change Emergency and Contract & Supplier Management.

Procurement team created a PCIP action plan which was approved by the acting Head of Finance & Resources and was issued to the SG Capability assessment team on 10/6/24. The plan is currently a standing item on the full Procurement team agenda.

Recommendations from the assessment will be implemented during 2024/25.

### 8.3 2023/24 Published Spend Data

The following table was extracted from the data published by DXC Technology.

23/24 Published Data Overview				
<b>£6,932,449</b>			<b>£5,857,983</b>	
Total Spend			Core Trade Spend	
<b>554</b>	<b>544</b>	<b>10</b>	<b>68</b>	<b>3</b>
Input Suppliers	De-duplicated Total Suppliers	Duplicate Suppliers	SME Suppliers	Local Suppliers
<b>2,367</b>	<b>£12,743</b>	<b>4.70%</b>	<b>40.90%</b>	<b>16.33%</b>
Transactions	Avg. spend per supplier	PCard Spend	SME Spend	Local Spend
<p><b>Key:</b>                      Total Spend - the total amount of spend for the year.                      Input Suppliers - The number of suppliers, before de-duplication.                      De-duplicated Total Suppliers - The number of unique suppliers.                      Duplicate Suppliers - The number of suppliers which are duplicates of another supplier.                      PCard Spend - Percentage of transactions by value of spend that are identified as Purchase Card transactions in the extract.                      Transactions - The total number of transactions.                      Avg. spend per supplier - The average spend per unique supplier.                      Core Trade Spend - Core Trade is a sub-set of your supply base that includes all Trade Suppliers and Social Care Providers with whom you have spent £1,000 or more in the financial year.                      SME Suppliers - Small &amp; Medium sized businesses where the supplier has less than 249 employees or where the annual revenue is less than £22.8m.                      SME Spend - Spend with SME as a percentage of classified suppliers.                      Local Suppliers - Spend with suppliers within the same local authority area as your organisation (based on Postcodes).                      Local Spend - Spend with local suppliers as a percentage of classified suppliers.</p>				

### 8.4 Contracted Spend

Of the total procurement spend of £6,932,449 in 2023/24, £6,428,635 was contracted spend (including non-regulated contracts). This represented c. 92.73% of all procurement spend in the year.

Procurement spend is closely monitored by the Procurement Team with support from the Contract Managers.

## 8.5 Spend with SMEs

During 2023/24, 40.90% of SCRA's Core Trade Spend was with SMEs, however, it should be noted that DXC (Spikes) still do not have sufficient data from all suppliers on their number of employees to be able to classify them, so the number of SME's is likely to be understated.

Of the eight regulated procurements completed within the reporting period, four were awarded to SMEs. A further eleven non-regulated contracts above £20k were awarded to SMEs and c. five contracts below £20k.

## 8.6 Sums due to suppliers paid within 10 working days

During the year ended 31 March 2024 SCRA paid 86% of all sums due to suppliers within the terms of its payment policy.

## 8.7 Collaborative working

SCRA utilises Scottish Government Frameworks where possible. In addition, SCRA participates in the SG UIG for Interpreting, Translation & Transcription Services Framework and works with CHS where possible. We collaborated with CHS on the Internal Audit re-let which SCRA led and awarded early in 2023/24 and on a joint Justice project on Digital Evidence Sharing Capability.

## 8.8 Savings & Benefits

Scottish Procurement have confirmed the full year savings that SCRA achieved from their use of Scottish Government collaborative framework agreements, were £114,046. This includes both Category A and B Frameworks. It should be noted that these are not savings which reduce SCRA's costs or help SCRA to operate within the approved level of Grant in Aid so are not counted as efficiency savings.

Savings from SCRA contracts (as distinct from Frameworks above) are captured on SCRA's Savings Tracker. Information on these savings has been captured throughout 2023/24 for regulated and non-regulated procurements, and the accumulated savings, largely based on the difference between the average of all tenders less the winning bid, amount to around £220k across eight procurement exercises, including Edinburgh, Glasgow and Glenrothes property projects, internal audit services, security accreditation services, water coolers, winter gritting and website hosting and maintenance.

Savings are reported to SCRA's Board in the quarterly Budget Outturn reports.

## 9.0 OTHER PROCUREMENT ACTIVITIES

### 9.1 Inclusion & Diversity

The Procurement Officer continued to work with the Inclusion & Diversity Manager to discuss further opportunities for improving inclusion and diversity in our procurement processes, including updating the wording in our non-scored Diversity Monitoring questions which are included in our tender documents.

Basic Impact Assessments are completed for all regulated goods and services procurements and individual works contracts over £100k. Where possible a joint EHRIA is completed for works contracts between £50k and £100k and for any non-regulated procurements which are likely to have more of an impact on equalities and the Strategy was recently updated to reflect a more inclusive approach.

The Procurement Officers will continue to work with the Inclusion & Diversity Manager during 2024/25 to ensure SCRA's procurement policies and processes continue to support inclusive procurement.

## **9.2 Policy development**

In line with the Procurement Reform (Scotland) Act, SCRA's Procurement Strategy was revised in March 2024 with changes approved by the senior management team before being published early April 2024 and a link sent to the Scottish Ministers.

The Procurement Policy is now reviewed every year, the latest update was approved by the senior management team and published on our website in March 2024.

## **9.3 Cyber Resilience**

In January 2020, the Scottish Government advised that a Supplier Cyber Security Guidance Note had been developed to meet the commitment to develop a proportionate, risk-based policy in respect of supply chain cyber security for Scottish public sector organisations.

From 1<sup>st</sup> April 2020, the Procurement Officers had embedded cyber security in our procurement processes by considering the importance of cyber security before commencing each procurement and where relevant completing the Cyber Security Procurement Support Tool and including relevant wording in tender documentation and Terms & Conditions of contracts where required. This tool was discontinued on 31<sup>st</sup> December 2023, however the Digital Security & Governance Manager has sourced a spreadsheet questionnaire consistent with the tool which will continue to be used in the interim in advance of SG looking to introduce a new tool (Supply25-Civ Tech) in the near future.

## **9.4 Fair Work**

We updated our General Policy on Fair Work during 2022/23. We include a statement on Fair Work in all of our tender documents and where relevant and proportionate we include a scored question as part of the award criteria.



Updated Guidance on Fair Work First is being reviewed and any changes required to our Policy and procedures will be implemented during 2024/25.

## **10.0 CONTINUOUS IMPROVEMENT ACTIVITY**

### **10.1 Contract and Supplier Management (CSM)**

New CSM guidance was issued in late 2020/21 to key Contract Managers. The Procurement Team now meet with Property, HR, and IT Teams to review recent procurement exercises and plan for upcoming exercises.

### **10.2 Risk Management**

The Procurement Team maintain a risk register which is regularly reviewed and updated. Risks tracked during 2023/24 include:

- Insufficient capacity and/or lack of training results in failure to deliver key Business Plan and Team Plan objectives.
- Increasingly complex regulations result in non-compliance with Corporate Procurement Strategy and/or challenges to contract awards.
- Failure to ensure continuity of contract cover results in disruption to key business systems/services.
- Ineffective contract management leads to poor supplier performance going unchallenged which results in major contract dispute or delivery failure.
- Due to current market conditions tender prices significantly exceed available budgets and/or lead to significant project delays.

