



children's
hearings
scotland

Annual Report and Accounts 2024 - 25

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Performance Report

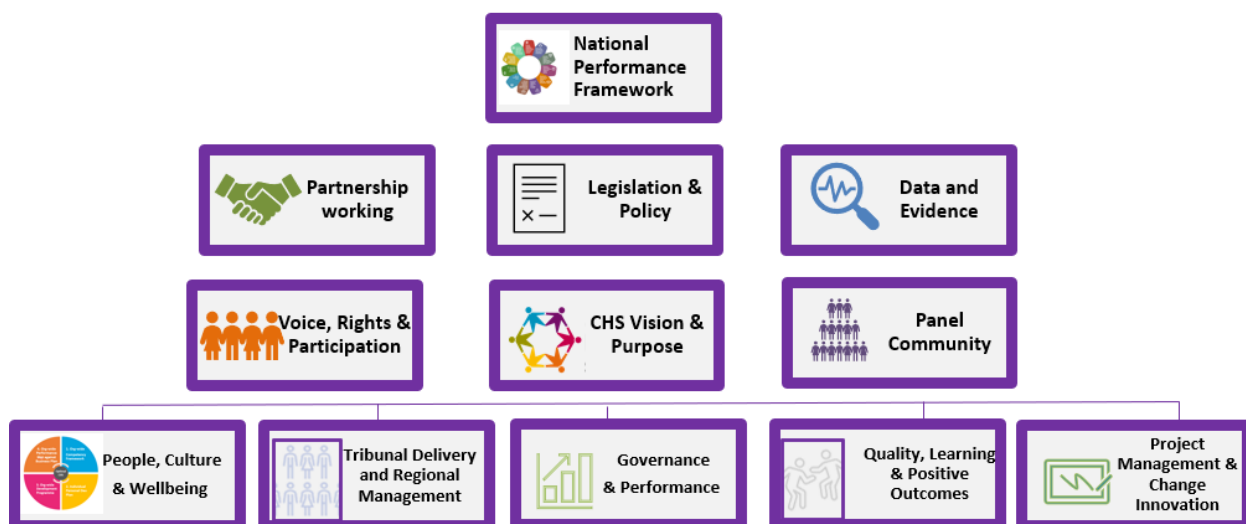
Performance Overview

Introduction

Children's Hearings Scotland (CHS) is one of a number of organisations that work within the Children's Hearings System, Scotland's unique care and justice system that exists to ensure the safety and wellbeing of infants, children and young people in Scotland.

The children's hearings system was established as Scotland's unique care and justice system for children and young people over 50 years ago. It exists to ensure the safety and wellbeing of children and young people who experience vulnerability in their lives through a decision-making lay tribunal called a children's hearing. Each hearing is made up of 3 members of the national Children's Panel which is comprised of specially trained volunteers drawn from local communities. You can find more about what we do on our website www.chscotland.gov.uk

Under The Children's Hearings (Scotland) Act 2011 the main responsibilities of the National Convener of CHS are to recruit, train and support over 2,500 volunteers across Scotland to ensure all hearings make child-centred decisions which respect and protect children's rights and support them to thrive. This performance report sets out how CHS have achieved this during the period 2024-2025 under the CHS strategic framework and incorporating the CHS values as shown below.



All CHS activities are underpinned by our values, seek to deliver on our aims and objectives and aspire to meet our vision.



From Our National Convener / Chief Executive

In 2024/25 we completed our first year in delivering our identified strategic themes as set out in our Strategic Outlook 2024-2027. These are:

- Delivering positive outcomes
- Valuing our people
- Driving transformation

As you will see in this Annual Report, I am pleased to report that strong progress across these areas was achieved during the year. We have continued to shape and inform what we expect to be some of the most transformational changes since the inception of the children's hearings system.

In June 2024, The Children (Care and Justice) (Scotland) Act received Royal Assent. This landmark legislation further strengthens the rights of children in Scotland and will enable all people under 18 to access the protection and support of the hearings system. Within three months of it passing into law, we saw an end to any child being held in Young Offenders Institutions. This Act, along with the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, reinforces that the work of Panel Members is one of the strongest ways in which children's rights are protected in Scotland.

Another key policy development was the Scottish Government's Children's Hearings Redesign consultation, which was undertaken between July to October 2024, as the next step following the Hearings for Children Report. CHS worked with our community and wider stakeholders to develop a considered and detailed response, laying out the changes we believe are required to future-proof and build on the strengths of the hearings system to safeguard and champion the rights of children.

In the last business year, we fully implemented our new Tribunal Support Model to more effectively support our Panel Community. This has included local partnership roles who are developing relationships and working to create effective spaces at local level for collaborative improvement and reform where they aren't in place i.e. local Children's Hearings Improvement Partnerships. A Wellbeing offer for our community is in place, and wellbeing colleagues have been instrumental in liaising with our learning teams to support Panel Members through their journey to chairing. We also adopted a new approach to change management to implement this important and significant programme of work which won the Public Sector Award for Project and Programme Management.

We have been preparing for the Children (Care and Justice) (Scotland) Act 2024 coming into full effect, and the anticipated changes that the Scottish Government may introduce in response to the Hearings Redesign consultation. CHS has continued to work with the Scottish Government, our community and our partner organisations to ensure that the best possible outcomes for infants, children and young people remain our highest priority throughout the changes to come.

- Elliot Jackson

Who We Are and What We Do: Our Purpose, Activities, Structure and Values

CHS is divided into 4 key directorates: Positive Outcomes; People and Culture; Tribunal Delivery; and Business and Finance. It is supported and led by a dedicated and professional national team which provides leadership, guidance, operational support, quality standards and support for people across all areas of our work. Children's Hearings Scotland would not function without our dedicated volunteer panel members; the people who make the decisions in the hearings. All functions work together to deliver excellence in the children's hearings system.

Positive Outcomes



With responsibility for participation, quality, practice, policy, participation, standards and learning, the Positive Outcomes Directorate provides a cohesive approach to how we deliver hearings in a trauma-responsive and rights-upholding way consistently across Scotland. The function provides CHS and external partners with assurance about the outcomes that are achieved for our infants, children and young people and drives improvement where we need to change.

People and Culture



The People and Culture function plays a key role in supporting the organisation's most valuable asset – our people – by providing guidance, support and resources across the organisation. The team has overall responsibility for driving forward an organisational culture for colleagues and Panel Community which is fair, inclusive and transformative and one that promotes diversity, equality, inclusion and wellbeing aligned with our CHS values and objectives.

Business and Finance



The Business and Finance function is a central corporate service that provides excellent governance, change assurance, data insight, digital infrastructure and financial management to support CHS to deliver its statutory functions and to achieve its ambitious transformation strategy and its long-term vision.

The Tribunal Delivery Model

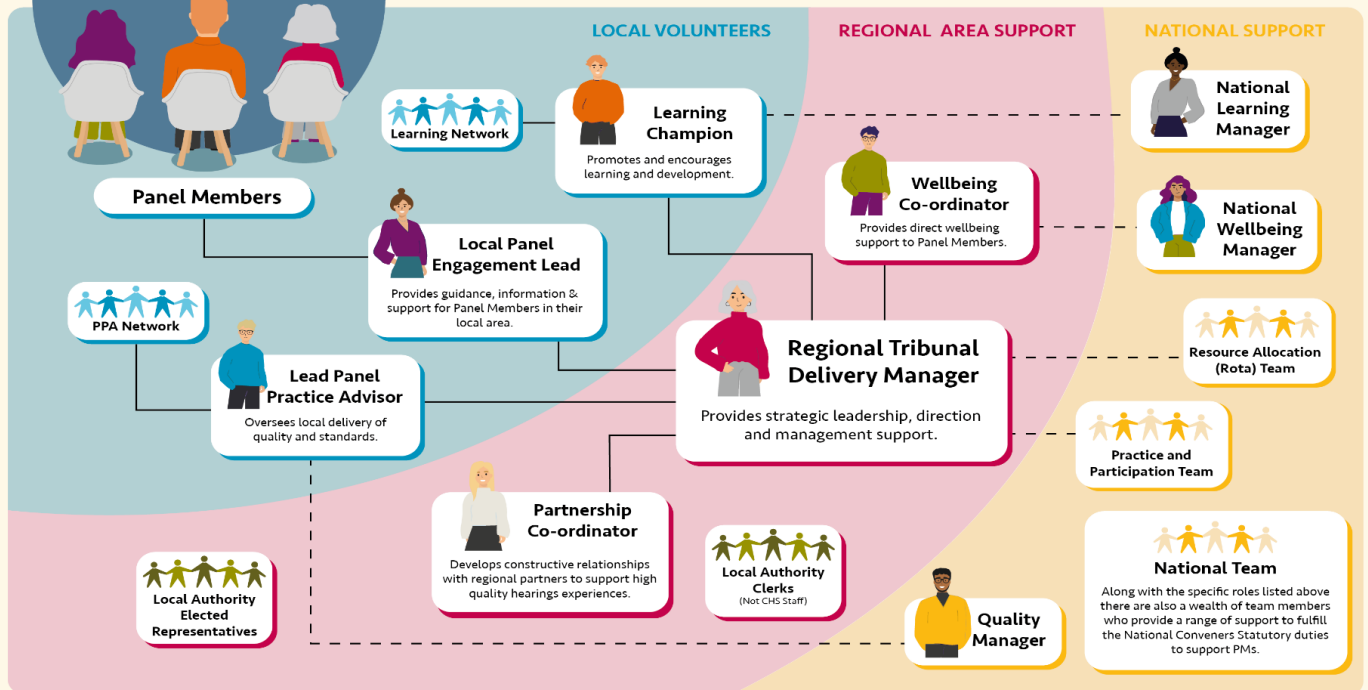


Children's Hearings Scotland is implementing a sustainable Tribunal Support Model that delivers support for our panel members and ultimately improves the outcomes for children and young people. This new operating model is aligned to SCRA localities, providing connection with our key hearing system partner.

HOW CHS SUPPORTS OUR PANEL MEMBERS



Behind every Panel Member who is making decisions for, and with, infants, children and young people, is a **Regional Area Support Team (AST)** to provide support, learning and wellbeing of Panel Members. The Regional Area Support Team (AST) is the operational group that manages the effective delivery of CHS's statutory functions in one of nine geographical localities across Scotland.



