

Children (Care and Justice) (Scotland) Bill

[As amended at Stage 2]

Supplementary Financial Memorandum

Introduction

1. As required under Rule 9.7.8B of the Parliament's Standing Orders, this supplementary Financial Memorandum is published to accompany the Children (Care and Justice) (Scotland) Bill, (introduced in the Scottish Parliament on 13 December 2022) as amended at Stage 2.
2. The Memorandum has been prepared by the Scottish Government. It does not form part of the Bill and has not been endorsed by the Parliament. It should be read in conjunction with the original Financial Memorandum published to accompany the Bill as introduced, as well as the updated financial forecasts provided to the Education, Children and Young People Committee on 6 October 2023¹.
3. The purpose of this supplementary Financial Memorandum is to set out the expected costs associated with the new and amended provisions included in the Bill following the amendments made at Stage 2. This document addresses those amendments with anticipated or potential cost implications. Amendments agreed at Stage 2 which are not covered in this supplementary Financial Memorandum are considered not to significantly or materially affect the assumptions in the original Financial Memorandum.

Part 1 – Children's hearings system

Section 6 – Provision of information to person affected by child's offence or behaviour

4. Further amendments to sections 179B and 179C of the Children's Hearings (Scotland) Act 2011 were agreed which give power to the Principal Reporter to share

¹ [Letter and updated financial information to the Education, Children and Young People Committee](#)

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information with a victim,² who has opted to receive such information, about measures such as contact prohibitions³ included within a compulsory supervision order (CSO), a Movement Restriction Condition (MRC) included in a CSO, or where a children's hearing's decision has been made authorising secure care⁴ in respect of a child.

Costs on the Scottish Administration

5. Provisions in the Bill as introduced placed a duty on the Principal Reporter to advise a victim entitled to receive information of their right to that information, subject to certain exceptions. The Scottish Children's Reporter Administration (SCRA) estimate that the additional obligations under the further amendments that would now be made by section 6 of the Bill will cost as an estimate in the region of £20,000 p/a (based on 0.4 FTE staffing costs regarding victim information officer capacity) from commencement of the relevant provisions should the Bill pass, currently estimated as financial year 2025-26.⁵

Section 6A – Support for victims in the children's hearings system

6. Section 6A will insert a new section 179D into the 2011 Act. This would require the Scottish Ministers, by regulations, to make provision for support services for victims of children whose cases are dealt with by the children's hearings system.

Costs on the Scottish Administration

7. The regulations setting out the support to be provided, the requirements of organisation(s) providing support services and reporting and monitoring expectations are still to be developed pending Parliament's final settled view on these matters. Engagement with prospective support-providers has, however, taken place to assess potential models of provision, and to scope broad likely general delivery and monitoring costs. Based on a single-point of contact model, from a considered proposal from Victim Support Scotland, covering support to an estimated 8000 victims which would be available across Scotland, initial and annually recurring costs in the range of £250k to £300k are forecast, with reference to the estimated increase in offence referrals diverted to the Principal Reporter in the Financial Memorandum and in the updated financial information provided in October 2023, requiring a team of 4 FTE staff expected from implementation around 2025-26, with the necessary preparatory activity taking place in 2024-25.⁶

² By "victim" here is meant a person mentioned in section 179A(4) of the 2011 Act, principally a victim of an offence that appears to have been committed by the child who is involved with the children's hearings system or a person harmed by the actions or behaviour of a child under 12 who is involved in the system.

³ As inserted into section 83 of the 2011 Act by section 4 of the Bill.

⁴ That is, including a secure accommodation authorisation in a CSO.

⁵ This is an estimate only as until the operation of the Bill and the revised Lord Advocate guidelines are in operation it is not possible to quantify numbers.

⁶ The figures are based on an estimated 8000 victims requiring support of up to 20 hours. This figure will vary depending on demand for the service and the needs of the particular victim, and will be dependent on the content and operation of the Lord Advocate guidelines in force at any relevant time.