### **10.3 Networks and Training**

SCRA's Procurement Officers are members of a Cluster Group which met regularly throughout the year.

In addition, the Procurement Officers attended the SG 18<sup>th</sup> National Procurement Conference & Professional Procurement Skills Training Zones during the reporting period.

Other training attended included:

- GDPR Refresher Training
- Inclusive Behaviours Framework
- Introduction to Public Procurement

## **11.0 ANNUAL PROCUREMENT REPORT TEMPLATE**

In accordance with Scottish Procurement Policy Note SPPN 02/2023 an Annual Procurement Report template has been completed and attached at Appendix C.

## **12.0 OWNERSHIP AND CONTACT DETAILS**

The owner of SCRA's Annual Procurement Report is as follows:

Ross Mackenzie  
Acting Head of Finance & Resources  
[ross.mackenzie@scra.gov.uk](mailto:ross.mackenzie@scra.gov.uk)

## Appendix A

### SUMMARY OF REGULATED PROCUREMENTS EXPECTED TO COMMENCE IN THE NEXT 2 FINANCIAL YEARS

Subject Matter	Type	Expected Contract Notice Publication Date	Expected Award Date	Expected Start Date	Estimated Value of the Contract or Extension
Facilities Management Contract Extensions x 3	Extension	TBA	July 2024	01/05/2025	TBA
Virtual Hearings Sandbox	Extension	N/A	01/09/2024	01/09/2024	£79,000
Secure Mailing Bags	Re-Let	18/04/2024	20/06/2024	20/06/2024	£80,000
Supply of Gas (SPPD)	Re-Let	N/A	June 2025	01/04/2025	£180,000
Target Operating Model - Phase 2 External Support	New	TBA	TBA	TBA	£50,000
Audio Visual (all rooms) 24/25 programme	New	N/A	Sept 2024	01/10/2024	£250,000
CSAS Re-Let of Leidos Contract	Re-Let	TBA	TBA	01/07/2025	£3-4m
Digital Capital Programme 24/25 Pilots	New	TBA	TBA	01/10/2024	£50,000
Digital Evidence Sharing Capability (DESC) - joint Justice project	New	TBA	TBA	01/07/2024	£100,000
Infrastructure/hardware - technology refresh 24/25 programme	New	TBA	TBA	March 2025	£270,000
Redaction Management Tool stage 2 - implementation	New	TBA	TBA	01/07/2024	TBC
Financial Management Software Solution & Hosting	Extension	N/A	March 2026	March 2026	£100,000
Payroll and eHR Software - iTrent	Extension	N/A	Dec 2025	15/01/2026	£65,000
Provision of Postal Services	Extension	N/A	Sept 2025	01/10/2025	£225,000
Supply of Electricity	Extension	N/A	March 2026	01/04/2026	£300,000
Interpreting, Translation & Transcription Services	Re-Let	N/A	Oct 2025	12/11/2025	£650,000
Enterprise Service Agreement Software	Re-Let	N/A	Sept 2025	01/10/2025	£640,000

#### Notes:

Contract Extensions shown above are not included in Section 9 of the template at Appendix C. Call Off's from Frameworks are included in the template.

Works contracts with an estimated contract value above £50k are included in the above table for information, however, these are non-regulated due to their value and not included in Section 9 of the template at Appendix C.

## Appendix B

**SUMMARY OF NON-REGULATED PROCUREMENTS & CONTRACT EXTENSIONS ABOVE £20K - AWARDED BETWEEN 01/04/2023 AND 31/03/2024**

<b>Contract/PO Ref.</b>	<b>Contract Title</b>	<b>Supplier Name(s)</b>	<b>Est. Total Value (ex VAT)</b>	<b>Contract/ Extension Award Date</b>
SCRA/2023/25	Aberdeen - Smart Working Design Consultant	Space Solutions Ltd (Scotland)	£26,774	24/01/2024
SCRA/2023/32	Accreditation Compliance CSAS	Bridgeall	£42,700	17/01/2024
SCRA/2023/17	Bellshill - Condition Survey Remedial Works - Principal Contractor	CBL Construction	£32,171	19/12/2023
SCRA/2023/19	Dumfries - Hearing Room Works - Principal Contractor	Interact Interiors Ltd	£52,622	20/12/2023
SCRA/2023/07	Edinburgh - Smart Working Reconfiguration - Principal Contractor	Interact Interiors Ltd	£331,424	16/11/2023
SCRA/2023/03	Employee Assistance Programme (4th Generation)	Working On Wellbeing Ltd T/A Optima Health	£20,000	28/04/2023
SCRA/2023/15	Glasgow Furniture	Gresham Office Furniture	£21,141	30/10/2023
SCRA/2023/10	Glasgow – Training & Meeting Facilities Principal Contractor	Interact Interiors	£66,994	09/10/2023
SCRA/2023/24	Glenrothes - External works, hearing suite reconfiguration & creation of lettable suites - Principal Contractor	Ross & Laidlaw & Sons Ltd	£360,441	02/02/2024
SCRA/2023/14	Hearing Room Furniture (supply and delivery)	Flexiform	£38,478	09/11/2023
SCRA/2023/06	Inclusive Behaviours Framework - Consultant	The Employers Network for Equalities & Inclusion (ENEI)	£27,800	30/08/2023
SCRA/2023/21	Kilmarnock - Internal Reconfiguration - Principal Contractor	Interact Interiors Ltd	£74,741	20/12/2023
SCRA/2023/36	Redaction Manager (Proof of Concept)	Computacenter	£40,000	19/03/2024
SCRA/2023/22	Selkirk Fabric Repair Works - Principal Contractor	Corstorphine Roofing & Building Ltd	£69,222	22/12/2023
SCRA/2022/26	Website Hosting & Maintenance (2023)	MTC Media	21,025	14/04/2023

\* Notes: Works contracts below £2m are classed as non-regulated.