The Tribunal Delivery Model addresses some of the additional burdens on our volunteers whilst continuing to provide fulfilling, sustainable volunteer opportunities beyond panel membership. It provides a centralised, fair and consistent approach to resource allocation that maximises our opportunities to fulfil hearings; an enhanced support structure to Panel Members that will be consistent across the country; and a strong foundation to support and enable our panel community to deliver quality decisions and take on new responsibilities derived from The Children (Care and Justice) (Scotland) Act, and any recommendations Scottish Government take forward from the Hearing System Redesign report.

What We Want to Achieve: Our Strategic Themes and Business Objectives

Children's Hearings Scotland works to a set of National Standards, and we make sure that our vision, purpose and values are visible in everything that we do. This is set out in the CHS Strategic Outlook 2024-27 and the CHS Business and Corporate Parenting Plan 2024-25 supports the first year of this approach.

Our Vision

Our vision is for all infants, children, young people and their families to be safe, loved, and supported to realise their full potential.

Our Purpose

Our purpose is to ensure our hearings make child-centred decisions which respect and protect children's rights and support them to thrive.

Our strategic themes will deliver our vision through strong principled leadership, resilient systems, effective partnerships and organisational efficacy, all underpinned by our unwavering commitment to our values and delivering our contribution to Scotland's National Outcomes.



Theme 1: Delivering Positive Outcomes:

- Develop a 3-year quality strategy which informs and drives our areas for change and improvement.
- Codesign a revised Children's Rights and Inclusion strategy with care experienced young people aligned to the accepted recommendations from the Hearings for Children Report and upcoming changes to legislation.
- Improve young people's experience of the hearing by building on the work of the Language Leaders to ensure language used in the hearing system supports children to feel safe, included and at the centre of their Children's Hearing.
- Fulfil our obligations and prepare our people for the implementation of the Care and Justice Bill in children's hearings.

Theme 2: Valuing Our People:

- Develop a nationally consistent approach to recognition within our community to improve the experience of Tribunal Members and strengthen our culture of appreciation.
- Continue to support our Panel community through the embedding of regional support structures that promote engagement, retention, and provide meaningful opportunities for our volunteers.
- Develop a 5-year Learning Strategy which offers innovative solutions for learning, meeting the changing needs of the hearing system and our Panel community.
- Implement a strategic approach to Wellbeing that supports an improved experience for volunteers and colleagues.

Theme 3: Driving Transformation:

- Work with partners and stakeholders across the sector on the implementation of those Hearings for Children recommendations accepted by Parliament.
- Improve the extent to which CHS has access to and can collaborate with partners on the use of data to inform decision making.
- Improve the experience, delivery and fulfilment of Hearings through a nationally fair and consistent approach to rota management.
- Continue to lead and influence change in the sector and hearings system through on-going collaboration with national partners and our community.

CHS Business and Corporate Parenting Plan 2024/25

This Business and Corporate Parenting Plan for 2024-2025 directly underpins our new Strategic Outlook 2024/27 and identifies those activities CHS will achieve within the business year, and over the next three years, which progress the delivery of our renewed vision, purpose, and strategic goals. The following objectives were set out in line with the three strategic outlook themes.

	Complete		On track
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CHS Business Plan Objectives 2024/25		Completion Rate
Delivering Positive Outcomes 		
1	Develop a 3-year quality strategy which informs and drives our areas for change and improvement	100% on track
2	Continue to embed and give further effect to the United Nations Convention of the Rights of the Child (UNCRC) (Scotland) Act in our work and practice	100% completed
3	Codesign a revised Children's Rights and Inclusion strategy with care experienced young people aligned to the accepted recommendations from the Hearings for Children Report and upcoming changes to legislation	100% on track
4	Fulfil our obligations and prepare our people for the implementation of the Children's Care and Justice (Scotland) Act in children's hearings	100% on track
5	Improve young people's experience of the hearing by building on the work of the Language Leaders to ensure language used in the hearing system supports children to feel safe, included and at the centre of their Children's Hearing	100% completed
6	Encourage hearing experienced feedback by young people through the provision of a unified complaints and feedback processes	100% completed
7	Drive Panel Member recruitment through national and local improvements	100% completed
Valuing our People 		
8	Develop a nationally consistent approach to recognition within our community to improve the experience of Tribunal Members and strengthen our culture of appreciation	100% on track
9	Continue to support our Panel community through the embedding of regional support structures that promote engagement, retention, and provide meaningful opportunities for our volunteers	100% completed
10	Develop a 5-year Learning Strategy which offers innovative solutions for learning, meeting the changing needs of the hearing system and our Panel community	100% completed
11	Progress our ambition to become a Trauma Informed Organisation	100% on track
12	Implement a strategic approach to Wellbeing that supports an improved experience for volunteers and colleagues	100% completed

13	Refresh our people strategy which promotes the key principles behind a healthy, happy organisation including Equality, Diversity and Inclusion; Recruitment and Retention; Learning and Development; Wellbeing; and Reward and Recognition	100% on track
Driving Transformation 		
14	Work with partners and stakeholders across the sector on the implementation of the Hearings for Children accepted recommendations	100% on track
15	Improve the extent to which CHS has access to and can collaborate with partners on the use of data to inform decision making	100% on track
16	Enhance our digital designs but making effective use of technology and improving our user engagement journey	100% on track
17	Improve the experience, delivery and fulfilment of Hearings through a nationally fair and consistent approach to rota management	100% on track
18	Continue to lead and influence change in the sector and hearings system through on-going collaboration with national partners and our community	100% on track

Performance Summary

In addition to the objectives set out above, CHS mapped out further six objectives relating to organisational effectiveness and critical enablers. Overall, we tracked the delivery of twenty-five business objectives through the year. These objectives were broken down into milestones with timescales and/or targets. Progress on the milestones and objectives were reported to the CHS Board and Senior Management Team on a quarterly basis. As in-year performance and delivery are reviewed, Board approval is sometimes sought to remove milestones or objectives from CHS' planned delivery for the year. This may be due to internal or external factors.

For the year 2024/25 under the twenty-five business objectives there were sixty-three milestones. Twenty-six of these milestones had been marked to completed within the year. This was achieved except for four milestones that have been pushed in the business year 2025/26. A further thirty-five of the milestones are considered ongoing under the strategic outlook and remain on track. The remaining two of the overall sixty-three milestones were descoped during the year.

What Concerns Us: Our Key Issues and Risks

The CHS Board monitors the strategic risks through the Audit and Risk Committee. The Committee carefully scrutinises those risks which have the potential to impact significantly on CHS' performance, fulfilment of statutory duties, future prospects and developments. In 2024/25 the identified key strategic risks and mitigations are summarised below:

Risks	Mitigations
Budget – CHS is unable to deliver its business and National Convener's statutory functions due to lack of budgetary support via Grant in Aid.	• Business planning • Budget allocation and monitoring letter • 5-year financial plan • Effective engagement with sponsor team at Scottish Government
Learning – Uncertainty over the timing and extent of legislative reform impacts and, or delays CHS's ability to deliver its ambition for learning.	• Learning strategy • Hearing reform process • Hearing redesign boards • Effective engagement with Scottish Government
Cyber Security – CHS system experiences failures/breaches due to lack of cyber resilience measures or processes	• Digital support runbook towards gaining ISO27001 certification • Robust maintenance contracts in place for CSAS platform • SCOTS network monitored by iTECS • Cybersecurity training • Information governance reporting system
Data Sharing – System constraints and data sharing arrangements hinder CHS from quality assuring the National Convener's statutory functions.	• Collaboration improvement programme with SCRA • Working towards ISO27001 certification and cyber essentials • Mapping of data maturity feeding into data strategy and improvement plan
Capacity – CHS does not have sufficient Panel Members to fulfil the National Convener's statutory requirements.	• Re-design of recruitment campaigns • Engaging experts by experience • Capacity tracking • Continuous upskilling of volunteers/panel members • Retention and wellbeing project • Rota optimisation project • Tribunal delivery support model • Redesign board
Organisational Impact – CHS does not realise the benefit of its organisational restructure to maximise outcomes for infants, children and young people through greater support for Panel Members.	• People strategy • Workforce planning group • Management infrastructure • Senior management training programme • Communication strategy

CHS has a number of tools to manage these identified risks and operates under a comprehensive risk management framework. This risk framework extends to operational risk throughout the national team and wider volunteer community. Further information on the risk management framework is set out in the performance analysis below.

Performance Analysis

What We Did and Achieved in 2024-25: Performance Analysis and Key Activities

Financial Performance



In the year ended 31 March 2025, CHS reported net expenditure before Scottish Government funding of £9.130m (2024: £7.148m) against Scottish Government funding of £9.357m (2024: £7.735m), an excess of Scottish Government funding over net expenditure of £0.227m (2024: £0.587m) with revenue grant-in-aid of £8.857m (2024: £7.235m). The General Fund has a surplus of £0.225m as at 31 March 2025 (2024: a deficit of £0.002m).

Capital grant-in-aid was £0.5m (2024: £0.5m). Spend within the financial year of £1.063m funded a significant programme of investment in technology for volunteers.

In accordance with *International Accounting Standard 19 (revised) 'Employee Benefits'*, the financial statements reflect at fair value the assets and liabilities arising from CHS' retirement benefit obligations. As a result, CHS has a surplus of £1.718m on its pension reserve at 31 March 2025 (2024: £1.637m). Further details of pension assets and liabilities are provided in the Remuneration Report and the Notes to the Financial Statements.

The Board of CHS has no reason to believe that the Scottish Government's future sponsorship and future Ministerial approval will not be forthcoming or will only provide a reduced support to CHS. Given the above it is considered appropriate to adopt a going concern basis for the preparation of these financial statements. This is in line with the underlying assumption in the Government Financial Reporting Manual (FReM) that Government accounts are prepared on a going concern basis.

In line with Scottish Government guidance, CHS' policy is to pay all invoices, not in dispute, within the lesser of 10 working days and the agreed contractual terms. During the year ended 31 March 2025, CHS paid 84% (2024: 87%) of invoices within the terms of its payment policy. CHS' Senior Leadership Team and Board have taken steps to ensure CHS has policies in place to guard against corruption and bribery, including CHS' procurement policy, Financial Regulations and Fraud and Corruption Policy.

2024/25 Key Activities



In 2024-25 CHS continued to face a challenging fiscal environment alongside the wider public sector. We remain indebted to our Panel Community, National Team, and partners across the sector who continued to be present and strive for better outcomes for infants, children, young people and their families.

