



children's
hearings
scotland

Annual Report and Accounts 2023 - 24

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Performance Report

Performance Overview

Introduction: From Our National Convener / Chief Executive

In 2023/24 we continued to deliver against our identified strategic themes. These are:

- Better protect and uphold the rights of children
- Deliver consistently high-quality hearings
- Continue to build an effective and empathetic panel, that is well-supported
- Be well-informed and influential in our environment and communities

As you will see in this Annual Report, I am pleased to report that strong progress across these areas was achieved during the year. Our ability to progress outcomes which positively impact on the infants, children and young people in Scotland's children's hearing system is all the more substantial against the backdrop of CHS's transformational change project undertaken in 2023-24.

2023-24 saw significant progress for the infants, children and young people of Scotland with the publication of the Scottish Government's response to the recommendations in the Hearings for Children report, and the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 gaining Royal Assent.

Publication of the Scottish Government's position regarding the Hearings for Children report provides a renewed opportunity to work with our government colleagues, partners and key stakeholders across the sector, including our communities and those with lived experience. Much of our planned improvement work for 2024/25 will centre on delivering those improvements which do not need legislative change and working with our partners in order to do so.

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.

In the last business year, CHS embarked on an evolutionary change journey to transform our organisation and its delivery model. The development and implementation of The Tribunal Support Model was of vital importance to fortify CHS and create a more sustainable structure within which to continue its contribution to a transformed Hearings experience for children, young people and families.

In order to equip our new Tribunal Support Model with the skills and resources required to better support our volunteers and communities, we needed to bolster our internal structures as well. While planning and implementing a phased approach to Tribunal Delivery, we transformed our organisational structure onboarding new regional roles as well as central support functions such as Rota Allocation and Change Management. These roles have enabled CHS to improve the

experience of its volunteers, maintain grip and oversight of key regional functions, and most importantly, prepare for the coming reforms to the children's hearing system.

While change was necessary, we cannot gloss over the significant contributions of time, energy, and passion our Area Conveners and Deputy Area Conveners have made to the system. We remain immensely proud of the contributions our volunteers make every day to improve the outcomes for infants, children and young people. No matter the changes and reforms the hearings system goes through in the coming years we require the skills of our Panel Members today, tomorrow and the next day to support some of Scotland's most vulnerable. I remain privileged as National Convener to support and lead the volunteers and staff within the hearings system who consistently go above and beyond to make sure that children and young people have decisions that are well-considered and in the child's best interest. I would like to thank them all for their contributions.

- Elliot Jackson

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

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 vulnerable children and young people 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.

The Children's Hearings (Scotland) Act 2011 – commenced in June 2013 – introduced a single national Children's Panel where volunteer Panel Members receive accredited national training which enables them to make the best possible decisions for children and young people in the children's hearing system. The Act created the role of the National Convener to lead this work. Currently, the National Convener also acts as the Chief Executive of CHS. The Act strengthened hearings by ensuring Panel Members have local and national support and advice on best practice through the National Convener – supported by one organisation – Children's Hearings Scotland (CHS), which was formed in 2011 and assumed its full responsibilities in 2013.

We are one of a number of organisations who work within the children's hearings system, including the Scottish Children's Reporter Administration (SCRA), local authorities, health, and Police Scotland. Our activities within this are focussed on recruiting, training and supporting the volunteer Panel Members.

Our Vision is of a forward looking and evolving children's hearings system, working as a community to ensure infants, children and young people are cared for, protected and their views are heard, respected and valued.

Our Purpose is to equip our volunteer community to engage positively with infants, children, young people and families; ensuring children are loved, cared for, respected and feel part of decisions taken to improve their lives.

CHS engages around 2,500 volunteer Panel Members in the children's hearings system, who are appointed for 3 year terms – there is no limit on multiple terms of appointment. The Panel Members are supported locally by an additional 400 volunteers as part of 22 Area Support Teams (ASTs) covering all 32 local authority areas. Each AST is led by a volunteer Area Convener.

CHS employs around 80 staff as part of our 'National Team', led by the National Convener/Chief Executive. CHS is governed by a Board of non-executive members, which meets formally at least four times a year to set and monitor the strategic direction of the organisation. CHS is financed by grant-in-aid from the Scottish Government as approved by the Scottish Parliament. The grant-in-aid value for 2023/24 was £7.7m.

Our Values:

- **Child centred** – making sure everything we do is in the best interests of children and young people.
- **Respectful** – treating children, young people, their families, partners and each other with care and consideration.
- **Fair** – making sure that everyone is treated with dignity and according to their individual needs; that our information and services are accessible to all; that we provide a consistent level of service to all.
- **Creative** – considering innovative and imaginative ways of approaching the issues we face in the work we do.
- **Challenging** – not being complacent, but questioning ourselves and others to help us improve.
- **Open** – listening, responding to, and learning from, feedback; acting honestly; ensuring processes are transparent; sharing information and being accountable for our actions and decisions.

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

This was the fourth year of CHS's corporate plan, *Our Strategic Outlook 2020-23*¹ as this was extended to include 2023/24 given the work of The Promise Hearing System Working Group during 2022/23. In this plan, we set four strategic themes to guide our work:

Theme 1: Better protect and uphold the rights of children:

Rights-based working is built in to Scotland's children's hearings system. Decisions are required to be made in the best interests of the child and it gives children and young people the right to have a say in decisions about them. But we recognise that we have a responsibility to integrate the obligations of the United Nations Convention on the Rights of the Child (UNCRC) in to our work and this will form a major strand of our effort over the coming years.

Theme 2: Deliver consistently high-quality hearings: We want the hearings experience to be the best it can be and produce sound decisions which move infants, children, young people and their families forward, positively, in their journey. We want children's hearings to be seen as an exemplar of empathetic, loving and respectful practice that promote dignity and avoid stigma.

Theme 3: Continue to build an effective and empathetic panel, that is well-supported: Central to the quality of hearings is Scotland's Children's Panel. They must be knowledgeable and skilled to undertake their role and understand the range of experiences that infants, children and young people may have and the impact of those experiences. To do this, the Children's Panel must be supported with not only the technical aspect of their role, but also the personal effect of making significant decisions.

Theme 4: Be well-informed and influential in our environment and communities:

Over the coming years, we want to develop not only hearings, but also how we deliver our work and how we operate within the wider system and sector. We will look to evidence – from data, research, but also from what we are told by people with experience of hearings – to underpin our decision making and adopt structured approaches to pilots and innovations. We will also look for opportunities to lead change within the care system and engage actively with our partners.