## Appendix C

## Annual Procurement Report template

[NOTE: reference to contract is also to be construed as meaning a Framework Agreement]

<b><u>1. Organisation and report details</u></b>	
a) Contracting Authority Name	Scottish Children's Reporter Administration
b) Period of the annual procurement report	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<b><u>2. Summary of Regulated Procurements Completed</u></b>	
a) Total number of regulated contracts awarded within the report period	8
b) Total value of regulated contracts awarded within the report period	£815,334
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	8
i) how many of these unique suppliers are SMEs	4
ii) how many of these unique suppliers how many are Third sector bodies	0
<b><u>3. Review of Regulated Procurements Compliance</u></b>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	8
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
<b><u>4. Community Benefit Requirements Summary</u></b>	
<b>Use of Community Benefit Requirements in Procurement:</b>	
a) Total number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	0
<b>Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:</b>	
d) Number of Jobs Filled by Priority Groups ( <i>Each contracting authority sets its own priority groups</i> )	Not Known
e) Number of Apprenticeships filled by Priority Groups	Not Known
f) Number of Work Placements for Priority Groups	Not Known

g) Number of Qualifications Achieved Through Training by Priority Groups	Not Known
h) Total Value of contracts sub-contracted to SMEs	Not Known
i) Total Value of contracts sub-contracted to Social Enterprises	Not Known
j) Total Value of contracts sub-contracted to Supported Businesses	£0
k) Other community benefit(s) fulfilled	0
<b>5. Fair Work and the real Living Wage</b>	
a) Number of regulated contracts awarded during the period that included a Fair Work criterion.	3
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	2
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	4
<b>6. Payment performance</b>	
a) Number of valid invoices received during the reporting period.	2367
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms).	86% - this figure includes Credit Card payments and Direct Debits
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains	Not Known
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts	0
<b>7. Supported Businesses Summary</b>	
a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	£0
i) spend within the reporting year on regulated contracts	£0
ii) spend within the reporting year on non-regulated contracts	£0

**8. Spend and Savings Summary**

a) Total procurement spend for the period covered by the annual procurement report.	£6,932,449
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£2835372 (40.9% of Core Trade Spend)
c) Total procurement spend with Third sector bodies during the period covered by the report.	Not Known
d) Percentage of total procurement spend through collaborative contracts.	14.94%
e) Total delivered cash savings for the period covered by the annual procurement report.	£334,207
f) Total non-cash savings value for the period covered by the annual procurement report.	Not Known

**9. Future regulated procurements**

a) Total number of regulated procurements expected to commence in the next two financial years.	10
b) Total estimated value of regulated procurements expected to commence in the next two financial years.	£6,000,000

## Glossary

## Appendix D

<b>Term</b>	<b>Description</b>
<b>Collaboration</b>	When two or more groups of people or organisations engage in procurement work together for mutual benefit (CIPS).
<b>Contract Management</b>	The process of monitoring the performance of a supplier to contract.
<b>Framework Agreement</b>	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.
<b>Critical Suppliers</b>	Those suppliers identified as business critical in terms of risk/value and business continuity.
<b>Procurement Exercise</b>	Full end to end procurement exercise documentation from strategy development to contract & supplier management.
<b>Procurement function</b>	The business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives.
<b>Procurement Journey</b>	Revised public procurement toolkit with guidance and templates on the procurement process or Construction manual when appropriate. The Procurement Journey will be enhanced on an on-going basis with feedback from users and any other identified good practice guidance and tools where appropriate to ensure a standardised approach to the supply base.
<b>Procurement Officer</b>	Individual who spends the majority of their time working in a role that adds value to the quality, cost and effectiveness of the procurement or acquisition of goods, works and services; impacting upon commercial relationships during one or more stages of the procurement cycle and contributing towards best practice contract and supplier management.
<b>Procurement strategy</b>	Strategy for procurement within an organisation (can be called policy).
<b>Public Contracts Scotland</b>	The national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.
<b>Small Medium Enterprise (SME)</b>	The category of micro, small and medium-sized enterprises (SME's) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro and/or an annual balance sheet total not exceeding 43 million euro.
<b>Supply Chain</b>	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.
<b>Supply Chain Management</b>	The coordinated set of techniques to plan and execute all steps used to acquire raw materials from suppliers, transform them into finished goods, and deliver both goods and services to customers. It includes chain-wide information sharing, planning, resources and performance measurements.
<b>Supported Business</b>	Either the organisation's main aim should be the social and professional integration of disabled or disadvantaged persons, or the contract should be performed within a sheltered employment programme.
<b>Value for Money</b>	An economic assessment by the public sector as to whether a project represents value for money; the optimum combination of cost and quality to provide the required service.
<b>Whole Life Costing</b>	The costs of acquiring goods or services (including consultancy, design and construction costs, and equipment), the costs of operating it and the costs of maintaining it over its whole life through to its disposal – that is, the total ownership costs. These costs include internal resources and overheads.



**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION****Sustainability – Energy Efficiency Review****Accountable Director:** Principal Reporter/Chief Executive **Date:** 18 September 2024**Report Author:** Head of Property**Recommendation(s):**

1. To note the outputs from the energy efficiency review undertaken by Mott MacDonald of SCRA's nineteen owned buildings and the outline capital/ revenue costs associated with the work identified
2. To agree the proposed approach set out in this report at section 4 to prioritise the energy efficiency and building fabric works for inclusion within our property programme over the next 5 year capital plan
3. To devolve authority to EMT and Property Team to develop these plans and prioritise the work taking into account future operational hearing centre and staff accommodation requirements.
4. To note that our leased estate will require separate consideration as short lease terms and limited control over these buildings impacts on our ability to invest.

<b>Reason for Report:</b>	<b>To Update The Board</b>
<b>Resource Implications:</b>	<b>Not Applicable</b>
<b>Strategy:</b>	<b>Within agreed plans</b>
<b>Consultation:</b>	<b>Head of Finance and Resources Executive Management Team</b>
<b>Equalities Duties</b>	<b>Not Applicable</b>
<b>Document Classification:</b>	<b>Not protectively marked</b>

## 1.0 Introduction

- 1.1 The purpose of this report is to set out the findings of the Energy Efficiency and Decarbonisation studies carried out by Mott MacDonald for our nineteen owned buildings.
- 1.2 SCRA appointed Mott MacDonald direct as the Project Support Unit supplier under the Scottish Government's Non Domestic Energy Efficiency (NDEE) framework.

## 2.0 Background

- 2.1 In March our annual Environment/ Sustainability report was submitted to the Board highlighting that our greenhouse gas (GHG) emissions had increased slightly to 578.2 tCO<sub>2</sub>e during 2022/23. The main source of SCRA's GHG emissions are currently produced by the fossil fuel systems used to heat our buildings – known as our scope 1 emissions. Ahead of the 2045 target for becoming Net Zero, the Scottish Government has set the further target for all public buildings to produce zero direct (scope 1) emissions by 2038. This means that all gas and oil heating systems must be replaced by an alternative heating system by that date. More information regarding the emission "scopes" and SCRA's current reporting boundary is set out at Appendix A.
- 2.2 To help inform our plans for meeting these climate change targets, we engaged the consultants Mott MacDonald under a Scottish Government framework to undertake an energy efficiency and decarbonisation survey of our 19 owned buildings. This has provided us with detailed reports and recommendations for improving the energy performance of these buildings. The estimated cost of implementing all of the recommended works amounts to c.£6.5M exc VAT. The main energy conservation measures (ECM's) proposed by Mott MacDonald include:
  - Energy Monitoring – BEMS Installation and sub meters
  - LED Lighting & Controls
  - Windows/ Glazing Replacement
  - Insulation – Roof & Walls
  - Electrification of Heat
  - Solar PV
- 2.3 Payback (or return on investment) for a number of these ECMs will not be achieved for many years and in some cases payback will not be achievable. Due to the way the energy market is currently structured, the unit cost of electricity is around five times greater than gas which makes the solutions for electrifying heating systems very challenging.
- 2.4 To assist public sector bodies with the costs involved, additional funding is available from the Scottish Green Public Sector Estates Decarbonisation Scheme (SGPSEDS) for both capital projects and pre-capital feasibility investigations. This funding is conditional upon a successful business case being approved and the high demand for additional grant funding has led to the scheme being oversubscribed. SCRA was unsuccessful when submitting our initial bid for pre-capital funding to take forward the

Mott MacDonald survey work and instead it was funded by SCRA direct during 2023/24.