- We delivered two successful Panel Member recruitment campaigns bringing new, fresh talent and dedication into the volunteer community with the **involvement and input of lived experience recruiters**.
- We continued to **deliver high-quality training** for Panel Members, adopting a refreshed approach to our pre-service programme. This included integrating training of the Chairing role and increasing opportunities for practical skills development to strengthen both competence and confidence.
- **We worked collaboratively with our Panel Community** to inform, influence and respond to the Scottish Governments Children's Hearings Redesign consultation.
- We worked alongside our **Experts by Experience** group ensuring that young people with lived experience of the hearings system play a key role in CHS decision making.
- We worked with Scottish Government colleagues and partners in the sector to advise, influence and implement the **legislative changes** that support and uphold children's rights, such as the Children (Care and Justice) (Scotland) Act 2024.
- We celebrated and thanked our community through local recognition events and nationally during **Volunteers' Week**.
- We **reappointed over 373 Panel Members** for a further three years.
- We **refreshed our website and communications materials** to make them more accessible.
- We fully **implemented a new Tribunal Support Model** to more effectively support our Panel Community. This has included local partnership roles who are developing relationships and working to create effective spaces at local level for collaborative improvement and reform where they aren't in place i.e. local Children's Hearings Improvement Partnerships. A Wellbeing offer for our community is in place, and wellbeing colleagues have been instrumental in liaising with our learning teams to support Panel Members through their journey to chairing.
- CHS adopted a new approach to change management to ensure implementation of significant change programmes across the organisation, with the team winning a Public Sector Award for Project and Programme Management.

National Convener Functions

The National Convener carried out the following statutory duties set out in the Children's Hearings (Scotland) Act 2011:

- 1,521 requests for panel member continuity were made as part of decisions for 1,258 children.
- We received and responded to 2 requests for written advice, relating to 5 children, under section 8 of the Children's Hearings (Scotland) Act 2011.
- 2 requests to serve notice on the implementation authority of their failure to implement the terms of a Compulsory Supervision Order were made under section 146 and 147 of the Children's Hearings (Scotland) Act 2011.
- 0 applications were made to the Lord President of the Court of Sessions to remove a panel member under para 1(6) of Schedule 2 of the Children's Hearings (Scotland) Act 2011.
- 0 referrals were received about excluded pupils under section 127 of the Children's Hearings (Scotland) Act 2011.

Organisational Performance Summary

CHS internal performance report is designed to allow the Board, on a quarterly basis, to monitor the delivery of the objectives in CHS' Business Plan and scrutinise the overall performance of the organisation. The format of this reporting is Key Performance Indicators (KPIs). The targets set considered realistic and achievable as the objective of any KPI is to be a mechanism for learning and delivering continuous performance improvement.

	Target Met or exceeded		Within 10% of Target		Target Missed
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KPI	2024/25 Target	2024/25 Result	Past Results
Number of submissions made through the child friendly feedback complaints portal	48	49	2023/2024: 12
% of volunteers and colleagues completed Trauma Informed training phase 2	100%	100%	New measure
% of active and eligible Panel Members observed in year	100%	76%	2023/24: 71%
% of pre-service trainees who felt that the learning objectives were met	99%	98%	2020/21: 98% 2021/22: 99% 2022/23: 98% 2023/24: 99%
% of recommended applicants appointed as Panel Members	90%	79%	2020/21: 83% 2021/22: 75% 2022/23: 84% 2023/24: 83%

KPI	2024/25 Target	2024/25 Result	Past Results
% of eligible PMs completed Enhanced Practice and Management of Hearings training (based on active and eligible during 24/25)	70%	30%	New measure
% of regions involving young people in the design or delivery of the recruitment of panel members (9 regions)	100%	100%*	New Measure
% of Panel Members successfully reappointed (based on who was still a Panel Member in the month before reappointment)	85%	82%	2022/21: 79% 2021/22: 62% 2022/23: 70% 2023/24: 80%
% of Panel Members retained during the year	85%	84%	2021/22: 86% 2022/23: 78% 2023/24: 83%
% CHS employee attendance	97%	98%	2020/21: 99% 2021/22: 85% 2022/23: 97% 2023/24: 97%
% invoices not in dispute paid within 10 working days, during normal operations	95%	84.3%	2020/21: 85% 2021/22: 85% 2022/23: 83% 2023/24: 87%

Regarding the KPIs above:

- % of active and eligible Panel Members observed in year – With a current reliance on volunteers for observation of a panel member, we have prioritised groups of panel members for observation. This includes new panel members, those for whom there has been a complaint and those who were required to be observed to achieve their professional development award. Due to this change this KPI has now been retired.
- % of pre-service trainees who felt that the learning objectives were met – As this KPI was only 1% from the expected target and this KPI has been consistently met or within 1% of target for the last five years no recommendations or change to this KPI are deemed necessary.
- % of recommended applicants appointed as Panel Members – This measure replaces “% of applicants put forward for preservice training who completed full training” and the past results data reflect the previous name. After further analysis of the data captured the data is based on the number of learners that have passed training only, it does not consider why those who passed were not appointed. Non-appointment may be a result of a number of reasons such as change in circumstances, re-location, PVG checks etc. This KPI will be reviewed and if the data capture can be extended to include the reasons for non-appointment.

- % of eligible PMs completed Enhanced Practice and Management of Hearings training – The 24/25 initial target was set at 70% of eligible Panel Members to complete Management of Hearings (MOH) training during the year. A new approach has been taken where principles of enhanced practice and the skills taught in the Management of Hearings course are now incorporated in a refreshed and extended pre-service learning offer. As MOH is no longer a separate piece of training, this KPI has been retired.
- % of Panel Members successfully reappointed – As this KPI was only 4% from the expected target, there is no change or direct recommendation for altering this KPI. Panel member retention remains a high priority for CHS, and it continues to support and retain the panel community through the embedding of regional support structures that promote engagement and provide meaningful opportunities for all volunteers.
- % of Panel Members retained during the year – As this KPI was only 1 % from the expected target, there is no change or direct recommendation for this KPI. However, panel member retention remains a high priority for CHS, and it continues to support and retain the panel community through the embedding of regional support structures that promote engagement and provide meaningful opportunities for all volunteers.
- % invoices not in dispute paid within 10 working days, during normal operations – The current process flow for the approval of invoices is the main contributing factor for not meeting this target. This is now being addressed by the planned implementation of a digital enhancement to the current e-financials platform of an automated flow management system. During the course of the next financial year, quarterly analysis on the payment process and execution dates for payments will be provided to the senior management team for review and monitoring. This KPI will remain unchanged, and the target set at 95%.

Risk Management Arrangements



CHS operates under a risk management framework that is set out in the Risk Management Policy (Policy) which is overseen by the senior management team, the CHS Board and the Audit and Risk Committee. The Policy sets out five key objectives:

- increase confidence in our ability to achieve our objectives;
- facilitate the identification, evaluation, and control of key risks and ensure that any residual risks are at an acceptable level;
- integrate Risk Management into the operational and management practices and procedures of CHS to promote a culture of risk awareness;
- support planning and performance reporting, ensuring strategic risks are monitored and escalated to mitigate any risks to our planned strategic objectives;
- provide information to support the CHS' annual governance statement, as to the effectiveness of the arrangements for risk management and internal control mechanisms in practice.

Strategic and operational risk registers form part of the risk management procedures and are used to identify, evaluate and document response plans to mitigate potential risks. The strategic risk register is reviewed on quarterly basis by the senior leadership team and the risk and audit committee. Operational risk registers are managed by operational managers and the senior leadership team on a regular basis.

CHS adopts a “three lines of defence” model for the overall arrangements for managing risk and exercising control within the organisation. First line of defence includes the implementation and management of operational policies and procedures by staff, the second line is the risk management and governance function and the reporting to senior management, with the third line being provided by CHS's internal auditors on the testing and assurance of key processes and areas of control on a risk-based approach.

Environmental Impact and Biodiversity



CHS is committed to meeting the Public Bodies duties set out in Part 4 of the Climate Change (Scotland) Act 2009. CHS does not have a property footprint beyond its Head Office, which, for the duration of the reporting year, was in Thistle House, Haymarket, Edinburgh. Office space in Thistle House has been rented by CHS from the Scottish Legal Aid Board (SLAB) from April 2019 and we occupy 8.5% of the building. 2024/25 data will be available in November 2025 and reported in next year's accounts.

	2023/24	2022/23	2021/22
Carbon Emissions (kgCO ₂ e) – Gas	7,704	7,538	6,551
Carbon Emissions (kgCO ₂ e) – Electricity	7,026	5,781	6,369
SUB-TOTAL (Gas and Electricity Only)	14,730	13,319	12,920
Carbon Emissions (kgCO ₂ e) – Water	5	3	3
Carbon Emissions (kgCO ₂ e) – Refuse	1	142	177
TOTAL	14,736	13,464	13,100

Our impact associated with business mileage is given below:

	2024/25*	2023/24	2022/23
Total Travel Distance (miles)	53,977	32,957	14,793
Emission Factor (kgCO₂/mile) (emission factor for 'average sized petrol car' is used here)	0.28567	0.28567	0.27436
Carbon Emissions (kgCO₂e) (travel distance × emission factor)	15,420	9,414	4,059

* The emission factor to be used for 2024/25 has not yet been published. The 2023/24 factor has been used above to provide indicative carbon emissions, but will be restated in next year's annual accounts.

CHS acknowledges that its carbon footprint has increased substantially in 2024/25. This increase remains because of increased business mileage due to our new Tribunal Delivery Model which continues to allow our staff provide greater levels of in-person support to Panel Members, as well as further developing local partnership opportunities for improvement work in the children's hearings system. This face-to-face approach is also important in supporting our wider volunteer community and to help us recruit and train more volunteers. Mileage will continue to be monitored, and greener public transportation options encouraged where possible.

Biodiversity opportunities are kept under review but remain limited due to the structure and size of the organisation. CHS does not own, regulate or manage land but does contribute where it can. This includes promoting hybrid working to reduce CO₂ emissions for those members of staff that are not client facing, promote the cycle to work scheme, operate a recycling facility in the office, operate a paperless office, the purchase of recycled office items where possible, education and training to its staff on environmental issues and encourage staff wellbeing and outdoor activities.