From these Strategic Themes, we produce an annual Business & Corporate Parenting Plan that establishes our key Business Objectives for the year.²

¹ [CHS Corporate Plan 2020-23 \(chscotland.gov.uk\)](https://www.chscotland.gov.uk)

² 2023-24 Plan: [Business and Corporate Parenting Plan 2023-24 \(chscotland.gov.uk\)](https://www.chscotland.gov.uk)

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, and future prospects and developments. In 2023/24 these risks were:

1. There was a risk to CHS around our budget and ability to fulfil our ambitions for a new tribunal support system.
After controls, this was considered a medium level risk and mitigated in year through careful financial management and partnership with Scottish Government and our Sponsor Team.
2. There was a risk that a lack of robust quality assurance mechanisms and not creating and implementing a future focused learning and development strategy affected the outcomes of those infants, children, and young people attending hearings.
After controls, this was considered a medium level risk which was addressed through the development of the Positive Outcomes Directorate and introduction of a Quality Manager and Learning Manager post as part of the CHS Operational Transformation Programme.
3. CHS was concerned about the risk to its ability to implement agreed reform due to digital system constraints.
After controls, this was considered a medium level risk which was addressed in year through productive partnership work with SCRA.
4. CHS system experiences failures/breaches due to lack of cyber resilience processes.
After controls, this was considered a medium level risk.
5. There was a risk that CHS was unable to meet its statutory function and provide adequate numbers of Panel Members for hearings.
After controls, this was considered a high level risk which was addressed in year through the implementation of the Tribunal Support Model.
6. There was a risk that the Senior Leadership team were unable to maintain oversight and control of business as usual during a period of substantial change.
After controls, this was considered a medium level risk.
7. CHS was concerned about a risk that would result in an inability to operationalise the coming reform agenda.
After controls, this was considered a medium level risk which was addressed in year through the implementation of the Tribunal Support Model and the CHS Operational Transformation Programme.

Performance Analysis

What We Did and Achieved in 2023-24: Performance Analysis and Key Activities

Context: In 2023-24 the hearings system and wider sector continued to face significant challenges under the strain of ongoing economic challenges. We remain in awe of, and have immense gratitude 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 could not have delivered the following achievements without you:

- Fulfilling our statutory obligations by recruiting, training, and **supporting Panel Members to sit on 21,613 children’s hearings, volunteering over 29,000 hours** of their time.
- Designing our 2023 Panel Member recruitment campaign with the **input of young people with lived experience**, delivering a refreshed look and feel to our approach.
- Delivering our recruitment, both for new panel members and colleague roles, with the **involvement and input of lived experience recruiters**.
- Delivering **collaborative proposals** for the redesign of the Children’s Hearings System, with input from our panel community and lived experience focus group, for consideration as part of the deliberations of the **Hearings System Working Group**.
- Launching our **Child Friendly Feedback and Complaints Portal** providing an easy and accessible way for children and young people to provide vital feedback to us about their experiences at hearings.
- Working with Scottish Government colleagues and partners in the sector to advise, influence and consult on **legislative changes** that support and uphold children’s rights, such as the Children Care and Justice (Scotland) Bill.
- Reflecting on the positive strides we have made to progress children’s rights and incorporate the principles of the United Nations Convention on the Rights of the Child (UNCRC) by publishing our **Progressing Rights and Children’s Hearings Scotland** report for 2020-2023.
- Celebrating and thanking our community through local recognition events and nationally during **Volunteers Week**.
- **Reappointing** over 270 Panel Members for a further 3 years.
- **Supporting 339 volunteers through pre-service training** giving a total of 27,120 hours of their time in the preparation of becoming Panel Members.
- Supporting **Panel Practice Advisors to observe 1,034 sessions**, providing valuable feedback to Panel Members on their practice.

- Increasing our community's trauma awareness in hearing practice by releasing **Trauma-Informed training** materials to our community and including it as part of pre-service training, and continuing our trauma-informed training programme for colleagues.
- Working towards **making our website and communications materials fully accessible**.
- Continuing to embed and give further effect to the United Nations Convention on the Rights of the Child (UNCRC) in our work by delivering **UNCRC training to all our colleagues**.
- Developing and **implementing a new Tribunal Support Model** to more effectively support our Panel community.

While delivering the achievements above, in 2023/24 CHS supported decisions in 21,613 Hearings across Scotland. In 2022/23 CHS identified the requirement to adapt and change its structure and delivery model in order to meet its challenges and future requirements. In 2023/24 CHS delivered two significant internal transformation programmes to enable the continued delivery of its statutory obligations and provide the foundations needed by a growing reform agenda and changing operational environment.

What We Achieved in 2023-24: organisational change and influence

The following are the strategic development areas of focus in year. These areas represent the significant projects we have undertaken, driven by the need to prepare CHS and its people to deliver on the upcoming legislative change and reforms to the children's hearing system.

Organisational Transformational Change Programme

CHS embarked on a substantial organisational change programme starting in Q1 and progressing through Q3. The primary drivers for the Board approved organisational change programme were the launching of our Tribunal Support Model (TSM) and the need to create a more future-proofed and focused CHS able to operationalise and deliver improvements and changes to the children's hearing system.

The programme required a comprehensive organisational design to provide capacity and flexibility to meet the demands of the future. The new organisational structure almost doubled our salaried headcount with a substantial impact on our People and Culture team, as well as those in new directorates and regional delivery teams. Our core focus throughout was to ensure that we embedded our new colleagues effectively and with the right support structures in place through robust induction and onboarding activities.

We have taken an agile approach to this process, acknowledging the changing culture and dynamics which come with organisational change and expansion. We have had to shift priorities and flex as teams and individuals to support our new colleagues and directorates to establish. We will continue to remain agile to the needs of our people to grow and flourish.

Tribunal Delivery Model

Throughout the 2023-24 business year we have worked with our community and national team to successfully implement our Tribunal Delivery Model to reduce the burden on our volunteer community and deliver substantial improvements to the infants, children, and young people in the hearing system. While all areas will be operational by the end of our business year, our work, and the impact of change on our teams, will continue into 2024-25 as we further embed and reach our steady state.

Due to the level of significant changes within the sector, as well as our organisation, we engaged widely with our Panel Community. We attended, or created materials for local meetings to present and deliver information and updates as required. Presentations centred on challenges facing the Children's Hearings System (Hearings for Children Report and Care and Justice Bill) and highlighted for our community how these tie in with our work to implement the Tribunal Support Model.

Organisational Performance Summary

In order to monitor organisational performance and the delivery of our Corporate and Business Plans, we tracked the delivery of 31 Business Objectives through the year. These objectives were broken down in to 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 is 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. This process of 'de-scoping' is documented in the quarterly performance reports and reflected in the 'RAG' status of objectives, as detailed below.

As identified, in 2023/24 there have been areas of substantial investments in time and organisational resource which the performance report does not include or expand upon. This has resulted in re-prioritisation of work and for some milestones not to be met in year.

A summary of our performance is provided in the table below, with Business Objectives categorised as 'Green' for completed, 'Amber' for some progress made (between 50% and 99% of the objective) or the objective was partially de-scoped during the year, 'Red' for little significant progress made towards completion (below 50% of the objective) or objective fully de-scoped during the year.