- 2.5 The current NDEE framework expired at the end of March 2024 and it is understood that new suppliers for both the consultancy (project support unit) and contracting frameworks are currently being procured during 2024/25.

### 3.0 Findings

- 3.1 Following detailed desktop data appraisals and site energy audits throughout October 2023 to February 2024, Mott MacDonald identified a suite of Energy Conservation Measures (ECMs) across the 19 SCRA sites (primarily single buildings). A high level 'spend and save' analysis was undertaken on the key technology opportunities across the sites, and this identified that circa £6.5M ex VAT of capital investment would be required which will deliver annual GHG emission savings of circa 140 tCO<sub>2</sub>. A breakdown of the cost for the recommended works by category (the energy hierarchy) and building is provided at Appendix B.
- 3.2 The recommended measures are expected, however, to lead to an estimated annual increase in our energy costs of around £18K pa. This is due to the fact that electrification of heat solutions (typically heat pumps) cost more to operate than gas systems based on current utility prices and forecasts. These heat solutions will not provide a payback on the capital investment made and have an expected operational lifetime that is not too dissimilar to the systems they replace.
- 3.3 The costs and proposals recommended in the reports are subject to further, more detailed, survey work and tendering being undertaken. In particular, detailed structural and other surveys will be required along with engagement with the electricity District Network Operator (DNO) to determine whether there is available grid capacity and protection to implement installation of electric heating systems.
- 3.4 Mott MacDonald's recommendations were prepared with reference to prioritisation of the works in line with the energy hierarchy and a 'fabric first' approach. However, it should be noted that more than half of the cost of undertaking the recommended ECM's set out in the reports relate to the electrification of heat and the replacement of gas/ oil fired heating systems.
- 3.5 A phased spending profile is suggested by Mott MacDonald with targeting of works to improve energy efficiency first and the electrification of heat in later years. The potential growth of open heat networks over the next 10 years that provide the ability for businesses and others to connect may provide an alternative to the high costs and disruption of installing a heat pump system. Figure 1, below, provides an indicative example of how GHG emissions are expected to reduce as ECM works are carried out over time. It can be seen that the biggest impact on emissions from our buildings is expected to occur at the point of electrifying heat. The key findings from the Mott MacDonald reports are set out in the following paragraphs and at Appendix B.

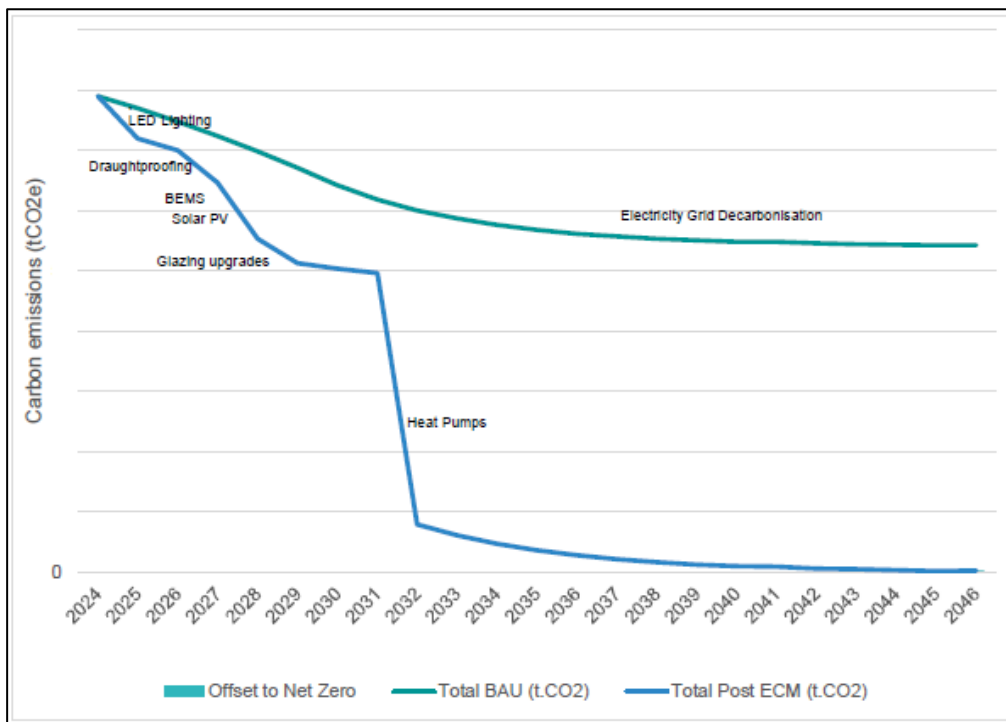


Figure 1: Indicative impact of ECM's on emissions over time

### 3.6 Energy Efficiency Measures

In terms of priority, Mott MacDonald have identified measures that are intended to reduce energy consumption and allow better data to be gathered on how energy is used. This means using equipment that uses less energy and installing additional metering or building energy management systems (BEMS).

Upgrading lighting systems to LED technology is recommended and this has to all intents and purposes become the only option available. As of September 2023 traditional fluorescent lights are no longer manufactured and their availability will only last until existing stocks run out. As existing fluorescent systems fail, or develop faults, they will be replaced with an LED system. SCRA has been gradually replacing traditional light fittings with LED over the last few years and the priority now is to complete installations around the estate.

A building energy management system (BEMS) permits greater control over when and how heating and other systems operate. The use of sensors and time controls mean that energy is only consumed when it is required. In February 2023 a trial system was installed in our Paisley building to determine whether improved controls would provide noticeable energy savings. Whilst some difficulties have been experienced, the new system has reduced energy consumed over the period April 23 to March 24 by just over 10%. The installation of further BEMS is recommended by Mott MacDonald to support greater control and energy reduction across our estate.

The installation of sub meters is also suggested to monitor energy consumption across different areas of a building, for example where SCRA leases space to another organisation. This enables greater visibility/detail regarding mainly electricity consumption.

### 3.7 Fabric & Infrastructure

To support energy efficiency measures, work to the building fabric and infrastructure within our buildings has been identified that is intended to reduce heat loss through upgrading of insulation in walls/ roofspaces as well as replacement of single glazed and older double glazed windows. In addition, in a number of locations replacement of heating infrastructure is recommended (radiators etc) either to support installation of heat pumps at a future date or to improve the current provision. Elements of this work could be factored into the maintenance of our estate while some recommendations involve significant expenditure and potential disruption indicating that they could be considered as fairly significant standalone projects.