Equalities, Social Responsibility and Human Rights



Children's Hearings Scotland (CHS) exists to ensure that children attending hearings receive decisions that uphold and promote their rights, listen to their views and provide a legally competent foundation through which Lead Agencies may intervene in their lives to ensure they are safe and protected. Its mission aligns with the National Performance Framework for Scotland, particularly in advancing children's rights, supporting their full potential, building inclusive communities, promoting education, and tackling poverty.

As corporate parents, CHS prioritises children's rights and promotes participation. In 2023–24, the CHS Board approved a revised Strategic Approach to Participation, which has since been integrated into the new Children's Participation and Rights Strategy, which was published in late 2024. This strategy emphasises respect, inclusion, empowerment, and accountability, ensuring a child-centred hearing system. Key actions from this have been the hiring of a Lived Experience Advisor and establishment of a remunerated Expert by Experience Group. These initiatives will amplify lived experience in decision-making and promote empowerment.

Significant organisational change occurred in 2023–24, with staff numbers increasing by 50%, prompting the expansion of the People and Culture team, which now leads Equality, Diversity and Inclusion (EDI) efforts. The EDI working group reconvened in late 2024 to refresh the EDI strategy and update the CHS equality outcomes. The next equality outcomes report will be published in April 2026. A diversity and inclusion gap analysis has been conducted to benchmark progress and identify areas for improvement. CHS's enduring goal is to ensure that EDI efforts lead to better outcomes for children and their families.

CHS's 2024 Gender Pay Gap report showed improvement, with the mean gender pay gap decreasing to 2.03% in favour of men, down from 5.85% two years prior. The median gap, more indicative in small organisations, dropped to 1.45% from 5.75%, demonstrating more balanced pay distribution between men and women. Females make up 73% of staff and 80% of senior management.

The 2024 report also included ethnicity and disability pay gap data. The median ethnicity pay gap was -11.45% in favour of BME staff, while the mean was 5.09% in favour of non-BME staff, indicating that BME individuals are disproportionately represented in lower salary bands. In terms of disability, the median pay gap was -21.32% and the mean -1.86% in favour of those with declared disabilities, though this data is influenced by the low number of those with declared disability. The next report is due in 2026.

CHS is committed to refining recruitment to attract diverse talent and ensuring development opportunities for all. Continued support for employees with disabilities through adjustments, flexibility, and wellbeing resources remains a priority.

CHS and Island Communities



CHS operates in every Local Authority in Scotland and is conscious of the particular challenges faced by island communities. During the reporting period The Tribunal Delivery Model (TSM) was implemented as a new way of working within island communities. Prior to the TSM implementation we conducted island impact assessments to consider the impact on the island communities, and how they would be best supported within the new model. Island Impact Assessments were used to determine where the northern isles of Orkney and Shetland should sit within the TSM in 2023. There was engagement with Area Conveners (local volunteer leaders) and CHS staff along with further engagement with the volunteer community.

The Tribunal Support Model offers enhanced support for volunteers from the Tribunal Delivery Manager, Partnership and Wellbeing roles. These staff members have worked closely with volunteers and other colleagues in other services (such as social work, children's reporters, third sector organisations) locally. The Tribunal Delivery Team have a presence locally as and when required and since the inception of TSM have been on the island communities several times, to support the local community of volunteers for local learning and recognition events, along with partnership working.

The CHS Learning Academy (CHSLA) deliver training services nationally, regionally, and locally across Scotland offering in person and online learning events. Island requirements are taken into account for all delivery and include commitment to support groups of island learners in the most effective way possible e.g. providing virtual opportunities if preferred, covering accommodation and travel costs for attendance at face-to-face events, or where feasible and preferred by island communities, organising on island training events. Out of pocket expenses, including those incurred through any greater distances travelled, longer stays away from home to attend events etc are reimbursed or pre-paid in advance. CHSLA organises accommodation for training centrally to avoid community members being out of pocket. A combination of face to face and virtual learning sessions have been offered throughout the reporting period. Virtual learning courses and the supporting online resources enabled Panel Community to complete essential and optional learning at times and a pace that suited them. Local Learning Champions, supported by CHS national team and CHSLA continue to offer local learning and sessions to bring island communities together either face to face or virtually to continue to complement national training. These Learning Events happen throughout the year.

What We'll Do Next Year



As Corporate Parents under the Children and Young People (Scotland) Act 2014, CHS and the National Convener have responsibilities to make sure our attention and resources are focused on upholding the rights and safeguarding of Scotland's looked after children and care-leavers, and promoting their wellbeing. CHS and the National Convener plan, deliver, monitor and report on these duties together, collaborating with our partner organisations when necessary to deliver these goals. Our commitments in 2025-26 will centre on:

Participation

To ensure that our work is informed by and for the infants, children and young people we serve. We are committed to elevating the participation of those with lived experience as a key tenet of our organisation. We will champion the involvement of children, so it is core to our standards, practices and organisational culture through investment in participation

UNCRC

We welcome the incorporation of the UNCRC into law and will work closely with our partner organisations to ensure we are compliant with every aspect of new legislation. We will continue to conduct hearings and to champion children's rights with our Panel Members ensuring the rights of a child throughout their childhood are the paramount consideration when making decisions.

The Children (Care and Justice) (Scotland) Act 2024

At CHS, we welcome the changes proposed by the Children (Care and Justice) (Scotland) Act 2024 and have undertaken extensive work to prepare for the impact these will have in the hearing room. We are committed to ensuring that every child under the age of 18 who requires support and guidance benefits from the welfare-based approach of the children's hearings system to give them the best start in life.

Children's Participation and Rights Strategy

As a key priority, we have implemented a new strategy, co-designed with care experienced young people, which enshrines our obligations to put infants, children and young people with lived experience of care at the heart of what we do. We have invested in this work to ensure that the young people we work alongside are supported and have opportunities for influence

Elliot Jackson
Accountable Officer

Accountability Report

Corporate Governance Report

Directors' Report

Senior Leadership Team (SLT) members' Service Contracts

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Any payment in relation to termination of employment through retirement or redundancy is governed by CHS' relevant policies and procedures. Any discretionary payment made to any member of staff on termination is subject to approval by the Board and/or Scottish Government.

SLT member	Job title	Appointment
Elliot Jackson	National Convener	7 Oct 2019 – 6 Oct 2029
	Chief Executive	7 Oct 2019
Jessica MacDonald	Director of Business and Finance	4 Oct 2023 – 31 July 2025
Lynne Harrison	Director of Tribunal Delivery	1 Jul 2023
Carol Wassell	Director of Positive Outcomes	1 Jul 2023
Jo O'Leary	Director of People and Culture	7 Aug 2023

During 2024/25 there were four female senior managers and one male senior manager. All contracts have a notice period of 3 months and are permanent unless indicated otherwise by a future end date. From 1 August 2025 for an initial period of 6 months, Lynne Harrison is Director of Business and Finance, and following an internal recruitment and selection process, Bethany Cunningham is Acting Up Director of Tribunal Delivery and interim member of SLT.

Our Board members

Board members in 2024/25	Original appointment	End of appointment
Katharina Kasper (chair)	1 April 2022	7 April 2026
Beth-Anne McDowall	1 July 2017	30 September 2025
Henry Robson	1 March 2017	28 February 2025
Barbara Neil	1 February 2019	31 January 2027
Katie Docherty	1 July 2021	30 June 2029
Sean Austin	1 July 2021	30 June 2029
Jo Derrick	1 February 2019	31 January 2025

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

Board members are appointed by the Scottish Ministers on the basis of having knowledge or experience relevant to the general purpose and specific requirements of CHS or to the functions of the National Convener/Chief Executive.

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 appointed Audit Scotland to undertake the audit of CHS. 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.

Register of Interests

A Register of Interests for Board members and senior staff can be accessed on our website at [Our Board \(chscotland.gov.uk\)](https://www.chscotland.gov.uk) or by contacting the Executive Assistant & Governance Officer (<https://www.chscotland.gov.uk/about-us/meet-the-team>).

Personal data related incidents

For more information on incidents relating to personal data, please refer to the Governance Statement below.

Statement of disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware. Additionally, the Directors have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the organisation's auditors are aware of that information.

"Relevant audit information" means information needed by the organisation's auditors in connection with preparing their report.

Statement of Accountable Officer's Responsibilities

Under section 21(1) of the Children's Hearings (Scotland) Act 2011, the Scottish Ministers have directed CHS 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 CHS 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 (FReM) and in particular to:

- observe the Accounts Direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis

- state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the financial statements, and
- prepare the financial statements on the 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 CHS designated the National Convener/Chief Executive of CHS as the Accountable Officer for the organisation. 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 organisation's assets, are set out in Managing Public Money by the HM Treasury.

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 feel 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 judgements required for determining that it is fair, balanced and understandable.

Governance Statement

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of CHS' 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.

Governance framework

CHS' governance framework accords with generally accepted best practice principles and guidance from Scottish Ministers in the Scottish Public Finance Manual and has been in place for the financial year ended 31 March 2025 and up to the date of the approval of the annual report and accounts.

CHS has a Board which meets at least every three months to consider the overall strategic direction of CHS within the policy, planning and resources framework determined by the Scottish Ministers. The Board seeks assurance that corporate objectives are being progressed through the delivery of agreed targets in the business plans and corporate plan on performance, implementation of strategic projects, effective use of resources and management of strategic risks.

The Board Committee structure comprises a People and Culture Committee and an Audit and Risk Management Committee. Each Committee has developed its terms of reference which are documented, approved and reviewed on an annual basis.

The People and Culture Committee meets quarterly, and its responsibilities include:

- approving and reviewing procedures/policies for CHS staff and applicable procedures/policies for CHS community members, including employment policies;
- reviewing the objectives of senior staff annually;
- approving the annual pay remit for submission to Scottish Government;
- approving the recruitment process for the National Convener/Chief Executive;
- considering/approving reports on People and Recognition, Equality, Diversity & Inclusion, Learning and Development and Staff and Community Wellbeing;
- approving any Employment Tribunal settlements.

The Chair of the People and Culture Committee briefs the Board following each meeting and the latter receives an annual report on the performance of the Committee.

The Audit and Risk Management Committee meets quarterly and reviews the adequacy of the arrangements for ensuring sound internal control arrangements and provides the Board and Accountable Officer with advice and assurance with regard to the arrangements for:

- financial control and reporting;
- risk management;
- Information Governance;

- legal and regulatory compliance;
- Digital Programme.