Strategic Theme	Number of Business Objectives in category		Number of 'Red' Objectives due to de-scoping
Theme 1: Better protect and uphold the rights of children	Green	4	n/a
	Amber	1	n/a
	Red	0	n/a
Theme 2: Deliver consistently high quality hearings	Green	4	n/a
	Amber	1	n/a
	Red	0	n/a
Theme 3: Continue to build an effective and empathetic panel, that is well-supported	Green	6	n/a
	Amber	1	n/a
	Red	1	1
Theme 4: Be well-informed and influential in our environment and communities	Green	6	n/a
	Amber	0	n/a
	Red	0	n/a
Organisational Effectiveness and Staff Support	Green	7	n/a
	Amber	0	n/a
	Red	0	n/a
TOTALS	Green	27	n/a
	Amber	3	n/a
	Red	1	1

Business Activity Exception Report

Those activities that are not marked 'Green' above are detailed below.

Theme	Business Objectives	Status at Year End	Comment
1	Prepare for the implementation of the Care And Justice Bill in children's hearings – Practice & Policy (Learning)	Amber	It has not been possible to deliver this objective fully due to external factors. A project to identify, develop, and secure a training programme for our community on the changes and practice requirements needed for the Children (Care and Justice) (Scotland) Bill has been in progress since Q1. The project has been initiated and focused on developing required training and outcomes to meet the needs of Tribunal Members. CHS has formed a partnership with Children and Young People's Centre for Justice (CYCJ) to develop training resources and practice guidance to support the needs of older children in the hearing system. While the project remains on track there is a delay to implementation due to the parliamentary process.

Theme	Business Objectives	Status at Year End	Comment
2	All CHS volunteers and staff complete baseline training on trauma	Amber	Phase 1 of our Trauma Informed Training project has seen three training resources, developed with NHS Education for Scotland (NES), embedded within pre-service mandatory training, and launched on CHS' Learning Academy (CHSLA). Phase 2 of this project will commence in 24/25 when the further two NES Modules will be added to our mandatory training plans for those who have not completed them as part of pre-service. Roll out to staff has been delayed however work is currently underway to introduce the Trauma Informed training as essential training for all CHS colleagues in Q1 of 24/25. The training will be accompanied by a CHS Bites session.
2	Revise CHS Learning and Development Strategy with consideration of the impacts from the Hearing System Working Group report and proposed reforms	Red	The Board agreed in January 2024 to de-scope this milestone from the business plan, moving it into the next business cycle, with a revised target of Q1 2024/25.
3	Support ASTs to develop local Improvement Area Plans	Amber	All areas have been supported to complete area plans. 65% have been completed by ASTs. Area plans will be reviewed in line with our tribunal support model going forward. ASTs continue to be supported by the National Team in delivering national priorities.

Key Activities and Achievements

During the year, CHS volunteers sat on 21,613 Hearings.

Below we outline the key activities we undertook towards the delivery of our 2023/24 Business Objectives. Descriptions of all of our identified objectives can be found in our 2023/24 Business and Corporate Parenting Plan³.

Theme 1: Better Protect and Uphold the Rights of Children:

- Report on CHS's work to incorporate UNCRC during 2020-23 by publishing our Progressing Children's Rights at Children's Hearings Scotland Report, as well as delivering mandatory training in on UNCRC in Q1;
- Improve and strengthen our approach to participation, feedback, mentoring, and engagement through the Strategic Participation Review approved by the Board in Q3 which broadens and expands our approach to participation and engagement;

³ [Business and Corporate Parenting Plan 2023-24 \(chscotland.gov.uk\)](https://www.chscotland.gov.uk/business-and-corporate-parenting-plan-2023-24)

- Evidence improvements in response to feedback and complaints from children and young people by establishing a feedback loop with improvements actioned based on feedback gathered. Regular developments are reported and reviewed by the Board via quarterly Audit and Risk Management Committee meetings; and
- Improve our feedback systems and complaints process by reflecting best practice from the Scottish Public Services Ombudsman’s Child Friendly Complaints Guidance for public bodies in Scotland.

Theme 2: Deliver Consistently High-Quality Hearings:

- Roll out Trauma training modules and resources through CHS Learning Academy to all volunteers;
- Work with Scottish Government, Convention of Scottish Local Authorities (COSLA), SCRA, and other partners to plan the approach to implementation of agreed reforms from the Hearings for Children Report subject to government approval;
- Continue to support Panel Practice Advisors (PPAs) to observe, quality assure, and improve practice in hearings with Tribunal Delivery Managers and Practice & Policy Advisors developing a programme of meetings with PPAs within their Areas/Regions to understand current local operating arrangements and hear from PPAs what currently works well, and what could be better; and
- Review the effectiveness of the Independent Report function through audit with insights used to inform future developments and improvements to the function. Improvement plan in place and high level of assurance received from audit.

Theme 3: Continue to Build an Effective and Empathetic Panel, that is Well-Supported:

- Work with staff, Area Conveners and the CHS community to deliver the first phase implementation of our Tribunal Support Model, and ensure digital infrastructure is in place to support the new model;
- Co-produce a refreshed recruitment creative with children and young people with lived experience;
- Support chairing capacity through the promotion of Enhanced Practice, Management Of Hearings and ongoing development training;
- Monitor the capacity of our panel members which resulted in the launch of a second recruitment campaign;
- Reappoint existing report writers and recruit additional experts;
- Recruit, induct and support the introduction of a Wellbeing Manager post within the organisation to develop and implement a Wellbeing Strategy in conjunction with the Tribunal;
- Reappoint over 270 Panel Members for a further 3 years;
- Recognise and celebrate our panel community during Volunteers Week;
- Undertake a recruitment campaign evaluation in order to understand applicant trends and enable a measured and effective approach to future campaign planning; and
- Provide on-going digital support to the community including frontline response, user guides and training.

Theme 4: Be Well-Informed and Influential in our Environment and Communities:

- Continue to engage with our community through our Community Hub, Town Halls, newsletters, and attendance at local events while awaiting the Scottish Government response to the recommendation in the Hearings for Children Report;
- Involvement with key national strategic groups e.g. Children’s Hearings Improvement Partnership; Child Protection Leadership group and other national forums;
- Continue to work closely with partners to feed into the development of the Children (Care and Justice) (Scotland) Bill;
- Work with Scottish Government, COSLA, SCRA, and other partners to plan the approach to implementation of agreed reforms from the Hearings for Children Report subject to government approval; and
- Participate in a number of research advisory groups.

Organisational Effectiveness and Staff Support:

- Identify critical roles needed within the organisation through a revised organisational structure;
- Introduce an organisation wide multi-year development programme to upskill and support our team to operate efficiently as part of our broader change programme;
- Revise the CHS Communications strategy to effectively promote and support CHS through reform and change;
- Carry out benchmarking activities and engage with colleagues within the sector, as well as our Team Forum, to ensure we maximise the benefits and rewards for our people; and
- Continuous improvement plan based on lessons learned to be developed and operationalised.
-

Key Performance Indicators

The table below presents the results of our Key Performance Indicators. An asterisk (*) indicates that the KPI has a note below.

