

Criminal Justice Committee

**5th Meeting, 2023 (Session 6), Wednesday 8
February 2023**

Pre-budget scrutiny: consideration of the response from the Scottish Government

Note by the clerk

Background

1. In recent months, the Criminal Justice Committee undertook pre-budget scrutiny in advance of the publication of the Scottish Government's 2023-24 budget. The Committee considered the possible longer-term implications for the budget of the Scottish justice sector given the current economic environment.
2. The Committee sought views on the following issues:
 - The impact of a possible real terms cut in the funding for the Scottish justice sector for the financial year 2023/24; and,
 - The impact of a possible real terms cut in the funding for the Scottish justice sector for the financial year over the longer term if the present rate of high inflation continues beyond 2023.
3. The Committee's report (in the form of an [extended letter](#)) was published on 9 December 2022.
4. On 22 December, the Scottish Government replied to the Committee's report (**see Annex**).

Action/Decision

5. Members are asked to discuss the response received and decide what, if any, further action is required.

**Clerks to the Committee
February 2023**

ANNEX

Response from the Scottish Government to the Committee's report on pre-budget scrutiny of the planned 2023/24 budget

Dear Convener

CRIMINAL JUSTICE COMMITTEE - PRE-BUDGET SCRUTINY REPORT

Thank you for sending me a copy of the Criminal Justice Committee's Pre-Budget Scrutiny report dated 9 December. I am grateful to you and to the Committee members for the work that has been undertaken over the past few months. I am also grateful to the stakeholders and interested parties who have contributed and informed the Committee's work. I have read your report with interest and have noted the conclusion and recommendations. I hope this response addresses the issues raised.

2023-24 Scottish Budget

As you know, the 2023-24 draft Scottish Budget was introduced to the Scottish Parliament on 15 December. This Budget has taken place in the most turbulent economic context most people can remember, and the Scottish Government, like governments all over the world, continues to be faced with a difficult set of choices. The three strategic priorities of the 2023-24 Scottish Budget are eradicating child poverty, transitioning to Net Zero, and investing in sustainable public services. Our public services are the building blocks of the fairer society we are determined to create and must be available to meet the needs of our citizens, and we must ensure they are constantly adapting to changing need in our society. The Scottish Government remains committed to a necessary process of public service reform designed in line with well-established Christie Commission principles, with a strong emphasis on early intervention, prevention and local delivery, alongside the need to ensure that all of our public services are designed to be person-centred.

A Public Sector Pay Policy (PSPP) has not been published alongside the Budget, as it has been in previous years. This reflects the current situation where a number of pay negotiations for 2022-23 have not yet been concluded, alongside an uncertain inflation outlook. The 2023-24 Budget stresses the need for individual public bodies to balance their overall pay bill with wider investment – continuing to deliver efficiently and effectively within their budget allocations. It also continues our policy of no compulsory redundancy in the public sector, giving those delivering essential services greater security.

Justice Portfolio

The 2023-24 Budget sets out our intention to go beyond the investment which was originally envisaged for the Justice Portfolio in the Resource Spending Review. We will invest almost £3.4 billion across the justice system in 2023-24. Alongside identified portfolio savings an additional £165 million will be invested to address the significant pressures on the justice system, and to ensure we continue to address the Covid backlog and progress transformational reforms across the justice system. This will strengthen and reform vital front-line services, provide support for victims and

witnesses, and tackle the underlying drivers of offending. The additional investment aims to ensure the delivery of responsive and resilient justice services, better equipped to deal with the even greater fiscal challenges that lie ahead.

In light of inflationary pressures and wider market conditions, the Scottish Government has had to make hard choices to reprioritise its 2023-24 capital budget to deliver against Government priorities. These are not choices that the Scottish Government has taken lightly.