The Chair of the Audit and Risk Committee briefs the Board following each meeting and the Board receives an annual report on the performance of the Committee.

CHS has an internal audit service provided under contract by BDO, which operates to standards defined in the Public Sector Internal Audit Standards. During 2024/25 Internal Audit undertook three reviews; core financial processes, stage gate process and a communications advisory review. The Committee scrutinises all internal audit reports and the actions taken by managers in response to audit recommendations.

In the internal auditor's 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, value for money 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.

Operation of the Board

The Board met five times during 2024/25, held four Board development sessions for training opportunities and discussion. In addition, the Board held a development session on the Scottish Government's Children's Hearings Redesign Consultation.

Key issues for the Board in 24/25 included:

- Approval of the Children's Participation and Rights Strategy 2024
- Approval of the Quality Strategy 2024-27
- Approval on the People and Culture Strategy 2024-2027
- Ongoing planning for the full implementation of the Children (Care and Justice) (Scotland) Act 2024 and the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024
- Ongoing planning for the implementation of reforms in line with the accepted recommendations from the Hearings for Children Report
- Approving quarterly performance reports
- Reviewing and approving the Board Standing Orders and Self-Assessments
- Scrutiny of ongoing work to improve capacity
- Approving the Budget for 2024/25
- Approving the Strategic Outlook 2024-27
- Approving the Business and Corporate Parenting Plan for 2024/25
- Approving the Annual Accounts and Impact Report
- Reviewing Learning Academy progress
- Volunteer Recruitment
- Equalities and Outcome reporting
- Approving the accounting policies to be used for the preparation of CHS' statement of accounts for 2024/25

Strategic and operational finance support is provided through a shared services arrangement with SCRA and CHS has a dedicated HR/OD Lead. SCRA's Head of Finance & Resources provides strategic finance advice to the CHS Board and Committee meetings and other meetings as appropriate.

Assessment of corporate governance arrangements

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

- the executive managers within CHS 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 who submit to the Audit and Risk Management Committee
- regular reports which include the Head of Internal Audit's independent and objective opinion on the adequacy and effectiveness of CHS' system of internal control together with any recommendations for improvement
- recommendations and comments made by the external auditors in their Annual Audit Report and other reports.

Internal control systems have been in place for the year under review and up to the date of approval of the annual report and accounts around risk management, business planning, major investment, project management, financial management, fraud, procurement, human resources, equality and diversity, information management, health & safety and compliance and are assessed annually as part of the Scottish Government Certificates of Assurance process. The National Convener completed this assessment for 2024/25, and no major control gaps were identified.

Assessment of procurement activities

As Accountable Officer, I have reviewed the effectiveness of procurement activities and arrangements. CHS is committed to fair process and best value resourcing and therefore in sourcing suppliers utilises SG procurement frameworks where possible and utilises shared service expertise from the SG procurement team through their Procurement Lite service. CHS has put in place a series of procurement KPI's to help demonstrate the contribution of procurement approaches to the efficient, effective and economical running of the organisation.

CHS reports on the effective contract management CHS Learning Academy by monitoring the contract meetings held, the financial management of the contract, and the KPI's delivered. CHS also reports against procurement activity for its annual recruitment campaigns as well as any contracts awarded above £5,000, contracts awarded using the SG framework above £20,000, and the number of contracts awarded using the 'quick quotes' approach.

In 2024/25 the following procurement activities took place which were awarded either via Quick Quotes, through the SG framework, and other procurement exercises.

- Procurement activities awarded with a value between £5,000 and £20,000 included the following services: campaign media support services, evaluation services, internal and

external auditing, legal services, IT, wellbeing support, website design, and business services.

- Procurement activities awarded with a value above £20,000 included the following services: ISO27001 certification, specialist Human Resource consultancy, IT licensing, IT equipment, media services for the recruitment campaign, Leadership Coaching Programme, Learning for Managers Programme, and the provision of the CHS Learning Academy.

Key issues and risks

A framework for identifying, measuring, controlling and monitoring strategic risks has been in place throughout the financial year during which time the senior team and the Audit and Risk Committee reviewed the approved Risk Management Policy. A regular review of the Operational and Strategic Risk Registers is undertaken by the Senior Management Team and the Strategic Risk Register is reported to the Audit and Risk Committee on a quarterly basis. Strategic and operational risk management is embedded in CHS' corporate and business planning processes and performance management arrangements.

Digital Programme

The main focus of activity throughout 2024/25 has been continued functional improvements to our CSAS platform across several areas including Rota management and the development of the Customer Relationship Management tool (CRM), Observations and Recruitment, and ongoing support of the new Tribunal Support Model. Joint Change Control Board and Control Assurance Boards are in place with SCRA to support the governance and implementation of improvements or changes to the digital platform.

Continual improvement of the CHS Microsoft platforms, including improvements in its CRM as well as the ongoing deployment of CHS owned Windows devices to its volunteer community, was implemented in 2024/25.

We continue to support Panel Members to participate in virtual children's hearings through training and provision of devices to support virtual activity including provision to all new trainees in year.

Personal data related incidents

During 2024/25, CHS had 45 information security incidents recorded and investigated, including near misses. 1 of the 45 data protection occurrences was self-reported to the Information Commissioner's Office (ICO). The increase in recorded incidents points to an increase in the levels of reporting of suspected incidents following the organisational restructure and our move to more centralised processes providing more oversight and increase awareness of data protection.

Mitigating measures are in place to reduce the likelihood of data breaches and include compulsory training for all panel and Area Support Team members, clerks, CHS National Team and Board members. Observed trends in breaches lead to the introduction of new or updated mitigations when necessary.

Conclusion

As Accountable Officer, I am satisfied that CHS has effective corporate governance arrangements in place.

Elliot Jackson
National Convener/Chief Executive Officer

Remuneration and Staff Report

People and Culture Committee (unaudited)

The People and Culture Committee, a sub-committee of the full CHS Board, oversees the remuneration and performance management arrangements of all staff.

Proposals on the remuneration of the National Convener/Chief Executive are made by the People and Culture Committee and form the basis of recommendations to the Scottish Government. Proposals in relation to remuneration of other senior managers and staff remuneration are included in a pay and grading remit, which is submitted to the Scottish Government for approval following approval by the People and Culture Committee.

CHS' overall remuneration policy aims to attract, retain and motivate competent and skilled staff at all levels of the organisation; ensure that salaries are as competitive as possible; and reward staff for their contribution to CHS by arrangements which are simple, fair and transparent.

Board and Senior manager remuneration (audited)

Board members' remuneration

Remuneration	Salary and allowances ¹	Salary and allowances ¹
	2024/25	2023/24
Board	£000	£000
Katharina Kasper	10-15	15-20
Sean Austin	0-5	5-10
Katie Docherty	0-5	0-5
Barbara Neil	5-10	5-10
Jo Derrick ²	0-5	0-5
Beth-Anne McDowall	0-5	5-10
Henry Robson ³	0-5	5-10

¹ CHS does not make any contribution to the LGPS in respect of Board members, nor provide any other form of pension benefit.

² This member left office on 31 January 2025. Had they been in office for the full year, their salary and allowances in 2024/25 would likely have been between £nil and £5,000.

³ This member left office on 28 February 2025. Had they been in office for the full year, their salary and allowances in 2024/25 would likely have been between £nil and £5,000.

Senior managers' remuneration as a single figure

Senior Leadership Team Members	2024/25 Salary and Allowances	2024/25 Pension benefits ¹	2024/25 Total	2023/24 Salary and Allowances	2023/24 Pension benefits ¹	2023/24 Total
	£000	£000	£000	£000	£000	£000
Elliot Jackson² National Convener/ Chief Executive	90-95	89	180-185	85-90	51	135-140
Jessica MacDonald³ Director of Business and Finance	80-85	(7)	75-80	35-40	(3)	35-40
Jo O'Leary⁴ Director of People and Culture	75-80	29	105-110	65-70	(5)	60-65
Lynne Harrison Director of Tribunal Delivery	80-85	39	120-125	80-85	26	105-110
Carol Wassell Director of Positive Outcomes	80-85	51	130-135	75-80	40	115-120

- ¹ The value of pension benefits accrued during the year is calculated as twenty times the real increase in pension, plus any real increase in lump sum, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. Pension figures relate to the benefits that the person has accrued as a consequence of their total local government service, and not just their current appointment.
- ² Following a review of the Chief Executive role conducted in accordance with Scottish Government's public sector pay policy 2024/25 Chief Executive framework, this member's salary was increased on 21 May 2025 with effect from 6 October 2024. The salary increase is reflected within "2024/25 Salary and Allowances" and "2024/25 Total", but not within "2024/25 Pension Benefits" since these are based on their pre-review salary, i.e. what was paid and agreed as at 31 March 2025. The pension benefits accruing from the review will be reported as "2025/26 Pension Benefits", and reported in full in next year's Remuneration report. The total remuneration figure above for this member also includes a benefit in kind of £0.1k relating to an electric vehicle salary sacrifice.
- ³ Member has less than 2 years' service at 31 March 2025, therefore no pension entitlement currently. This member joined CHS on 4 October 2023: their 2023/24 salary and allowances would have been between £80,000 and £85,000 had they been in post for the full year.
- ⁴ Values for 2023/24 are for full year ending 31 March 2024, including their CHS employment prior to becoming a senior manager on 7 August 2023. Their 2023/24 salary and allowances would have been between £70,000 and £75,000 had they been in their senior manager post for the full year.

Senior managers' pension entitlements

Senior Leadership Team Members	Real increase in pension in year to 31 March 2025 £000	Real increase in lump sum in year to 31 March 2025 £000	Total accrued pension as at 31 March 2025 £000	Total accrued lump sum at 31 March 2025 £000	CETV ¹ at 31 March 2024 £000	CETV ¹ at 31 March 2025 £000	Real increase in CETV ¹ during year £000
Elliot Jackson ²	2.5-5	2.5-5	50-55	75-80	1,010	1,086	34
Jessica MacDonald ³	n/a	n/a	n/a	n/a	10	31	13
Jo O'Leary	0-2.5	0	5-10	0	43	64	13
Lynne Harrison	0-2.5	0	10-15	0	142	174	20
Carol Wassell	2.5-5	0	20-25	0	276	315	23

¹ CETV stands for Cash-equivalent transfer value

² Following a review of the Chief Executive role, this member's salary was increased on 21 May 2025 with effect from 6 October 2024. This increase is not reflected in the table above since these values are based on their pre-review salary, i.e. what was paid and agreed as at 31 March 2025. The pension entitlements accruing from the review will be reported as "2025/26 pension entitlements", and reported in full in next year's Remuneration report.