KPI		2023/24 Target	2023/24 Result	Past Performance
1	% staff complete UNCRC training	100%	100% in Q1 75% end Q4 (including new starts)	New Measure
2	# of young people with lived experience taking part/recruited via participation hub*	6	Due to the changed approach to participation via the strategic review, this KPI was superseded	New Measure

KPI		2023/24 Target	2023/24 Result	Past Performance
3	# of submissions made through the child friendly feedback complaints portal	No set target – monitor submissions through portal	From Q2 - 20/03/24 12 submissions made through the portal to date (feedback) Hits on main contact page: 2483 Hits on child friendly complaints page: 178 Hits on child feedback page: 309	New Measure
4	% of Panel Members and staff completed Trauma Informed training*	100%	94% of eligible volunteers have completed the trauma in practice – phase one course 33% of staff have completed the trauma in practice – phase one course	New Measure
5	% of active and eligible Panel Members observed during the year*	100%	71%	New Measure
6	% of pre-service trainees who felt that the learning objectives were met	99%	99%	2021/22: 99% 2022/23:98%
7	% of applicants put forward for preservice training who complete the full training	90%	83%	2021/22: 75% 2022/23: 84%
8	% of eligible Panel Members completed Enhanced Practice and Management of Hearings training (MoH)	70%	Year to Date Enhanced practice completions – 75.4% (Eligible intake years '19-'23) 66.7% (Eligible '23 intake only) MoH completions – 46.9% (Eligible intake years '17 – '23) 30% booked on to future training	New Measure
9	% of areas recruiting do so with lived experience recruiters*	100%	59%	New Measure

KPI		2023/24 Target	2023/24 Result	Past Performance
10	% of Panel Members successfully reappointed	60%	80%	2021/22: 62% 2022/23: 70%
11	% of Panel Members retained during the year	80%	83%	2021/22: 86% 2022/23: 78.5%
12	% CHS employee attendance	99%	97%	2021/22: 85% 2022/23: 97%
13	% invoices not in dispute paid within 10 working days, during normal operations	95%	87%	2021/22: 85% 2022/23: 83%
14	% positive staff survey feedback on opportunities for learning and development*	80%	Due to the changed approach to gathering staff feedback, this KPI has been superseded.	2021/22: NA 2022/23: 70%

KPI Reporting

Regarding the KPI's above:

- % of active and eligible Panel Members observed during the year*
We have not met our target of 100% (active and eligible Panel Members). Q4 in particular was challenging due to the priority of Hearing observations being given to our trainee cohort over our Panel Practice Advisors who observe Panel members. Changes to how the observation rate is monitored are in development to offer PPAs and Tribunal Delivery Managers better oversight.
- % of PM and staff completed Trauma Informed training*
We have not met our target of 100% for staff and volunteer completion rates. Roll out to staff has been delayed due to competing organisational priorities however work is currently underway to introduce the Trauma Informed training modules as essential training for all CHS colleagues in Q1 of 24/25. Our Learning team is working closely with CHSLA to drive uptake of Module 1 and roll out Module 2 for completion by all volunteers in 2024/25.

- *% of young people with lived experience taking part/recruited via participation hub*
Our participation approach has been reviewed, revised, and was approved by the Board in Q3. In line with our revised approach to participation, CHS will be recruiting young people as paid advisors as part of our expert by experience cohort. Due to the changed approach to participation, this KPI has been superseded.
- *% of areas recruiting do so with lived experience recruiters*
13 of our 22 ASTs (59%) successfully recruited individuals with Lived Experience to support our selection of new Panel Members. A number of Area Support Team colleagues were very proactive and worked closely with CHS to identify, support and include lived experienced recruiters in the selection of new Panel Members, with a number of previous recruiters volunteering to return. A number of experienced lived experienced recruiters also helped develop interview and scenario questions. We know that some Area Support Teams, although eager to build these relationships, encountered a lack of infrastructure within local networks and agencies to enable lived experience inclusion. We also recognised that there were some capacity issues within Area Support Teams. The increased demand on individual lived experienced volunteers themselves from our sector's own recruitment processes (social work, advocacy etc.) resulted in fewer individuals available to support CHS.
- *% positive staff survey feedback on opportunities for learning and development*
We have changed our approach to gathering staff feedback from a once a year survey to a more dynamic series of pulse surveys throughout the year. Due to the changed approach to gathering staff feedback, this KPI has been superseded.

National Convener Functions

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

- 1,477 requests for panel member continuity were made as part of decisions for 1,200 children.
- CHS received and responded to 3 requests for written advice, relating to 4 children, about a matter arising in connection with the functions conferred on children's hearings under section 8 of the Children's Hearings (Scotland) Act 2011.
- 6 requests to serve notice on the implementation authority of their failure to implement the terms of a Compulsory Supervision Order, relating to 12 children, were made under sections 146 and 147 of the Children's Hearings (Scotland) Act 2011.
- 1 application was made to the Lord President of the Court of Sessions to remove a panel member under paragraph 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.

In addition, Children's Hearings Scotland received 27 requests for independent reports.

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.

	2023/24	2022/23	2021/22
Carbon Emissions (kgCO₂e) – Gas	7,704	7,538	6,551
Carbon Emissions (kgCO₂e) – Electricity	7,026	5,781	6,369
SUB-TOTAL (Gas and Electricity Only)	14,730	13,319	12,920
Carbon Emissions (kgCO₂e) – Water	5	3	3
Carbon Emissions (kgCO₂e) – Refuse	1	142	177
TOTAL	14,736	13,464	13,100

Our impact associated with business mileage is given below:

	2023/24	2022/23	2021/22
Total Travel Distance (miles)	32,957	14,793	10,495
Emission Factor (kgCO₂/mile)⁴	0.28567	0.27436	0.28053
Carbon Emissions (kgCO₂e) (travel distance × emission factor)	9,414	4,059	2,944

CHS's carbon footprint has increased substantially in 2023/24. The overall increase is very much due to increased business mileage and our new Tribunal Delivery Model which has seen 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. As a national organisation delivering a statutory service operating country-wide, CHS experienced a dramatic drop in business mileage and subsequent increase post-Covid. Mileage will continue to be monitored and greener public transportation options encouraged where possible.

Opportunities to promote biodiversity are kept under review, but these are restricted due to the limited property footprint with no outside space which could be effectively adapted to promote biodiversity. Further detail can be found in our published Biodiversity report for 2021-2023 here: [biodiversity-report-2021-23.pdf \(chscotland.gov.uk\)](https://www.chscotland.gov.uk/biodiversity-report-2021-23.pdf).

⁴ Emission Factor for 'average sized petrol car' is used here.

How We Allocated Our Resources in 2023-24: Our Financial Performance

In the year ended 31 March 2024, CHS reported net expenditure before Scottish Government funding of £7.148m (2022/23: £6.584m) against Scottish Government funding of £7.735m (2022/23: £5.75m), an excess of Scottish Government funding over net expenditure of £0.587m (2022/23: an excess of net expenditure over Scottish Government funding of £0.834m) with revenue grant-in-aid of £7.235m (2022/23: £5.35m). The General Fund has a deficit of £0.002m as at 31 March 2024 (2022/23: £0.589m).

Capital grant-in-aid was £0.5m (2022/23: £0.4m). The final spend of £0.393m 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 £1.637m on its pension reserve at 31 March 2024 (2022/23: £1.789m). 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 (FRM) 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 2024, CHS paid 87% (2022/23: 83%) of invoices within the terms of its payment policy.