The Justice portfolio capital budget will increase by £37.4 million compared with the current year, to over £200 million in 2023-24, which is welcome. However, this is below the projected increase anticipated in the capital spending review. We are considering the implications of this for our capital spending plans, although I am pleased that we have been able to protect the core capital budget allocations for police and fire and increase allocations for prisons and courts.

The Justice portfolio budget allocations for both capital and revenue can be found in the published Level 4 tables. The sections below provide more detail on how the additional investment in 2023-24 has been allocated, and what it will deliver.

Scottish Police Authority

Policing is a priority and will continue to be a priority for this Government. Recognising the crucial role Police Scotland officers and staff play keeping our communities safe, we will invest £1.45 billion in policing in 2023-24, with the Scottish Police Authority (SPA) resource budget increasing by 6.3% - an additional £80 million. This continues the trend of increasing the policing budget year on year since 2016-17. This will provide a stable basis from which to deliver policing which supports the safety and security of communities across Scotland. This will also enable SPA and Police Scotland to take forward collaboration and co-location opportunities with blue light services across Scotland, as well as with wider public sector organisations which will promote closer working, improved service delivery and efficiencies across the system. At a time when the overall portfolio capital budget has reduced, the SPA capital budget has been protected and maintained at £45.5m in 2023-24 for investment in police assets including the estate, fleet and technology.

In addition, £20m resource and £4.6m capital from the police reform budget has been baselined into the SPA resource and capital budget lines to provide the SPA with greater flexibility. This will continue to be ringfenced for reform and transformation projects which support the delivery of the Joint Strategy for Policing.

Responsibility for the allocation of the budget across policing priorities is for the SPA and the Chief Constable. We will continue to work closely with both SPA and Police Scotland to manage the policing budget going forward and to enable further improvements to operational delivery.

In relation to paragraph 77 of your report you stated that I said that I have no intention of cutting police officer/staff numbers. This is an inaccurate reflection of what I said. According to the Official Report, in response to questioning from Jamie Greene MSP I said that I had “no intention of overseeing a budget for the police force that results in

4,000 officers leaving” and I believe the additional £80m resource allocated to policing supports that position. To go any further than above would be to infringe on the Chief Constable who is responsible for the recruitment and deployment of police officers and staff in Scotland, so I would ask that you amend your report accordingly.

Scottish Fire and Rescue Service

We are committed to supporting the Scottish Fire and Rescue Service (SFRS) in continuing to deliver the high standard of services required to keep Scotland safe. The Scottish Government has therefore provided SFRS with a further uplift of £10m resource for 2023-24, which will bring the total budget to £362.7m. This means we have supported SFRS with substantial year on year increases in budget since 2017-18.

The equivalent annual budget for SFRS (with VAT being reclaimed) for 2023-24 will be over £55.3m higher than it was in 2017-18. We have maintained the £32.5m capital budget for SFRS in 23-24 to invest in buildings, fleet and equipment, although I recognise that this will still require significant work to prioritise projects and demands.

Scottish Prison Service

The evidence presented to the Committee highlighted the rising costs facing the Scottish Prison Service (SPS), in particular costs of private sector contracts that are linked to inflation and increases in utilities, such as gas and electricity. SPS will receive an additional £29m resource to help meet these rising costs, as well as increases to the pay bill and challenges around an increasingly complex prison population. SPS will also receive £97m in capital funding to continue the modernisation of the prison estate. This will include, during 2023-24, the completion of the new female national prison at HMP Stirling. The 2023-24 budget will allow SPS to continue to deliver a stable and secure prison system.

Community Justice

In 2021-22, recognising the significant impact of the pandemic on justice social work services, £11.8m of additional funding was provided to build capacity and resilience to support a sustainable recovery. That investment was continued into 2022-23, and was increased to £15m, with specific funding aimed at strengthening alternatives to remand, including further expansion of bail supervision and support for bail assessment.