³ Member has less than 2 years' service therefore no pension entitlement currently.

Prior year comparatives

Senior Leadership Team Members	Real increase in pension in year to 31 March 2024 £000	Real increase in lump sum in year to 31 March 2024 £000	Total accrued pension as at 31 March 2024 £000	Total accrued lump sum at 31 March 2024 £000	CETV ¹ at 31 March 2023 £000	CETV ¹ at 31 March 2024 £000	Real increase in CETV ¹ during year £000
Elliot Jackson	2.5-5	0-2.5	45-50	75-80	825	1,010	145
Jessica MacDonald ²	n/a	n/a	n/a	n/a	n/a	10	n/a
Jo O'Leary ³	n/a	n/a	0-5	0	n/a	43	n/a
Stephen Bermingham ⁴	0-2.5	0	5-10	0	72	117	36
Lynne Harrison	0-2.5	0	5-10	0	91	142	41
Christine Mullen ⁵	0-2.5	0	5-10	0	107	137	24
Carol Wassell	0-2.5	0	15-20	0	189	276	73

¹ CETV stands for Cash-equivalent transfer value

² First year on disclosures (this member joined CHS on 4 October 2023) so no previous year's info held. Member has less than 2 years' service therefore no pension entitlement currently.

³ First year on disclosures so no previous year's info held. Values given are for full year 01/04/2023-31/03/2024.

⁴ Member left the senior team on 30 June 2023, so no data for 2024/25 is provided. Member has elected to link their previous service from another employer in the Scottish LGPS. As member is still active on pensions record, value provided is for all pension benefits as at 31/03/2024.

⁵ Member left the scheme with effect from 28/06/2023.

Fair pay disclosures (audited)

The full time equivalent remuneration paid to CHS staff as at 31 March 2025 ranged from £29,794 to £96,112 (31 March 2024: £28,294 to £85,662), a pay ratio of 3.23:1. This takes into account the effects of the review of the Chief Executive role mentioned above.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the following percentiles' remuneration of the organisation's workforce.

	Salary	Allow- ances	Total remun- eration	Salary	Allow- ances	Total remun- eration
	2024/25	2024/25	2024/25	2023/24	2023/24	2023/24
Highest-paid director	£96,112	£0	£96,112	£85,662	£0	£85,662
25 th percentile	£34,744	£0	£34,744	£36,207	£0	£36,207
Median	£38,714	£0	£38,714	£37,587	£0	£37,587
75 th percentile	£51,180	£0	£51,180	£56,327	£0	£56,327

The highest-paid director's salary increased by 12.2% from 2023/24.

The 25th percentile pay has ratio has increased from 2.37:1 to 2.77:1. The median pay ratio has increased from 2.28:1 to 2.48:1. The 75th percentile pay ratio has increased from 1.52:1 to 1.88:1. All these increases are primarily attributable to the review of the CEO role mentioned above that concluded in May 2025. CHS believes the median pay ratio for 2024/25 is consistent with its pay, reward and progression policies for CHS' employees taken as a whole.

In 2024/25 no employees received remuneration in excess of the highest-paid director (2023/24: none). CHS does not have a separate performance pay scheme for senior managers. The Scottish Government-wide remuneration policy is applied equally to all staff, including senior management.

Compensation

No compensation payments were made in 2024/25 (2023/24: none).

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HMRC as a taxable emolument. One benefit in kind was received in 2024/25, totalling £0.1k, as reported in footnote 2 on page 32 (2023/24: none).

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

CHS paid Scottish Children's Reporter Administration £2,562 (2023/24: £2,910) in respect of senior management services from Ross Mackenzie (Head of Finance and Resources).

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

Average number of employees (whole-time equivalents)	2024/25	2023/24
Staff with a permanent contract – male	19	15
Staff with a permanent contract – female	58	36
Staff without a permanent contract – male	2	2
Staff without a permanent contract – female	3	1
	82	54

Staff costs (audited)

Staff with a permanent (UK) employment contract	2024/25 £000	2023/24 £000
Wages and salaries	3,558	2,420
Social security costs	385	250
Contributions to pension scheme	614	588
IAS 19 pension charge	74	(139)
	4,631	3,119

Staff without a permanent (UK) employment contract	2024/25 £000	2023/24 £000
Wages and salaries	265	180
Social security costs	25	16
Contributions to pension scheme	39	35
IAS 19 pension charge	5	(9)
	334	222

All Staff	2024/25 £000	2023/24 £000
Wages and salaries	3823	2,600
Social security costs	410	266
Contributions to pension scheme	653	623
IAS 19 pension charge	79	(148)
	4,965	3,341

The average pay per FTE employee increased by 0.91% between 31 March 2024 and 31 March 2025.

Exit packages

No exit packages were agreed during 2024/25 (2023/24: two exit packages costing £37k and £19k, total £56k). There were no compulsory redundancies and no special payments in 2024/25 (2023/24: none).

Expenditure on consultancy

In 2024/25, CHS spent £84,672 on consultancy (2023/24: £171,499).

Staff Sickness Absence (unaudited)

In the year to 31 March 2025, staff sickness absence was an average of 2% (2024: 3%).

Disability, Inclusion, Equality and Diversity (unaudited)

CHS is committed to equality and diversity.

- CHS has been recognised as a Disability Confident Committed Employer. We plan for, and make reasonable adjustments to, the assessment and interview process ensuring our recruitment process is inclusive and accessible when communicating and promoting vacancies.
- During employment, we anticipate and proactively offer and make reasonable adjustments as required.
- We provide an environment that is inclusive and accessible for staff and volunteers.
- We support employees to manage their disabilities or long term health concerns to enable them to stay in work.
- We ensure there are no barriers to the development and progression of 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 wellbeing and mental health conditions through our HR channels. Line managers are encouraged to have conversations with their staff about staff mental health and wellbeing during their regular 1-2-1 meetings.
- We provided a paid wellbeing day as part of our 2024/25 Pay Policy, allowing staff an additional paid day for their wellbeing.
- We provide occupational health services and an employee assistance programme (EAP) and regularly promote EAP resources to staff.

CHS reports against the statutory Public Sector Equality Duty and in addition has several policies relating to supporting disability in the workplace including:

- Equal Opportunities policy
- Flexible Working policy
- Recruitment and Selection policy
- Dignity at Work policy

With regards to disability, CHS included the following overarching Equality Outcome that is specifically focussed on supporting those with caring responsibilities.

Increasing accessibility, and promoting inclusion has removed participation barriers to all individuals who make up our CHS Community.

Under this outcome, CHS has a subset of outcomes with the following outcome particularly focused on carers, who by association, can be directly or indirectly discriminated against on the grounds of disability in the general working environment, due to their caring responsibilities for those who have disabilities.

CHS has been recognised as an employer of choice by individuals with caring responsibilities due to its positive and open recruitment approach and its flexible working and attendance management policies and practices. (A carer is someone who provides unpaid care by looking after an ill, frail or disabled family member, friend or partner: <http://www.carerpositive.org>.)

Our volunteer community continue to be fully aware of and undertake their functions with equality in mind. Our CHS Learning Academy (West Lothian College) incorporate Equality and Diversity learning and assessment into essential training for our panel members before they are appointed. All new panel members complete a qualification awarded by the Scottish Qualifications Authority (SQA) – the Professional Development Award (PDA) Children’s Hearings in Scotland – Panel Members. Our National Team complete a compulsory Equality, Diversity and Inclusion training course.

The training delivered by our CHS Learning Academy focuses on the 2010 Equality Act. In particular, the qualification focuses on the acquisition of skills and knowledge that demonstrate awareness of the equality and diversity needs of children and young people and how to address them.

Our volunteers, staff and local authority clerks receive training in the recruitment and selection of new panel members. This includes input on key principles of equality and diversity and an emphasis on understanding the importance of diversity when assessing and supporting candidates.

Trade Union Facility Time (unaudited)

Under the Trade Union (Facility Time Publication Requirements) Regulations, CHS 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
0	0

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%	0
1%-50%	0
51%-99%	0
100%	0

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	£0
Provide the total paybill	£4.886m
Provide the percentage of the total paybill spent on facility time, calculated as: (total cost of facility time ÷ total paybill × 100)	0%

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: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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Parliamentary Accountability Report

CHS 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 2025.
- No reportable special payments were made in the financial year to 31 March 2025.
- No reportable fees or charges were received in the financial year to 31 March 2025.
- There are no remote contingent liabilities at the date the accounts were signed.

Elliot Jackson
Accountable Officer

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

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of Children's Hearings Scotland for the year ended 31 March 2025 under the Children's Hearings (Scotland) Act 2011. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2025 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 27 May 2025. My period of appointment is three years, covering 2024/25 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my separate Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;

- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared

in accordance with the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records;
or

- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Lisa Duthie

Audit Scotland
4th Floor
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

Financial Statements

Children's Hearings Scotland

Statement of Comprehensive Net Expenditure
for the year ended 31 March 2025

	Note	Year to 31 March 2025 £000	Year to 31 March 2024 £000
Expenditure			
Staff costs	2	4,965	3,341
Other administration costs	3	3,760	3,340
Depreciation	4,5,6	391	470
<i>Expenditure</i>		9,116	7,151
Income	1.8	0	0
Net expenditure		9,116	7,151
Pension scheme finance cost	10	2	(4)
Finance lease interest		12	1
Net expenditure before Scottish Government funding		9,130	7,148
Other comprehensive net expenditure			
Items which will not be reclassified to net expenditure:			
Actuarial loss/(gain) on pensions	10	(1,895)	152
Comprehensive net expenditure for the year		7,235	7,300

The notes following the financial statements form part of these accounts.