CHS's 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.

Equalities, Social Responsibility and Human Rights

CHS' central purpose is to ensure that children in Scotland who come to hearings have decisions made that ensure they are loved, cared for, and respected. CHS aims to contribute to social progress within Scotland through the delivery of activities to the National Performance Framework for Scotland. Specifically, we undertake work that aligns with those outcomes focussed on (1) ensuring children and young people can realise their full potential (2) respecting and protecting children's rights (3) living in empowered, inclusive safe and resilient communities (4) creating a well-educated and skilled society (5) tackling poverty by sharing opportunities. Fuller exploration of these are available on page 16 our 2020-2023 Corporate Plan⁵ which was extended to include the year 2023-24.

⁵ [CHS Corporate Plan 2020-23 \(chscotland.gov.uk\)](https://www.chscotland.gov.uk)

As corporate parents, we are committed to ensuring that upholding and promoting children's rights is at the forefront of what we do, and that those rights are well understood by our people. In 2023-24 our Board approved a revised Strategic Approach to Participation. This approach is being incorporated into our Children's Participation and Rights Strategy which will be published in Q2 of 2024/25. The Strategy reinforces our purpose at CHS to ensure our hearings make child-centred decisions which respect and protect children's rights and support them to thrive. The strategy will ensure: Respect, Inclusion, Empowerment and Accountability in a redesigned Children's Hearings System. As outlined in the Strategic approach to Participation, we have recruited a Lived Experience Advisor to embed the voice of lived experience in all of our work, and will soon be recruiting an Expert by Experience Group. The remunerated Expert by Experience Group will provide a safe space for those with lived experience to feel empowered and will drive the importance of lived experience voice within CHS and wider.

CHS will be launching its new Learning Strategy in 2024. Equitable access to learning opportunities is essential to realise the full potential of our people so that together we can achieve positive outcomes for the infants, children, and young people within the hearings system. Consequently, a key focus of our new learning strategy will be on the creation of inclusive and accessible learning opportunities for all, learning that respects diversity, individual needs, and is trauma informed.

CHS has continued to make steady progress towards achieving equality ambitions over the past year. The Equality, Diversity and Inclusion (EDI) working group formed in December 2019 was replaced by a CHS Strategic EDI group. Drawing on a cross section of the CHS staff and volunteers the group monitors and supports delivery of CHS' EDI strategy.

CHS published its 4th Gender Pay Gap report in March 2024⁶. Since the last report the staff headcount had increased by almost 50% with females making up 73% of the staff headcount and accounting for 80% of our senior management team. When using the mean to calculate, our overall pay gap between male and female salaries is now 2.03% (in favour of men), compared with 5.85% two years ago. Both the mean and median gender pay gaps within CHS have decreased over the past two years, while men still receive marginally more in average pay across the organisation compared to women. In terms of median gender pay gap figures, which for a smaller organisation like CHS, can produce a less skewed results, the gender pay gap is moved to 1.45% from 5.75%. This reduction in the median pay gap shows the now more even spread of pay between men and women at CHS.

The 2024 pay gap report also included the CHS ethnicity and disability pay gaps. The median ethnicity pay gap is -11.45% in favour of those with declared BME ethnicity while the mean pay gap is 5.09% in favour of those with declared non-BME ethnicity. This significant difference suggests that there is a higher proportion of those with reported BME ethnicity at the lower salary scales compared with those without a reported BME ethnicity. When it comes to the disability pay gap, both median (-21.32%) and mean (-1.86%) are in favour of those with a declared disability. The relatively large difference with the median pay gap is influenced by the low number of those with declared disability and the median sitting at the higher end of the scales. Due to the small numbers, even small changes in staff can significantly impact the data.

⁶ [Gender Pay Gap Report 2024 \(chscotland.gov.uk\)](https://www.chscotland.gov.uk/gender-pay-gap-report-2024)

CHS will continue to improve our recruitment processes to attract diverse talent at all levels as well as offer development and career progression opportunities to all colleagues. CHS also remains committed to continuously improving the support we offer to employees with a disability such as reasonable adjustments, flexible working and general wellbeing support.

CHS published its Equality Outcomes 2023-2024 Report on April 1st 2024⁷ which covered the years April 2022 to March 31st 2024. A detailed update on how each outcome had been progressed during this time was presented to the CHS Senior Management Team and to the CHS Board in advance of publication. The report includes annual breakdowns of equality monitoring for CHS staff and from all the staff recruitment campaigns covering the three year period 2020-2024.

The outcomes presented a blend of equality ambitions that focus on both our employee group and our volunteer community. They also follow the established principle of being proportionate to an organisation of CHS' size and were therefore achievable, having staggered deadlines within which to achieve the outcomes by April 2024. CHS will be setting new Equality Outcomes for the next report in April 2025.

Over the course of the 2023-24 business year, CHS underwent significant organisational change as referenced above with the staff headcount increasing by 50%. This resulted in an expanded People and Culture team to which responsibility for driving EDI priorities now sits. Going forward in 2024-25, the relevant postholders within the People and Culture team will look to reform the strategic EDI group to ensure it reflects the current organisational context of CHS for both staff and volunteers. The overarching CHS EDI Strategy is currently being refreshed and updated which will inform the relevant action plan and specific priorities for outcome reporting going forward. As a first step, in order to achieve this, a diversity and inclusion gap analysis has been conducted to help understanding of CHS's 'as is' position using a self-assessment evaluation and benchmarking tool. This will help CHS measure progress of EDI across various areas of the organisation and benchmark against similar organisations. The end goal of this work is to ensure that equality, diversity and inclusion underpins positive outcomes for children, young people and their families. These ambitions remain true for CHS as an organisation.

CHS and Island Communities

Under section 12 of the Islands (Scotland) Act 2018, CHS is required to publish information about the steps it has taken to comply with the duty to have regard to island communities in carrying out its functions. This section is designed to fulfil this requirement, covering the reporting period 23/12/2022 – 22/12/2023.

CHS operates in every Local Authority in Scotland and is conscious of the particular challenges faced by island communities. During the reporting period we had two Area Support Teams that were dedicated to supporting volunteers to make effective decisions for children and young people in island communities (Orkney and Shetland) and others that include island communities

⁷ [Equality Mainstreaming and Outcomes 2022 - 2024 \(chscotland.gov.uk\)](https://chscotland.gov.uk/equality-mainstreaming-and-outcomes-2022-2024)

as part of their areas (e.g. Argyll & Bute). These ASTs work alongside colleagues in other services and organisations (such as social work, children’s reporters, third sector organisations) locally.

The CHS Learning Academy 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 and AST members to complete essential and optional learning at times and a pace that suited them. Local learning and development co-ordinators, supported by CHS national team and the CHS supported local Learning and Development Co-ordinators forum, offered local learning and development sessions to bring island communities together either face to face or virtually to continue to complement national training.

CHS completed work in 2022 to integrate Island Community Impact Assessments into an organisational impact assessment process that more robustly identifies when and how they should be completed. CHS used the screening tool to assess impacts of new areas of policy, strategy, and service delivery. As part of the new Tribunal Delivery Model (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.