### 3.8 Solar Photovoltaics (PV)

Solar PV provides an opportunity for SCRA to generate electricity for use onsite and reduce our energy costs. From consideration of the 19 locations, 9 sites were identified as being potentially suitable for Solar PV installation with the estimated cost and benefit of installation varying between sites. Further investigations will be required to determine whether sites are suitable, for example an assessment of the structural integrity of the roof to support the additional weight and wind loading factors involved. In addition Mott MacDonald highlight that engagement with the District Network Operator is required to determine whether there is sufficient capacity/ protection in the electrical grid and the potential cost of any upgrading work that may be required. It is highlighted that this technology is no longer eligible for grant funding under the Scottish Government decarbonisation schemes and would need to be self-funded from existing budgets.

### 3.9 Heating

As shown in Figure 1 at 3.5, the biggest reduction in carbon emissions from our buildings occurs at the point heating systems are electrified. This also requires the largest investment in our buildings with electrification of heating estimated to be c.£3.5M ex VAT; more than half of the total cost identified.

Air source heat pumps (ASHP) are the systems recommended for the majority of our buildings although electric boilers and direct panel heaters are suggested where an ASHP system is not achievable. ASHP's are recommended as they are very efficient (producing c.2.5 kwh of heat for every 1 kwh of electricity supplied) and go some way towards bridging the cost differential between a kwh of gas and electricity. However, as the cost of 1 kwh of electricity is currently around 5 times the price of 1 kwh of gas the operating costs of an ASHP are higher making it difficult to demonstrate value for money. The ASHP equipment requires more regular maintenance and a greater amount of space is needed within the building for the equipment along with additional space externally. This requires separate enabling work that is not included in the cost estimates provided.

As an alternative, electric boilers and direct panel heaters are options although not as efficient (closer to 1 kwh of electricity required for 1 kwh of heat produced) making these solutions more expensive to operate compared with a gas system. The electrification of heat also requires sufficient capacity and protection levels to be available on the electricity grid. To establish whether capacity exists it is necessary to submit an application to the District Network Operator (DNO) detailing the proposed scheme. The costs of this and any upgrading of the electricity supply to the building will be in addition to the costs set out in the reports.

Given 1) the potential for network supply limitations, 2) the high cost of the ASHP system and 3) the increased operating/maintenance costs, Mott MacDonald do not recommend proceeding with these systems now. In their proposed phasing of ECM works, they show heat pumps being installed from the early 2030's onwards.

The introduction of district heat networks within local authority areas may provide an alternative option over time. All Councils are now required to have Local Heat and Energy Efficiency Strategies (LHEES) in place although for the 19 locations considered there are no heat networks in development for SRCA to consider. However, the connection to future district heat networks may provide the ability to secure low carbon heat sources at much-reduced cost and disruption compared with onsite electrification of heat solutions. Given the above, the recommendation provided is to reappraise options once the position is clearer with a view to estate wide implementation of zero emission heating systems from 2030 onwards.

- 3.10 Following receipt of the 19 reports/ recommendations, an assessment has been made of the project findings and how best to 'package' the work in line with available capital funding or for the submission of capital applications for Scottish Government grant funding (NDEE or SGPSEDS). The focus, or prioritisation, suggested by Mott MacDonald is a 'fabric first' approach along with improved energy monitoring and heating control.

#### **4.0 Proposals**

- 4.1 The reports prepared by Mott MacDonald for our 19 owned buildings provide valuable data and outline an approach to how we can work towards achieving zero direct emissions by 2038 along with an estimate of the likely investment required.
- 4.2 An ambitious approach is suggested by Mott MacDonald to utilise the replacement NDEE framework to procure multi-site, multi-technology ECMs under a combined Energy Performance Contract where specialist contractors follow a design and build approach that delivers guaranteed energy efficiency savings. Given the recent utilisation study of our operational buildings, the ability to provide many of our services through technology solutions and the ongoing work to develop SCRA's target operating model a more targeted approach to decarbonising our estate is proposed.
- 4.3 As reported to the Board in June, there are a number of underutilised properties within our estate and any investment decision should consider whether these buildings should be retained longer term. A recent utilisation study analysed usage data derived from CSAS against cost data from property budgets to calculate a) the hearing sessions per property and b) the cost per hearing session. This additional data will be of assistance when prioritising investment in our properties or point to the development of alternative options for delivering our services.
- 4.4 The immediate priorities emerging from the Mott MacDonald reports that can be incorporated into our property programme and estate planning are:
- Replacement of traditional lighting with LED systems
  - Install BEMS systems/ Submetering where appropriate
  - Carry out Window/ glazing replacement during fabric upgrades/ refurbishment
  - Undertake improvements (and where possible future proofing) of existing heating/ ventilation systems

- Install Solar Photovoltaics (PV) where achievable and benefits can be realised

- 4.5 In line with the Mott MacDonald reports it is not proposed to prioritise the electrification of heat at this time. Whilst not a solution that contributes to decarbonisation, it is proposed that older less efficient gas heating systems around our estate are replaced with more efficient gas boilers. Where older boilers have already been replaced a significant reduction in energy consumption has been achieved and combined with improved control through a BEMS this provides a more cost effective solution pending a future switch to electrification of heating systems or availability of district heating systems.
- 4.6 The above approach allows SCRA to work towards improving the energy efficiency of our buildings whilst further assessment is carried out of the delivery model for holding physical hearings. It is likely that some buildings will become surplus to requirements prior to the electrification of heating systems becoming a priority and upgrading will not be necessary. This will be tied to the outputs from the development of the Target Operating Model.
- 4.7 For 24/25 a budget allocation of £150K has already been allocated for environmental improvement works. The following priority work is currently planned to be delivered through our FM contract:
- LED lighting system replacements in Ayr, Arbroath, Edinburgh, Fraserburgh, Lochgilphead and Kirkwall
  - BEMS installations proposed in Arbroath & Fraserburgh
  - Undertake electric heating system upgrade to Inverness
  - Investigate electric heating system upgrade to Lochgilphead
- 4.8 Going forward and following a fabric first approach suggested by Mott MacDonald, a number of the energy conservation measures proposed could be factored into our property programme. It is proposed that investment in these areas are considered by EMT and Property Team as a part of estate planning and budget setting. The electrification of heat in our buildings will require further consideration and will be informed by our expected operational requirement for property over time.
- 4.9 The Mott MacDonald reports cover our 19 owned buildings and a number of the recommendations could potentially be applied to our leased properties. However, the position for our leased buildings is more complicated as the often short lease lengths and lack of control over the full building limit the investment SCRA can justify on these buildings. Sustainability will require to be factored in to lease renewal negotiations/decisions and relocation may be the preferred option.

## **5.0 Conclusions**

- 5.1 The Scottish Government has set a target of achieving Zero direct (scope 1) emissions from all public buildings by 2038 with a further commitment to achieving Net Zero by 2045. To achieve zero direct emissions our buildings will need to use an alternative to fossil fuel burning heating systems.
- 5.2 SCRA's current carbon footprint (22/23) is calculated to be 578 tCO<sub>2</sub>e. The focus of the Mott MacDonald work has been on the energy efficiency of our 19 owned buildings and estimates that by adopting all of the recommended actions around 140 tCO<sub>2</sub>e could be removed from our carbon footprint. An assessment of our leased premises

has not been undertaken at this time although a similar level of emissions reduction could be assumed from these properties by carrying out upgrading work. However, with relatively short term leases, less control over the property and limited return for the high investment involved this will require an alternative approach.