Children's Hearings Scotland

Statement of Financial Position as at 31 March 2025

	Note	2025 £000	2024 £000
Non-current assets			
Property, plant & equipment	4	642	191
Right of use asset	5	248	60
Intangible assets	6	833	562
<i>Total non-current assets</i>		1,723	813
Current assets			
Trade and other receivables	7	239	237
Cash and cash equivalents	8	1,883	2,111
<i>Total current assets</i>		2,122	2,348
Total assets		3,845	3,161
Current liabilities			
Trade and other payables	9	(1,653)	(1,469)
Lease obligation	5	(45)	(57)
<i>Total current liabilities</i>		(1,698)	(1,526)
Non-current assets plus net current assets		2,147	1,635
Non-current liabilities			
Net pension asset/(liability)	10	0	0
Lease obligation	5	(204)	0
Net assets/(liabilities)		1,943	1,635
Taxpayers' equity			
General fund		225	(2)
Pension reserve		1,718	1,637
Total taxpayers' equity		1,943	1,635

The Accountable Officer authorised these financial statements for issue on 24 September 2025.

Elliot Jackson
Accountable Officer

Children's Hearings Scotland

Statement of Cash Flows for the year ended 31 March 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Net expenditure		(9,116)	(7,151)
<i>Adjustments for non-cash items</i>			
Increase/(Decrease) in pension fund liability	10	0	0
Increase/(Decrease) in pension reserve	10	81	(152)
Depreciation charges	4,5,6	391	470
Loss on disposal of assets		0	0
<i>Movements in working capital</i>			
Decrease/(Increase) in trade and other receivables	7	(2)	31
Increase/(Decrease) in trade and other payables	9	(509)	458
Net cash outflow from operating activities		(9,155)	(6,344)
Cash flows from investing activities			
Purchase of property, plant & equipment	4	(3)	(42)
Purchase of intangible assets	6	(367)	(122)
Cash flows from financing activities			
Scottish Government funding for year		9,357	7,735
Net interest (expense)/return on pension asset		(2)	4
Repayment of leasing liabilities		(46)	(57)
Interest paid on lease obligations		(12)	(1)
Net increase/(decrease) in cash and cash equivalents		(228)	1,173
Opening cash balance	8	2,111	938
Closing cash balance		1,883	2,111

Children's Hearings Scotland

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

	Note	General Fund £000	Pension Reserve £000	Total Reserves £000
Balance at 1 April 2023		(589)	1,789	1,200
Actuarial gain/(loss) on pension reserve	10	0	(152)	(152)
Net expenditure for the year		(7,148)	0	(7,148)
Total recognised income and expense for 2023/24		(7,737)	1,637	(6,100)
Funding from Scottish Government		7,735	0	7,735
Balance at 31 March 2024		(2)	1,637	1,635

	Note	General Fund £000	Pension Reserve £000	Total Reserves £000
Balance at 1 April 2024		(2)	1,637	1,635
Actuarial gain/(loss) on pension reserve	10	0	81	81
Net expenditure for the year		(9,130)	0	(9,130)
Total recognised income and expense for 2024/25		(9,132)	1,718	(7,414)
Funding from Scottish Government		9,357	0	9,357
Balance at 31 March 2025		225	1,718	1,943

Notes to the Accounts

1. Accounting Policies

1.1 Basis of Accounting

The accounts have been prepared in accordance with the accounting principles and disclosure requirements of the 2024/25 Government Financial Reporting Manual (FReM). The accounting policies contained in the manual follow International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context and in accordance with the Accounts Direction given by the Scottish Ministers. Where the manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of CHS for the purposes of giving a true and fair view has been selected. The accounting policies selected have been applied consistently in dealing with items that are considered material in relation to the accounts.

1.2 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets to fair value as determined by the relevant accounting standard.

1.3 Property, plant and equipment

The threshold for capitalisation of property, plant and equipment is £5,000, including non-recoverable VAT. Individual items of plant and equipment whose cost falls below the threshold, but are of a similar nature, are grouped and capitalised.

Expenditure on furniture, fixtures and fittings is charged to the statement of net expenditure in the year the cost is incurred and is not capitalised.

Given the short useful economic lives and low values of property, plant and equipment and intangible assets, these assets are disclosed on a depreciated historical cost basis, which is used as a proxy for fair value.

Depreciation is provided on all property, plant and equipment on a straight line basis, at rates calculated to write-off the cost, less estimated residual value, of each asset over its expected useful life as follows:

- ICT equipment – three years
- Office equipment – five years
- Leasehold improvements – five years (expected length of lease term)
- Right of Use assets – end of the useful life (or lease term if shorter)

Depreciation is ordinarily charged from when the asset was ready for use, rounded to the nearest whole month, up to point of disposal.

1.4 Intangible assets

Intangible assets are stated at historic purchase cost less accumulated amortisation. Acquired computer software licences, developed software and developed ICT infrastructure environments and 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 shorter term of life of licence and its estimated useful economic life.

1.5 Assets under construction

Where expenditure is incurred in creating an asset (tangible or intangible), but that asset is not ready for use by the end of a financial year, it is deemed as an asset under construction. Depreciation is not ordinarily charged on such assets although they will be reviewed for potential impairment or obsolescence, with any write-down charged to the Statement of Comprehensive Net Expenditure if appropriate.

1.6 Employee benefits

CHS has an agreement with City of Edinburgh Council under which all staff are eligible to enter the Local Government Pension Scheme managed by the Council in accordance with scheme rules. 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 International Accounting Standard (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 other finance income. 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 Changes in Taxpayers' Equity.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected accrued benefit method. The valuation used was at 31 March 2023. Details of this valuation were included in a report published by Lothian Pension Fund.

1.7 Short-term employee benefits

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

1.8 Income

CHS recognises income in the year to which it relates.

1.9 Leases

For any new contracts entered into, CHS 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 CHS assesses whether the contract meets two key evaluations:

- whether the contract contains an identified asset, either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to CHS;
- whether CHS 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.

Measurement and recognition of leases

At lease commencement date, CHS recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by CHS, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). CHS 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. CHS also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, CHS measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the HM Treasury discount rate promulgated in the PES papers (4.81% from 1 January 2025, 4.72% from 1 January 2024, 3.51% in calendar year 2023, 0.95% in 2022). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset.

In line with the FReM, CHS has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term. The costs relating to these in the year to 31 March 2025 was £nil (2024: £nil).

1.10 Government grants

It is CHS policy to credit all government grants and grant-in-aid to the General Reserve in line with the FReM.

1.11 Financial Instruments

Cash requirements for CHS are met through the Scottish Government and therefore financial instruments play a more limited role in creating and managing risk than would apply within a non-public sector body. The majority of financial instruments relate to receivables and payables incurred through the normal operational activities of CHS. CHS is therefore exposed to little credit, liquidity or market risk.

1.12 Value Added Tax

CHS has no chargeable activities within the scope of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

1.13 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.

1.14 Related Party Transactions

Material related party transactions are disclosed in line with the requirements of IAS 24.

1.15 Review of Accounting Policies and Estimation Techniques

These financial statements have been prepared under IFRS. Areas of judgement in how CHS's accounting policies are applied include pension estimation technique.

The most significant financial impact arises from assumptions used to calculate the pension deficit/asset. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Changes in assumptions at 31 March 2025	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	127
1 year increase in member life expectancy	4%	232
0.1% increase in the salary increase rate	0%	7
0.1% increase in the pension increase rate (CPI)	2%	123

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 CHS'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 actuary has calculated and compared the value of the scheme liabilities at the accounting date on varying bases. The approach taken is consistent with that adopted to derive the accounting figures

provided in this report, based on the profile (average member ages, retirement ages etc.) of CHS as at the date of the most recent valuation.

The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

1.16 Accounting standards not yet adopted

As at the date of authorisation of these financial statements, no key standards were not yet adopted.

2. Staff numbers and related costs

A detailed breakdown of Staff Costs and Numbers is contained within the Remuneration and Staff Report section of the Accountability Report.

3. Other administration costs

	2024/25	2023/24
	£000	£000
Board fees and expenses	35	54
Shared services	50	39
Legal fees	23	26
Running costs*	1,224	1,165
Direct support for panel	126	115
Training, recruitment and other staff costs	158	254
Auditor remuneration	16	16
Internal auditors' remuneration	21	13
Recruitment of Panel Members	388	207
Training of Panel and AST Members	1,392	1,158
Panel and AST Member Expenses	327	293
	3,760	3,340

* Running costs for 2024/25 above includes £45k of support and maintenance charges that relate to 2023/24.

4. Property, Plant and Equipment

Additions of total property, plant and equipment in the schedule of £0.577m (2023/24: £0.042m) appear in the cash flow as £0.003m (2023/24: £0.042m) after adjustment for opening and closing property, plant and equipment accruals in trade and other payables.

2024/25	Leasehold Improvements £000	Computer equipment £000	Assets under construction £000	Total £000
Cost/Valuation				
Opening Balance	192	1,132	0	1,324
Additions	0	577	0	577
Transfers	0	0	0	0
Disposals	0	0	0	0
Closing Balance	192	1,709	0	1,901
Accumulated depreciation				
Opening Balance	192	941	0	1,133
Provided in year	0	126	0	126
Withdrawn on disposal	0	0	0	0
Closing Balance	192	1,067	0	1,259
Net Book Value				
At 31 March 2025	0	642	0	642
At 31 March 2024	0	191	0	191

2023/24	Leasehold Improvements £000	Computer equipment £000	Assets under construction £000	Total £000
Cost/Valuation				
Opening Balance	192	1,111	0	1,303
Additions	0	42	0	42
Transfers	0	0	0	0
Disposals	0	(21)	0	(21)
Closing Balance	192	1,132	0	1,324
Accumulated depreciation				
Opening Balance	153	656	0	809
Provided in year	39	306	0	345
Withdrawn on disposal	0	(21)	0	(21)
Closing Balance	192	941	0	1,133
Net Book Value				
At 31 March 2024	0	191	0	191
At 31 March 2023	39	455	0	494

5. Leases and Right of Use asset

CHS had only one lease obligation relating to a right of use asset: an office building called Thistle House. CHS has a Memorandum of Terms of Occupation (MOTO) with landlords Scottish Legal Aid Board (SLAB) for occupancy of office space at 91 Haymarket Terrace, Edinburgh which operates on a 1 year rolling contract. An amendment to the MOTO was agreed in January 2025 that anticipates occupancy of Thistle House to 31 March 2030. Accordingly, this term is used in recognising an asset and liability in the accounts as at 31 March 2025.