What We'll Do Next Year

CHS has drafted a new Corporate plan, or as we call it, Strategic Outlook, for 2024-2027. It centres on the three strategic themes of:



Our key priority for 2024/25, as in previous years, is to lead and support the CHS Community to deliver better outcomes for Scotland's infants, children and young people. Our revised strategic themes will help us to deliver on this by focusing our energies on those positive outcomes, supporting our people, and driving reforms both in how we work and the sector at large.

Our Business Plan for 2024/25 capitalises on the foundations we have laid through our organisational change programmes. It delivers the strategies, functions, and progress we need to implement system reform and improvements. Specific objectives from our 2024/25 Business Plan include:

Theme 1: Delivering Positive Outcomes:

- Develop a 5-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 the Hearings for Children accepted recommendations.
- 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.

Organisational Effectiveness and Critical Enablers

- Refine our approach to managing and enhancing colleagues' performance to develop a highly skilled and effective National Team.
- Further develop and build on CHS's change architecture and PMO functions to support the delivery of critical programmes of improvement.
- Build on our established communications channels and approaches to adequately reflect our growth and meet needs of our people and communities.
- Fortify and strengthen our cyber and digital security measures enabling CHS to safely harness digital improvements.

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. For clarity, following a detailed review of the organisational structure, the decision was made to remove the 'Head of' executive roles. These were replaced by Director Senior Leadership roles across 4 newly formed directorates. Details are included in the table below.

SLT member	Job title	Appointment
Elliot Jackson	National Convener	7 Oct 2019 – 6 Oct 2024
	Chief Executive	7 Oct 2019
Stephen Bermingham	Head of Practice and Policy	25 Oct 2021 – 30 Jun 2023
Lynne Harrison	Head of Strategy, Development and Depute Chief Executive	7 Oct 2019 – 30 Jun 2023
	Director of Tribunal Delivery	1 Jul 2023
Jessica MacDonald	Director of Business and Finance	4 Oct 2023
Christine Mullen	Head of Learning	1 Jan 2022 – 28 Jun 2023
Jo O'Leary	Director of People and Culture	7 Aug 2023
Carol Wassell	Head of Area Support and Community Improvement	13 Jan 2020 – 30 Jun 2023
	Director of Positive Outcomes	1 Jul 2023

During 2023/24 there were five female senior managers and two male senior managers. All contracts have a notice period of 3 months and are permanent unless indicated otherwise by a future end date.

Board members in 2023/24	Original appointment	End of appointment
Katharina Kasper (chair)	1 April 2022	31 March 2026
Beth-Anne Logan	1 July 2017	30 June 2025
Henry Robson	1 March 2017	28 February 2025
Barbara Neil	1 February 2019	31 January 2025
Katie Docherty	21 June 2021	21 June 2024
Sean Austin	21 June 2021	21 June 2024
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 Business Operations & Governance Manager (<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 (FRoM) 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 2024 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 was known as the Remuneration and Appointments Committee until June 2023. The committee meets a minimum of three times per year 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 Management 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 2023/24 Internal Audit undertook three reviews: clerking, the independent report writer function and Panel Practice Advisors' function/quality assurance. 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 2023/24, held five Board development sessions for training opportunities and discussion, and two Strategy sessions to support ongoing work within the organisation and with the Hearing System Working Group. In addition, the Board held joint development sessions with SCRA Board and OHOV Board in 2023/24.

Key issues for the Board in 23/24 included:

- Implementation of the Tribunal Support Model
- Implementation of CHS's Organisational Change Programme
- Planning for Children (Care and Justice) (Scotland) Act 2024
- 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 2023/24
- Approving the Business and Corporate Parenting Plans for 2023/24
- 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 2023/24

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 around risk management, business planning, major investment, project management, financial management, fraud, procurement, human resources, equality and diversity, information management, health & safety and compliance are assessed annually as part of the Scottish Government Certificates of Assurance process. The National Convener completed this assessment for 2023/24 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 KPIs 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 KPIs 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 2023/24 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 - £20,000 included the following services: campaign 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 which included the following services: Human Resource Support and Consultancy, IT licensing, IT equipment, media services for the recruitment campaign, Development of an Executive Learning and Development 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 Management Committee reviewed and approved the 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 Management Committee on a quarterly basis. Strategic and operational risk management is embedded in CHS' corporate and business planning processes and performance management arrangements.

The key strategic risks identified and monitored during 2023/24 are covered in depth on pages 7 and 8.

Digital Programme

The main focus of activity throughout 2023/24 has been continued functional improvements to our CSAS platform across several areas including Rota, Observations and Recruitment, and development work to support the implementation 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.

The CHS Digital Strategy continues to be implemented alongside significant work to align CSAS and management information to our new structure and the incorporation of a nationally delivered rota management and allocation service.

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 2023/24, CHS had 35 information security incidents recorded and investigated, including near misses. 1 of the 35 data protection occurrences was self-reported to the Information Commissioner's Office (ICO). The majority of incidents related to central processes, systems access and performance issues. These themes are reflective of our organisational re-structure and our move to more centralised processes. There were no occurrences classified as a vulnerability.

Mitigating measures are in place to reduce the likelihood of data breaches and include compulsory training for all panel and AST 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. In 2023/24, the People and Culture Committee consisted of Jo Derrick (chair), Beth-Anne Logan and Katie Docherty.

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 members' remuneration

Remuneration	Salary and allowances ¹	
	2023/24	2022/23
Board	£000	£000
Katharina Kasper	15-20	10-15
Sean Austin	5-10	5-10
Katie Docherty	0-5	0-5
Barbara Neil	5-10	5-10
Jo Derrick	0-5	0-5
Beth-Anne Logan ²	5-10	10-15
Henry Robson	5-10	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 Throughout 2022/23, this Board member has been remunerated through CHS for additional duties in relation to wider Scottish Government Secure Care projects.

Senior manager and board remuneration (audited)

Senior managers' remuneration as a single figure

Senior Management Team Members	2023/24 Salary and Allowances	2023/24 Pension benefits ¹	2023/24 Total	2022/23 Salary and Allowances	2022/23 Pension benefits ¹	2022/23 Total
	£000	£000	£000	£000	£000	£000
Elliot Jackson National Convener/ Chief Executive	85-90	51	135-140	80-85	36	115-120
Jessica MacDonald² Director of Business and Finance	35-40	(3)	35-40	n/a	n/a	n/a
Jo O'Leary³ Director of People and Culture	65-70	(5)	60-65	n/a	n/a	n/a
Stephen Bermingham⁴ Head of Practice and Policy	75-80	24	95-100	70-75	121	190-195
Lynne Harrison Head of Strategy, Development and Depute Chief Executive/Director of Tribunal Delivery	80-85	26	105-110	70-75	38	110-115
Christine Mullen⁵ Head of Learning	10-15	5	15-20	55-60	33	90-95
Carol Wassell Head of Area Support and Community Improvement/ Director of Positive Outcomes	75-80	40	115-120	70-75	71	140-145

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 This member joined CHS on 4 October 2023 so there is no previous year information. Member has less than 2 years' service therefore no pension entitlement currently. Their 2023/24 salary and allowances would have been between £80,000 and £85,000 had they been in post for the full year.