- 5.3 The most significant cost outlined within the reports relates to the electrification of heat (eg air source heat pumps) and as already stated this is the main source of our direct GHG emissions. For the reasons set out in the preceding sections of this report it is not proposed to implement an estate wide programme of replacement of fossil fuel systems prior to 2030. Due to the high costs involved, our approach to this will require the identification of available funding through additional grant in aid or the public sector decarbonisation scheme.
- 5.4 The immediate priorities identified for incorporating into our property programme with the aim of improving the environmental performance of our buildings are:
- Replacement of traditional lighting with LED systems
  - Install BEMS systems/ Submetering where appropriate
  - Carry out Window/ glazing replacement during fabric upgrades/ refurbishment
  - Undertake improvements (and where possible future proofing) of existing heating/ ventilation systems
  - Install Solar Photovoltaics (PV) where achievable and benefits can be realised
- 5.5 Further development of our property utilisation tools and the outputs from the Target Operating Model will help inform the number and location of buildings that are required for the operational delivery of our services. This will inform decisions on where resources are targeted for the estate wide electrification of heating systems from 2030 onwards.
- 5.6 Our owned and leased buildings currently account for the largest part of our carbon footprint (Scope 1 & 2 emissions). The Mott MacDonald study does not consider the Scope 3 indirect emissions that largely relate to how we deliver our services and include activities such as travel (business related and commuting), waste generated and the purchase of goods and services. It is known that our Scope 3 emissions are currently under reported due to the difficulty/ complexity that is involved. To reach net zero by 2045 it will also be necessary to tackle our Scope 3 emissions.

## **6.0 Recommendations**

- 6.1 To note the outputs from the energy efficiency review undertaken by Mott MacDonald of SCRA's nineteen owned buildings and the outline capital/ revenue costs associated with the work identified
- 6.2 To agree the proposed approach set out in this report at section 4 to prioritise the energy efficiency and building fabric works for inclusion within our property programme over the next 5 year capital plan
- 6.3 To devolve authority to EMT and Property Team to develop these plans and prioritise the work taking into account future operational hearing centre and staff accommodation requirements.
- 6.4 To note that our leased estate will require separate consideration as short lease terms and limited control over these buildings impacts on our ability to invest.



**Greenhouse Gas Emissions and Reporting Boundary**

**Appendix A**

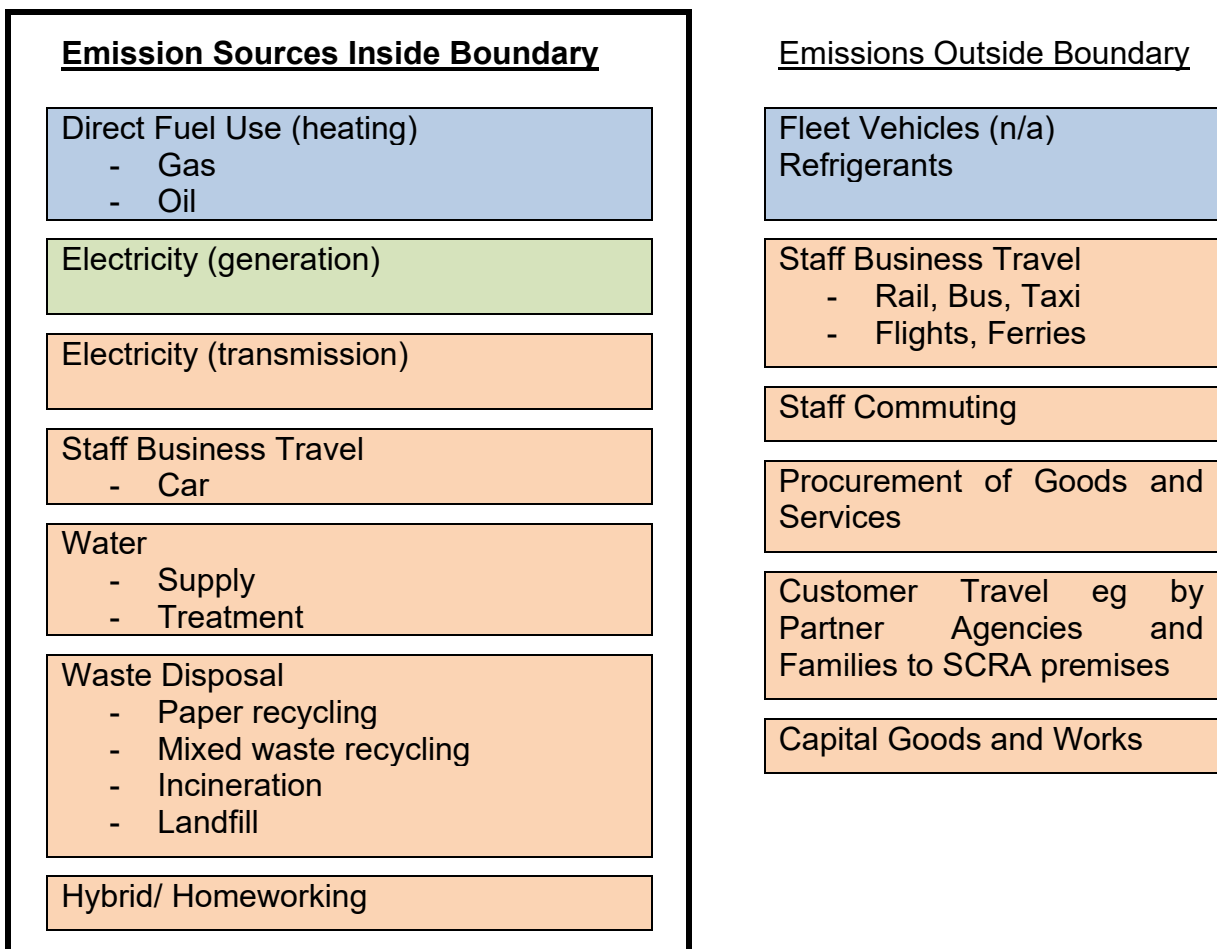
The calculation of SCRA’s carbon footprint is based on the category of emissions (Scope 1,2 or 3) for the activity and the reporting boundary that has been set for the organisation. The three categories or “scopes” relate to direct and indirect emissions as follows:

**Scope 1** - Scope 1 emissions are those made **directly**, through the burning of fuels to heat our business premises, the use of refrigerants or are from Fleet vehicles (n/a for SCRA)

**Scope 2** - Scope 2 emissions are those made **indirectly**, for example the electricity we consume in our premises that has been produced on our behalf.

**Scope 3** - Scope 3 emissions are any **indirect** emissions associated with our business activity eg business travel, employee commuting, manufacturing of the goods and products we use and customer activity that occurs as a result of our services.

Our buildings account for the majority of our Scope 1 & 2 emissions. Scope 3 emissions are under reported due to the difficulty/ complexity that is involved. As improved data becomes available our Reporting Boundary will expand to record more Scope 3 emissions. SCRA’s current boundary for reporting GHG emissions is set out below.