Section 6B – Duty to establish an information sharing system

8. Section 6B was also inserted by amendment. This too would require the Scottish Ministers, by regulations, to establish a system to share information with victims of children whose cases are dealt with by the children’s hearings system.

9. This is similar to the duty under new section 179D (inserted into the 2011 Act by section 6A), but is broader and more wide-ranging, with a duty to establish a three-tiered model of information sharing. The provision is for regulations to include an ‘opt out’ information sharing service, with risk assessment of each individual victim, and increased information sharing between agencies to facilitate the provision of information to victims. It would commence along with the provisions under section 6A, subject to Parliament’s final positions and multidisciplinary implementation planning discussions, but projected to be in the latter part of business year 2025-26.

Costs on Scottish Administration (as known at time of submission)

10. The detail of what will be required by the future regulations will be further developed after consultation on the scope and content of those regulations. The costings, however, would be significant, as the envisioned scheme would involve a complex, tailored approach to risk assessing all victims to determine their needs for information as well as a bespoke approach to prevailing risks of further harm, which will require considerable resource and training for the carrying out of such an assessment. Assessment would be required in relation to which public body or agency should provide this and will require significant start-up costs as well as ongoing resource. In addition the proposals for sharing information between agencies, including local authorities, police and Children’s Hearings Scotland requires further detail to allow any estimates of costing to be made.

11. Until more detail is available based on the detail of the future draft regulations, cost assessments will be limited as to detail and specificity. The opt-out aspect of information service will involve an estimated annual additional £120k to increase the Scottish Children’s Reporter Administration (SCRA) resources needed to meet an estimated five fold increase in the needs for the service based on the existing model, and is to cover an additional 2 FTE staff costs, communications, printing and paper costs.

12. By way of illustration of costs that may be involved, based on a previous victim information pilot project operated in Forth Valley in 2004-2006 (covering Falkirk, Stirling and Clackmannanshire local authorities – representing 6% of demand flowing from all offence referrals nationally), the victim information work alone under section 6B would cost around an inflation-adjusted estimate of £200k per annum. This figure is based on adjusting figures and referral rates from 2006 and upscaling to reflect the demand flowing from a similar national offence referrals-driven scheme. In addition, also applying the same adjustments to the 2006 model costing it is likely that training across agencies such as police and local authorities would require additional start-up costs of an estimate of £300K to meet national training needs across the affected agencies.

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Combining with the support aspects proposed under section 6A, new costs to the Scottish Administration of the order of £1.1m could be incurred. This excludes the likely much more significant costs associated with the proposed individualised risk assessment of each victim and then establishing the necessary interagency management information and communication systems, which will also incur start-up and recurring costs, noting that no analogous service currently exists.

Paragraph 5A of the schedule (introduced by section 30) – Social Work (Scotland) Act 1968, section 27

13. Paragraph 5A of the schedule, inserted by amendment at Stage 2, will mean the supervision of, and provision of ‘advice, guidance and assistance’ to, persons subject to a restriction of liberty order under section 245A of the Criminal Procedure (Scotland) Act 1995, will extend to persons who are under 18 years of age (rather than under 16 as is currently the case).

Costs on local government

14. The number of restriction of liberty orders on children is minimal and so no material additional cost is quantified at the national level about the marginal additional support requirements across authorities for such a small number of core orders. The child will likely already be subject to existing equivalent orders to support them under community payback orders. Based on current usage, the increased costs will relate to around 7 cases, with individual average costs for servicing a restriction of liberty order estimated as ranging from £1600 to £2100 per order. Subject to the caveats outlined at paragraph 9 above, it is expected that any costs would crystallise towards the end of business year 2025-26.

Overall costs

Per annum costs borne by	Before Stage 2 ⁷	Following Stage 2
Scottish Government	£11m	£11.65m (+£300k one off costs) ⁸
Local Government	£6.97m	£7.12m
Total	£17.98m ⁹	£18.12m ¹⁰

⁷ As updated in the additional information in the Letter dated 6 October 2023 to the Education, Children and Young People Committee

⁸ One off costs would arise at commencement in 2026

⁹ Figures do not sum due to rounding

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