³ First year on disclosures so no previous year's information is provided. Values given are for full year 01/04/2023-31/03/2024, which includes their CHS employment prior to becoming a senior manager. 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.

⁴ Member has elected to link their previous service from another employer in the Scottish Local Government Pension Scheme (LGPS). As member is still active on pensions record, value provided is for all pension benefits as at 31/03/2024. Their 2023/24 salary and allowances

would have been between £75,000 and £80,000 had they been in their senior manager post for the full year.

- ⁵ Member left the scheme with effect from 28/06/2023. Their 2023/24 salary and allowances would have been between £60,000 and £65,000 had they been in post for the full year.

Senior managers' pension entitlements

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 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.

Prior year comparatives

Senior Management Team Members	Real increase in pension in year to 31 March 2023 £000	Real increase in lump sum in year to 31 March 2023 £000	Total accrued pension as at 31 March 2023 £000	Total accrued lump sum at 31 March 2023 £000	CETV ¹ at 31 March 2022 £000	CETV ¹ at 31 March 2023 £000	Real increase in CETV ¹ during year £000
Elliot Jackson	0-2.5	(2.5)-0	45-50	70-75	794	825	31
Stephen Bermingham ²	5-7.5	0	5-10	0	7	72	65
Lynne Harrison	0-2.5	0	5-10	0	68	91	22
Christine Mullen	0-2.5	0	5-10	0	85	107	22
Carol Wassell	2.5-5	0	15-20	0	150	189	39

¹ CETV stands for Cash-equivalent transfer value

² Member has elected to link their previous service from another employer in the Scottish LGPS.

Other staff members' remuneration

The full time equivalent remuneration paid to CHS staff as at 31 March 2024 ranged from £28,294 to £85,662 (31 March 2023: £26,443 to £82,572), a pay ratio of 3.03:1.

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.

Remuneration (continued)	Salary	Allowances	Total remuneration	Salary	Allowances	Total remuneration
	2023/24	2023/24	2023/24	2022/23	2022/23	2022/23
Highest-paid director	£85,662	£0	£85,662	£82,572	£0	£82,572
25 th percentile	£36,207	£0	£36,207	£34,609	£0	£34,609
Median	£37,587	£0	£37,587	£42,723	£0	£42,723
75 th percentile	£56,327	£0	£56,327	£55,622	£0	£55,622

The highest-paid director's salary increased by 3.7% from 2022/23.

The 25th percentile pay has ratio has decreased slightly from 2.39:1 to 2.37:1. The median pay ratio has increased from 1.93:1 to 2.28:1 due to a significant increase in headcount in the lower pay bands to support the new tribunal delivery model. The 75th percentile pay ratio has increased slightly from 1.48:1 to 1.52:1. CHS believes the median pay ratio for 2023/24 is consistent with its pay, reward and progression policies for CHS' employees taken as a whole.

In 2023/24 no employees received remuneration in excess of the highest-paid director (2022/23: 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 2023/24 (2022/23: 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. No benefits in kind were received in 2023/24 (2022/23: none).

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

CHS paid Scottish Children's Reporter Administration £2,910 (2022/23: £5,430) in respect of senior management services from Edward Morrison (Head of Finance and Resources).

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

Average number of employees (whole-time equivalents)	2023/24	2022/23
Staff with a permanent contract – male	15	11
Staff with a permanent contract – female	36	26
Staff without a permanent contract – male	2	2
Staff without a permanent contract – female	1	4
	54	43

Staff costs (audited)

Staff with a permanent (UK) employment contract	2023/24 £000	2022/23 £000
Wages and salaries	2,420	1,595
Social security costs	250	174
Contributions to pension scheme	588	419
IAS 19 pension charge	(139)	316
	3,119	2,504

Staff without a permanent (UK) employment contract	2023/24 £000	2022/23 £000
Wages and salaries	180	350
Social security costs	16	28
Contributions to pension scheme	35	64
IAS 19 pension charge	(9)	50
	222	492

All Staff	2023/24 £000	2022/23 £000
Wages and salaries	2,600	1,945
Social security costs	266	202
Contributions to pension scheme	623	483
IAS 19 pension charge	(148)	366
	3,341	2,996

The average pay per FTE employee decreased by 0.67% between 31 March 2023 and 31 March 2024, due to an increase in headcount principally among the lower pay bands.

Exit packages

Two exit packages costing £37k and £19k (total £56k) were agreed during 2023/24 (2022/23: none). Neither was a compulsory redundancy and neither included a special payment.

Expenditure on consultancy

In 2023/24, CHS spent £171,499 on consultancy (2022/23: £303,772).

Staff Sickness Absence (unaudited)

In the year to 31 March 2024, staff sickness absence was an average of 3% (2022: 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 121 meetings.
- We provided a paid wellbeing day as part of our 2023/24 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 over-arching 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 caring⁸ responsibilities due to its positive and open recruitment approach and its flexible working and attendance management policies and practices.

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.

⁸ 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/>)

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 2024.
- No reportable special payments were made in the financial year to 31 March 2024.
- No reportable fees or charges were received in the financial year to 31 March 2024.
- There are no remote contingent liabilities 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

Financial Statements

Children's Hearings Scotland

Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

	Note	Year to 31 March 2024 £000	Year to 31 March 2023 £000
Expenditure			
Staff costs	2	3,341	2,996
Other administration costs	3	3,340	3,130
Depreciation	4,5,6	470	419
<i>Expenditure</i>		7,151	6,545
Income	1.8	0	(21)
Net expenditure		7,151	6,524
Pension scheme finance cost	10	(4)	59
Finance lease interest	5	1	1
Net expenditure before Scottish Government funding		7,148	6,584
Other comprehensive net expenditure			
Items which will not be reclassified to net expenditure:			
Actuarial loss/(gain) on pensions	10	152	(3,293)
Comprehensive net expenditure for the year		7,300	3,291

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

Children's Hearings Scotland

Statement of Financial Position as at 31 March 2024

	Note	2024 £000	2023 £000
Non-current assets			
Property, plant & equipment	4	191	494
Right of use asset	5	60	108
Intangible assets	6	562	283
<i>Total non-current assets</i>		813	885
Current assets			
Trade and other receivables	7	237	268
Cash and cash equivalents	8	2,111	938
<i>Total current assets</i>		2,348	1,206
Total assets		3,161	2,091
Current liabilities			
Trade and other payables	9	(1,469)	(782)
Lease obligation	5	(57)	(54)
<i>Total current liabilities</i>		(1,526)	(836)
Non-current assets plus net current assets		1,635	1,255
Non-current liabilities			
Net pension asset/(liability)	10	0	0
Lease obligation	5	0	(55)
Net assets/(liabilities)		1,635	1,200
Taxpayers' equity			
General fund		(2)	(589)
Pension reserve		1,637	1,789
Total taxpayers' equity		1,635	1,200

The Accountable Officer authorised these financial statements for issue on 17 September 2024.