The right of use asset recognised in CHS' Statement of Financial Position, and the depreciation charged in respect of that asset, is as follows:

	2024-25 £000	2023-24 £000
Cost/Valuation		
Opening Balance	167	162
Remeasurement of existing leases	238	5
Transfers	0	0
Disposals	0	0
Closing Balance	405	167
Accumulated depreciation		
Opening Balance	107	54
Provided in year	50	53
Withdrawn on disposal	0	0
Closing Balance	157	107
Net Book Value at 31 March	248	60

Maturity analysis of lease liabilities as at 31 March

	2025 Lease payments £000	2024 Lease payments £000
Within one year	45	57
Later than one year and not later than five years	204	0
	249	57

	2025 Finance charges £000	2024 Finance charges £000
Within one year	11	0
Later than one year and not later than five years	21	0
	32	0

6. Intangible Assets

Additions of total intangible assets in the schedule of £0.486m (2023/24: £0.351m) appear in the cash flow as £0.367m (2023/24: £0.122) after adjustment for opening and closing intangible asset accruals in trade and other payables.

2024/25	Developed Software £000	Website £000	Assets under construction £000	Total £000
Cost/Valuation				
Opening Balance	1,164	18	0	1,182
Additions	486	0	0	486
Transfers	0	0	0	0
Disposals	0	0	0	0
Closing Balance	1,650	18	0	1,668
Accumulated amortisation				
Opening Balance	602	18	0	620
Provided in year	215	0	0	215
Closing Balance	817	18	0	835
Net Book Value				
At 31 March 2025	833	0	0	833
At 31 March 2024	562	0	0	562

2023/24	Developed Software £000	Website £000	Assets under construction £000	Total £000
Cost/Valuation				
Opening Balance	813	18	0	831
Additions	351	0	0	351
Transfers	0	0	0	0
Disposals	0	0	0	0
Closing Balance	1,164	18	0	1,182
Accumulated amortisation				
Opening Balance	530	18	0	548
Provided in year	72	0	0	72
Closing Balance	602	18	0	620
Net Book Value				
At 31 March 2024	562	0	0	562
At 31 March 2023	283	0	0	283

7. Trade and other receivables

7.1 Amounts falling due within one year

	2025	2024
	£000	£000
Other receivables	0	0
Prepayments	239	237
at 31 March	239	237

7.2 Intra governmental balances

	Receivables: amounts due within one year	Receivables: amounts due within one year
	2025	2024
	£000	£000
Balances with other central government bodies	21	0
Balances with local government bodies	0	0
Intra governmental balances	21	0
Balances with bodies external to government	218	237
at 31 March	239	237

8. Cash and cash equivalents

	2025	2024
	£000	£000
Balance at 1 April	2,111	938
Net change in cash and cash equivalents	(228)	1,173
Balance at 31 March	1,883	2,111
Bank accounts	1,883	2,111
at 31 March	1,883	2,111

All bank balances at 31 March 2025 are held with commercial banks.

9. Trade and other payables

9.1 Amounts falling due within one year

	2025	2024
	£000	£000
Trade payables	974	586
Tax and social security	115	148
Other payables	83	132
Accruals	481	603
	1,653	1,469

The increase in total trade and other payables of £0.184m (2023/24: increase £0.687m) is shown in the statement of cash flows as a decrease of £0.509m (2023/24: increase £0.458m) after adjustment for movements in property, plant and equipment (note 4) and intangible assets (note 6).

9.2 Intra governmental balances

	Payables: amounts due within one year 2025 £000	Payables: amounts due within one year 2024 £000
Balances with other central government bodies	174	442
Balances with Local Authorities	201	285
Intra governmental balances	375	727
Balances with bodies external to government	1,278	742
at 31 March	1,653	1,469

10. Pensions

Information about the assumptions underlying the figures in this note can be found in Note 1.6 Employee benefits and Note 1.15 Review of Accounting Policies and Estimation Techniques.

The financial assumptions CHS instructed the actuary to use are:

Year ended 31 March	2025	2024
	% p.a.	% p.a.
Pension increase rate (CPI)	2.75	2.75
Salary increase rate	3.45	3.45
Discount Rate	5.80	4.85

As at the date of the most recent valuation, the duration of CHS' funded obligations is 22 years.

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 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% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 for CHS are:

	Males	Females
Current pensioners	22.0 years	21.7 years
Future pensioners*	22.3 years	25.4 years

* Figures assume members aged 45 as at the last formal valuation date.

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future improvements is 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% p.a. This applies to both current and future pensioners.

Please note that the mortality assumptions used to value the obligations in CHS' closing position are different to those used to value the obligations in CHS' opening position.

A commutation allowance is included for future retirements to elect to take 70% of the maximum additional tax-free cash up to HMRC limits.

All other demographic assumptions are as per the latest funding valuation of CHS.

Asset ceiling adjustment

Between 31 March 2023 and at 31 March 2025, the fair value of plan assets exceeded the estimated present value of liabilities. In accordance with International Financial Reporting Interpretations Committee Interpretation 14 ("IFRIC 14"), CHS 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. CHS 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 £0; this is what CHS has recognised in its Statement of Financial Position. Without an asset ceiling, CHS would have recognised a net pension asset of £1.814m at 31 March 2025 (2024: £0.645m).

Change in the Fair Value of Plan Assets, Defined Benefit Obligations and Net Liability for year ended 31 March 2025

	Assets	Obligations	Impact of asset ceiling adjustments	Net asset/(liability)
	£000	£000	£000	£000
Fair value of plan assets	6,557	0		6,557
Present value of funded liabilities		5,912		(5,912)
Effect of asset ceiling			(645)	(645)
Opening Position as at 31 March 2024	6,557	5,912	(645)	0
Current Service Cost	0	727		(727)
Past Service Cost	0	0		0
Total Service cost	0	727		(727)
Interest income on plan assets	338	0		338
Interest cost on defined benefit obligation	0	309		(309)
Interest on the effect of the asset ceiling			(31)	(31)
Total Net Interest	338	309	(31)	(2)
Total defined benefit cost recognised in profit or (loss)	338	1,036	(31)	(729)
Plan participants' contributions	258	258		0
Employer contributions ¹	648	0		648
Benefits paid	(50)	(50)		0
Expected closing position	7,751	7,156	(676)	(81)
Remeasurements				
Change in demographic assumptions	0	(1,294)		1,294
Change in financial assumptions	0	(10)		10
Other experience	0	(60)		60
Return on assets excluding net interest	(145)	0		(145)
Changes in the effect of the asset ceiling			676	676
Total remeasurements recognised in Other Comprehensive Income (OCI)	(145)	(1,364)	676	1,895
Fair value of plan assets	7,606	0		7,606
Present value of funded liabilities	0	5,792		(5,792)
Effect of asset ceiling			(1,814)	(1,814)
Closing position as at 31 March 2025	7,606	5,792	(1,814)	0

¹ Employer contributions were estimated for the purpose of this analysis. CHS's actual contributions for 2024/25 are as reported in the Remuneration and Staff Report.

Change in the Fair Value of Plan Assets, Defined Benefit Obligations and Net Liability for year ended 31 March 2024

	Assets	Obligations	Impact of asset ceiling adjustments	Net asset/ (liability)
	£000	£000	£000	£000
Fair value of plan assets	5,287	0		5,287
Present value of funded liabilities	0	4,394		(4,394)
Effect of asset ceiling			(893)	(893)
Opening Position as at 31 March 2023	5,287	4,394	(893)	0
Current Service Cost	0	428		(428)
Past Service Cost	0	1		(1)
Total Service cost	0	429		(429)
Interest income on plan assets	268	0		268
Interest cost on defined benefit obligation	0	222		(222)
Interest on the effect of the asset ceiling			(42)	(42)
Total Net Interest	268	222	(42)	4
Total defined benefit cost recognised in profit or (loss)	268	651	(42)	(425)
Plan participants' contributions	174	174		0
Employer contributions ¹	577	0		577
Benefits paid	(69)	(69)		0
Expected closing position	6,237	5,150	(935)	152
Remeasurements				
Change in demographic assumptions	0	(116)		116
Change in financial assumptions	0	(411)		411
Other experience	243	1,289		(1,046)
Return on assets excluding net interest	77	0		77
Changes in the effect of the asset ceiling	(645)		935	290
Total remeasurements recognised in Other Comprehensive Income (OCI)	(325)	762	935	(152)
Fair value of plan assets	6,557	0		6,557
Present value of funded liabilities	0	5,912		(5,912)
Effect of asset ceiling			(645)	(645)
Closing position as at 31 March 2024	6,557	5,912	(645)	0

Fair value of employer assets

The below asset values are at bid value as required under IAS19.

	2025	2025	2025	2024	2024	2024
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	£000	£000	£000	£000	£000	£000
Equity Securities	3,958	0	3,958	3,568	0	3,568
Debt Securities	1,451	0	1,451	1,101	0	1,101
Private Equity	12	1,290	1,301	34	27	60
Real Estate	0	286	286	22	335	357
Investment Funds and Unit Trusts	187	160	347	14	1,213	1,227
Derivatives	2	0	2	(1)	0	(1)
Cash and Cash equivalents	261	0	261	244	0	244
	5,871	1,736	7,607	4,982	1,575	6,556

Analysis of projected amount to be charged to operating profit for year to 31 March 2026

Year ended 31 March 2026	£000	% of pay
Projected current service cost*	(533)	(14.1)
Interest income on plan assets	466	12.4
Interest cost on defined benefit obligation	(357)	(9.5)
Total included in Statement of Comprehensive Net Expenditure	(424)	(9.5)

* The current service cost includes an allowance for administration expenses of 0.3% of payroll. The monetary value is based on a projected payroll of £3.769m.

11. Financial Instruments

Because the cash requirements of CHS are met through grant-in-aid, financial instruments play a limited role in creating and managing risk than would apply in a non-public sector body of a similar size.

12. Related party transactions

CHS is a Non-Departmental Public Body sponsored by the Care and Justice Division in the Children and Families Directorate. CHS receives funding from the Care and Justice Division in the Children and Families Directorate which is regarded as a related party. During the year 2024/25, CHS received grant-in-aid of £9,357,000 (2023/24 £7,735,000).

No Board Member, key manager or other related party has undertaken any material transactions with CHS during the year 2024/25 (2023/24: £nil).



CHILDREN'S HEARINGS SCOTLAND
DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of Schedule 1 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 2025, 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 12 June 2024 is hereby revoked.

A handwritten signature in black ink, appearing to read 'Brian Taylor'.

Brian Taylor

A member of the staff of the Scottish Ministers

Dated: 2 July 2025



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