Key:

Scope 1
Scope 2
Scope 3

**Mott MacDonald Recommendations (Summary)**

**Appendix B**

The energy efficiency reports for SCRA’s 19 owned buildings have been prepared by Mott MacDonald with reference to the energy hierarchy. The energy hierarchy was developed in the early 2000’s and has been widely used in the construction industry as a sensible design approach to achieve more energy efficient and sustainable buildings.

Figure 2: The Energy Hierarchy:























Mott MacDonald have applied the approach to categorise their proposed energy conservation measures (ECMs) as follows:

- Be Seen: Opportunities to improve energy metering and monitoring
- Be Lean: Opportunities for building fabric improvements
- Be Clean: Opportunities to improve energy efficiency
- Be Green: Opportunities to install renewable technology on site

Following the energy hierarchy set out above, the level of spend required to achieve the recommended works identified by Mott MacDonald is:

<u>Category</u>	<u>Cost Estimate</u>	<u>Energy Conservation Measure</u>
Be Seen	£498,992	Building Management Systems, Heating controls, LED lighting, lighting controls
Be Lean	£2,231,656	Window/ glazing upgrades, roof/ wall insulation work
Be Clean	£3,491,618	Electrification of heat – removal of gas/ oil heating and replacement with heat pumps, electric boilers, panel heaters etc
Be Green	£247,471	Installation of renewables technology to produce energy on-site eg roof mounted Solar photo voltaics
<b>Total Estimate</b>	<b>£6,469,737</b>	<b>exc VAT</b>

The estimated cost of undertaking the recommended energy conservation measures at each of our buildings is set out below, along with a PDF extract from each report providing a breakdown of the proposed works, costs and carbon savings:

<u>Building</u>	<u>Cost Estimate</u>			
Arbroath	£214,853			
Bellshill	£215,376			
Dalkeith	£541,535	Arbroath.pdf	Bellshill.pdf	Dalkeith.pdf
Dumbarton	£455,798			
Dumfries	£202,707	Dumbarton.pdf	Dumfries.pdf	Dundee.pdf
Dundee	£847,069			
Edinburgh	£320,575	Edinburgh.pdf	Falkirk.pdf	Fraserburgh.pdf
Falkirk	£210,544			
Fraserburgh	£487,332	Glenrothes.pdf	Greenock.pdf	Kilmarnock.pdf
Glenrothes	£537,726			
Greenock	£622,118	Kirkwall.pdf	Lochgilphead.pdf	Paisley.pdf
Kilmarnock	£339,813			
Kirkwall	£78,657	Perth.pdf	Selkirk.pdf	Stranraer.pdf
Lochgilphead	£157,355			
Paisley	£478,076		Tranent.pdf	
Perth	£186,232			
Selkirk	£175,965			
Stranraer	£172,965			
Tranent	£225,041			
<b>Total</b>	<b>£6,469,737</b>	<b>Exc VAT</b>		



SCOTTISH  
**CHILDREN'S REPORTER**  
ADMINISTRATION

**Programmes Update**

**Head of Service:** Lisa Bennett, Head of Strategy/OD  
**Date:** 18<sup>th</sup> September 2024  
**Report Author:** Lisa Bennett

**Recommendation:**

- 1. To note the progress and planning of the programme work within SCRA**

**Reason for Report:** For Noting  
**Resource Implications:** In line with plans  
**Strategy/Service Plan Implications:** Approved Corporate Plan / Business Plan delivery  
**Consultation:** KTP Programme Manager  
**EHRIA Duties:** Impact assessments are undertaken at individual project level  
**Document Classification:** Not protectively marked

## 1. Introduction

- 1.1. The purpose of this report is to update the Board on the Programme Management work – its governance arrangements, the progress against plans and on our approach to change and transition.

## 2. Governance and Oversight

### 2.1. Approvals and Reporting

- 2.2. Reporting for Programme Board is focussed on exception and high level objectives and programme approvals with everything else managed within programme meetings and, if required, Strategic Programmes Group aligned to set tolerances.

### 2.3. Programme Board (PB) met in July and approved:

- A version of the Target Operating Model (TOM) to be shared with staff at TOM webinars and staff sessions through August and September. **(appendix A)**
- The decision recommended by Strategic Programmes Group (SPG) not to proceed with external procurement exercise for a TOM consultant
- Engagement of external scrutiny/review to work alongside the programme to provide assurance to the process
- Investment in change management and ongoing learning and development of the programme and change management team.
- Approval given by EMT to recruit 6 additional Assistant Reporters (ARs) as additional resource to support the project.

### 2.4. In relation to project proposals, the Programme Board made the following decisions:

- Approved a combined project that would support a move towards increased preparation of witness statements and pro-active witness liaison
- Testing of the national approach to the arranging a scheduling of hearings and child friendly scheduling (phase 2).
- Approved the combined 'Plan on a Page' as a high-level draft plan and timeline for the combined operational testing.
- Required a detailed plan be developed alongside localities to be presented to the Programme Board in September prior to initiation of the combined operational testing.
- Approved a project to identify a digital solution(s) to capture and store information related to child friendly scheduling preferences.
- Approve a project to identify a digital solution(s) to support Reporters with the preparation of witness statements including an exploration of AI dictation software.
- Approved the Child Friendly Scheduling Recommendation in relation to phase 2 requirements.
- Approved testing of a national approach to the arranging and scheduling of hearings including the changes of roles/ grades that will be undertaking this work.

- 2.5. In terms of programme governance the following decisions were made:
- The Operating Guidance was removed from the Programme Management Framework and updated following review at SPG.
  - Following on from assurance exercise, audit and internal review, the programme strategy to bring all approaches together into a single document, intended for internal and external audience. **(appendix B)**
  - Amended role of digital to have Douglas Cameron (Head of Digital) as senior supplier rather than SRO for the connect programme.
  - Programme approaches were incorporated into the programme strategy.
  - Programme risk appetite is categorised as open risk appetite as programme work needs to be more open to change than other business areas.
  - Stakeholder and communications strategy has been developed following learning from change management sessions.
  - Issues and management of change requests, tolerances were set too high initially resulting in unnecessary change requests to PB. Proposal that change requests will only come to the PB if the change impacts on the critical path in line with manage by exception principle.

### 3. Programme Updates

#### 3.1. Programme Protect

- 3.2. Work continues across all workstreams. July saw a key decision point for a few of the projects with evaluations and recommendations being presented to Strategic Programmes Group and for approval at Programme Board.
- 3.3. Tests are moving into the next phase – from isolated testing into combined to test whether they a) work together as predicted, and b) the efficiencies envisaged in one provides the resource required in another.
- 3.4. Following a comprehensive evaluation by SCRA's research team of the different models of child friendly scheduling being trialled, decisions have been made to take the 'best bits' – those showing most efficacy - forward into the combined tests. This is a fantastic opportunity for us to demonstrate our testing approach. The approach that we are taking with localities 'signing up' to support these tests – that they are just that, genuine tests of change to assess delivery of desired outcome , and at the end of it, the locality may be asked to move to something else – or partly to something else.
- 3.5. Programme Board have scrutinised evidence presented and have approved the recommended tests/combined tests to proceed to detailed planning.
- 3.6. Aligned to the project approvals, the change plan and best practice through 'Managing Successful Programmes', we are working on a delivery plan that takes the programme strategy and describes the specifics around implementation. **(Draft working version at appendix C)**
- 3.7. One area that has fallen behind slightly this quarter has been the staff engagement on the target operating model – scheduled to take place during August/September.