While this additional funding was prompted by the immediate effects of the pandemic, we recognise its longer-term value in bolstering capacity within justice social work and supporting the delivery of the revised National Strategy for Community Justice. We are therefore maintaining this funding in 2023-24, in addition to continuing funding for local authorities of around £108m.

Scottish Courts and Tribunals Service and COVID Recovery

The 2023-24 budget provides an additional £5m resource and £4.7m capital for the Scottish Courts and Tribunal Service to help meet pay and inflation pressures, and to support essential capital repair and replacement works. Decisions on the allocation of these additional resources are for the judicially-led SCTS Board.

In addition to the core funding for the SCTS, we will invest £27 million to continue the collaborative justice Covid recovery work to deal with the backlog of cases and reduce the impact on complainers, witnesses and accused people, as well as on those who work within the system. As the Committee will be aware, SCTS has set out plans to introduce 2 new High Courts and 6 new sheriff solemn courts by April 2023 (while ending the 10 additional summary courts created in 2021 under the cross-Justice Recover Renew and Transform programme). This will focus resources on the backlogs in solemn business, so that the most serious cases can progress as quickly as possible. Our continued investment will support that work.

Legal Aid

The 2023-24 budget includes an additional allocation of £4.2 million for the Legal Aid Fund and administration. As the Committee is aware, in practice, the Legal Aid Fund is demand-led and not cash limited, so all eligible expenditure will be met. In addition, following positive engagement with the legal profession, we will bring forward regulations in the New Year to further increase and reform Legal Aid fees. The budget also includes a further £3 million of new funding to support access to justice, including in deprived communities and for vulnerable groups.

Victims

The 2023-24 budget includes £2.5m in additional funding for victims and witnesses, including to help support the justice aspects of the next phase of the Scottish Bairns' Hoose model and progressing our vision for access to trauma-informed recovery and support. In March 2022 we announced £48 million over 3 years of grant funding for organisations which support victims and survivors of crime, through the new Victim Centred Approach Fund.

The Budget allows us to continue this multi-year commitment to these key services. The Fund supports over 20 diverse organisations spread across the country, including organisations working with the victims and survivors of violence against women and girls, victims of human trafficking and ethnic minorities.

Justice Transformation

We are investing £3.5 million this year in the continued delivery of a Digital Evidence Sharing Capability. This major programme of transformation will allow evidence to be shared digitally from crime scene to court room, significantly improving efficiency in the investigation and prosecution of crime. It will support cases being resolved at an earlier stage meaning less inconvenience and delay for victims and witnesses. The capability will be piloted and rolled out in 2023.

The Scottish Government agrees with the Committee that there is a requirement for the justice organisations to work more closely together to deliver further efficiency savings. With that in mind, £5m of the police reform budget is being directed towards cross-justice reforms including blue light collaborations.

Police and Fire Pensions

The Scottish Government has an absolute commitment to meet the costs of the pensions and lump sum payments on retirement for retired police officers and firefighters. While this is an area that is demand led, and accordingly the allocations can be subject to change in-year, the 2023-24 budget provides an additional £50m to meet the costs of the pensions of retired police and fire officers. The pension budget for 2023-24 is £400.6m, broken down as £291.8m for Police and £108.8m for Fire.

Crown Office and Procurator Fiscal Service

As you know, the budget for the Crown Office and Procurator Fiscal Service is separate from the Justice portfolio budget. The 2023-24 draft Budget confirmed increases to the COPFS budget of £13.2 million in additional revenue funding and £3m in additional capital funding.

Conclusion

In conclusion, I am pleased that, despite the many pressures on the overall Scottish Government budget, the Justice portfolio budget for both revenue and capital will increase during 2023-24. These resources are being targeted to meet our priority to ensure sustainable public services and to ensure continuing progress in addressing the impact of the Covid pandemic. We will continue to work with key Justice agencies to support them to ensure that these increased resources are used effectively and that they can adapt and respond to the changing needs of society.

Keith Brown
Cabinet Secretary for Justice and Veterans