- 3.8. On July 25<sup>th</sup>, Scottish Government put out their public consultation on the recommendations from the Hearings for Children reports and their response to it. This had been delayed significantly (relative to the turnaround time) due to the UK elections.
- 3.9. As a result of this launch, we made a decision to re-purpose our face to face engagement sessions with staff, to work through the consultation with localities to hear from as many people as we can internally to support the development of SCRA's formal response.
- 3.10. **Programme Care - Scottish Government's Consultation.**
- 3.11. As outlined at 3.7 the Scottish government consultation went live on 25<sup>th</sup> July. [Children's hearings redesign - Scottish Government consultations - Citizen Space](#)
- 3.12. The public consultation is an integral part to setting the form and pace of the hearings reform. To that end it is absolutely critical for us to hear and represent an organisational wide position – that we did, and that served us very well to feed the HSWG recommendations.
- 3.13. Arrangements were made with Scottish Government to hold two online consultation sessions for our staff to hear from SG their approach, their thinking, the options and to ask questions directly.

The two sessions combined attracted just short of 90 members of staff. Scottish Government colleagues have also agreed to come along to our Managers event being held tomorrow to sit in as our managers workshop a number of pertinent topics for our organisation – those recommendations that focus either on the role of the reporter, roles within the hearing or related process. This will allow our managers to have detailed discussions with peers – weighing up the options presented, talking through the pros/cons/consequences of each, expressing experience and opinion etc. It provides Scottish Government with a unique experience to hear far more than a formal response can give – to hear the thought process and to gain clarity on some of the consequential – and also get a sense of the areas of real potential or otherwise.

- 3.14. Through August and September the project managers have been undertaking locality visits – utilising the slots already agreed for TOM consultation to visit, and work through a series of inputs with each locality on the consultation – presenting, listening, debating and a lot of note taking!
- 3.15. On top, a weekly survey has been put on Connect (SCRA's intranet site), taking manageable chunks of the consultation and asking for any views to be given in this way. As we have been learning, people learn, engage and respond to different methods of communication and so we hope that the varied offerings of online, in person, in writing, webinars etc have supported that .
- 3.16. **Hearings Re-Design**

During the summer, the multi-agency planning group, which supports the re-design board spent a day together to agree a set of priority projects to recommend to the

re-design board to mandate.

- 3.17. Each organisation put forward their own view around this ahead of time and the group discussed each in detail and quite easily agreed on a set to take forward.
- 3.18. It felt important to the group to ensure a good mix – in terms of topic to ensure the same resources wouldn't be spread too thin, but also in terms of ability to deliver – something tangible for the short term that could be seen and experienced by children and families was agreed to hold a priority, alongside areas that could work in parallel over the medium and long term.
- 3.19. **Workstreams agreed to be put to Re-design board for approval on 30.07.24**
- Culture and principles in the hearings system
  - Data and information
  - Referrals
  - Robust preparation phase for hearings
- 3.20. The hearings re-design board met and approved these in principle with the ask to move to more detailed planning.
- 3.21. The planning group met again on 5<sup>th</sup> September to begin to develop PID for each workstream. It was agreed that it is for the group to set the vision and parameters but is for the project team once formed to flesh out the detail of each.
- 3.22. Discussion was had around the role of the group and agreed that going forward would provide detailed direction/oversight/approval ahead of papers going to re-design board – much like that of our internal Strategic Programmes Group. It was agreed that work would progress offline to ensure the traction required to take this work forward – both around the PIDs but also thinking about team formation.

## 4. Change Readiness

### 4.1. Change and Transition Planning

- 4.2. Our Change, transition and delivery strategy has now been fully developed and is being 'tested' with our planning and performance network ahead of it being launched. A draft of the strategy is attached for information at **(appendix D)**.
- 4.3. We have used the strategy and the approach within it to roll out our language guide and have continued to develop it alongside the project manager inputs.

### 4.4. Communication

- 4.5. Communication has really centred around visibility and face to face meetings – in person or over teams in this last period.
- 4.6. Project managers in each locality discussing the consultation (and its links across to the programme work) as well as the change manager linking in with each locality to talk about change, get an understanding of where each locality 'is at' in terms of workload/morale/readiness – building relationships to support the change strategy.



4.7. There has also been feedback about the sheer volume of communications – that there is so much going on right now that it is hard to read everything.

4.8. In the programme we have taken this on board and are developing our strategy to respond to this. We are working on our communications as being layered with options to engage at the level that suits – from a one minute glance over to an in depth look at plans.

4.9. We are having table discussion around the TOM and change strategy tomorrow at the managers event to update people, but mainly to hear from them, let them air any worries (or excitement!) about the various aspects of the change to come.

## **5. Recommendation**

5.1. **To note the progress and planning of the programme work within SCRA**

## **6. Appendices**

- A. [Target Operating Model - July 2024 Draft](#)
- B. [Programme Strategy](#)
- C. [Programme Delivery Plan](#)
- D. [SCRA Change Management Strategy](#)

**SCOTTISH CHILDREN'S REPORTER ADMINISTRATION**

**Board Dates January 2025 to December 2025**

**Accountable Member:** Board Chair

**Date:** 18th September 2024

**Recommendation:**

**To approve SCRA's Timetable of Board and Committee Meetings from January 2025 to December 2025**

**Reason for Report:** Board Approval

**Resource Implications:** Within approved plans

**Strategy:** Within approved plans

**Consultation:** Board Members  
Executive Management Team

**Equalities Duties:** Equalities Impact Assessment not required

**Document Classification:** Not protectively marked

## Scottish Children's Reporter Administration

### Schedule of Board and Committee Meetings 2025

#### Board Meetings - 10.30 a.m. to 4pm.

Board Meeting	Tuesday 14 <sup>th</sup> January
	Tuesday 25 <sup>th</sup> March
	Tuesday 17 <sup>th</sup> June
	Tuesday 23 <sup>rd</sup> September
	Tuesday 16 <sup>th</sup> December
Board Development Day	Tuesday 29 <sup>th</sup> April
	Tuesday 04 <sup>th</sup> November

#### Audit and Risk Committee - 10.30 to 1pm.

Audit & Risk Committee	Tuesday 25 <sup>th</sup> February
	Tuesday 27 <sup>th</sup> May
	Tuesday 26 <sup>th</sup> August
	Tuesday 25 <sup>th</sup> November

#### Remuneration and Nominations Committee – 09:30 to 10:15am

Remuneration & Succession Planning Committee	Tuesday 17 <sup>th</sup> June
	Tuesday 16 <sup>th</sup> December

#### CHS/SCRA Joint Meeting of Boards 10.30 am. to 4pm.

CHS/SCRA Joint Meeting of Boards	TBC
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