Elliot Jackson
Accountable Officer

Children's Hearings Scotland

Statement of Cash Flows for the year ended 31 March 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net expenditure		(7,151)	(6,584)
<i>Adjustments for non-cash items</i>			
Increase/(Decrease) in pension fund liability	10	-	(1,975)
Increase/(Decrease) in pension reserve	10	(152)	2,400
Depreciation charges	4,5,6	470	419
Loss on disposal of assets		-	-
<i>Movements in working capital</i>			
Decrease/(Increase) in trade and other receivables	7	31	(92)
Increase/(Decrease) in trade and other payables	9	458	303
Net cash outflow from operating activities		(6,344)	(5,529)
Cash flows from investing activities			
Purchase of property, plant & equipment	4	(42)	(83)
Purchase of intangible assets	6	(122)	(293)
Cash flows from financing activities			
Scottish Government funding for year		7,735	5,750
Net interest (expense)/return on pension asset		4	-
Repayment of leasing liabilities		(57)	(52)
Interest paid on lease obligations		(1)	(1)
Net increase/(decrease) in cash and cash equivalents		1,173	(208)
Opening cash balance	8	938	1,146
Closing cash balance		2,111	938

Children's Hearings Scotland

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

	Note	General Fund £000	Pension Reserve £000	Total Reserves £000
Balance at 1 April 2022		245	(611)	(366)
Actuarial gain on pension reserve	10	0	2,400	2,400
Net expenditure for the year		(6,584)	0	(6,584)
Total recognised income and expense for 2022/23		(6,339)	1,789	(4,550)
Funding from Scottish Government		5,750	0	5,750
Balance at 31 March 2023		(589)	1,789	1,200
	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

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 2023/24 Government Financial Reporting Manual (FRoM). 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 for contributions during 2023/24 was at 31 March 2020; a new valuation at 31 March 2023 will be used to determine contributions from 2024/25 to 2026/27. Details of these valuations were included in reports 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 (4.72% 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 2024 was £nil (2023: £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 2024	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	137
1 year increase in member life expectancy	4%	236
0.1% increase in the salary increase rate	0%	8
0.1% increase in the pension increase rate (CPI)	2%	132

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. However, at 31 March 2023 and at 31 March 2024, 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 continues not to recognise this excess as a net asset in its Statement of Financial Position.

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

	2023/24	2022/23
	£000	£000
Board fees and expenses	54	64
Shared services	39	55
Legal fees	26	35
Running costs	1,165	1,063
Direct support for panel	115	113
Training, recruitment and other staff costs	254	70
Auditor remuneration	16	14
Internal auditors’ remuneration	13	12
Recruitment of Panel Members	207	257
Training of Panel and AST Members	1,158	1,138
Panel and AST Member Expenses	293	309
	3,340	3,130

4. Property, Plant and Equipment

Additions of total property, plant and equipment in the schedule of £0.042m (2022/23: £0.129m) appear in the cash flow as £0.047m (2022/23: £0.083m) after adjustment for opening and closing property, plant and equipment accruals in trade and other payables.

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

2022/23	Leasehold Improvements £000	Computer equipment £000	Assets under construction £000	Total £000
Cost/Valuation				
Opening Balance	192	982	0	1,174
Additions	0	129	0	129
Transfers	0	0	0	0
Disposals	0	0	0	0
Closing Balance	192	1,111	0	1,303
Accumulated depreciation				
Opening Balance	114	343	0	457
Provided in year	39	313	0	352
Withdrawn on disposal	0	0	0	0
Closing Balance	153	656	0	809
Net Book Value				
At 31 March 2023	39	455	0	494
At 31 March 2022	78	639	0	717

5. Leases and Right of Use asset

In the year ending 31 March 2024 and 31 March 2023, CHS had only one lease obligation relating to a right of use asset: an office building called Thistle House. CHS signed a Memorandum of Terms of Occupation (MOTO) with Scottish Legal Aid Board (SLAB) for occupancy of this office space at 91 Haymarket Terrace, Edinburgh. The MOTO is a 1 year rolling agreement.

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

	2023-24	2022-23
	£000	£000
Cost/Valuation		
Opening Balance	162	0
Additions	5	162
Transfers	0	0
Disposals	0	0
Closing Balance	<u>167</u>	<u>162</u>
Accumulated depreciation		
Opening Balance	54	0
Provided in year	53	54
Withdrawn on disposal	0	0
Closing Balance	<u>107</u>	<u>54</u>
Net Book Value at 31 March	<u>60</u>	<u>108</u>

Maturity analysis of lease liabilities as at 31 March

	2024	2023
	Lease payments	Lease payments
	£000	£000
Within one year	57	54
Later than one year and not later than two years	0	55
	<u>57</u>	<u>109</u>
	2024	2023
	Finance charges	Finance charges
	£000	£000
Within one year	0	1
Later than one year and not later than two years	0	0
	<u>0</u>	<u>1</u>

6. Intangible Assets

Additions of total intangible assets in the schedule of £0.351m (2022/23: £0.296m) appear in the cash flow as £0.122m (2022/23: £0.293) after adjustment for opening and closing intangible asset accruals in trade and other payables.

2023/24	Developed Software	Website	Assets under construction	Total
	£000	£000	£000	£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
<hr/>				
2022/23	Developed Software	Website	Assets under construction	Total
	£000	£000	£000	£000
Cost/Valuation				
Opening Balance	517	18	0	535
Additions	296	0	0	296
Transfers	0	0	0	0
Disposals	0	0	0	0
Closing Balance	813	18	0	831
Accumulated amortisation				
Opening Balance	517	18	0	535
Provided in year	13	0	0	13
Closing Balance	530	18	0	548
Net Book Value				
At 31 March 2023	283	0	0	283
At 31 March 2022	0	0	0	0

7. Trade and other receivables

7.1 Amounts falling due within one year

	2024	2023
	£000	£000
Other receivables	0	0
Prepayments	237	268
at 31 March	237	268

7.2 Intra governmental balances

	Receivables: amounts due within one year	Receivables: amounts due within one year
	2024	2023
	£000	£000
Balances with other central government bodies	0	0
Balances with local government bodies	0	0
Intra governmental balances	0	0
Balances with bodies external to government	237	268
at 31 March	237	268

8. Cash and cash equivalents

	2024	2023
	£000	£000
Balance at 1 April	938	1,146
Net change in cash and cash equivalents	1,173	(208)
Balance at 31 March	2,111	938
Bank accounts	2,111	938
at 31 March	2,111	938

All bank balances at 31 March 2024 are held with commercial banks.

9. Trade and other payables

9.1 Amounts falling due within one year

	2024	2023
	£000	£000
Trade payables	586	64
Tax and social security	148	52
Other payables	132	(3)
Accruals	603	669
	1,469	782

The increase in total trade and other payables of £0.687m (2022/23: increase £0.352m) is shown in the statement of cash flows as an increase of £0.458m (2022/23: increase £0.303m) 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 2024 £000	Payables: amounts due within one year 2023 £000
Balances with other central government bodies	442	86
Balances with Local Authorities	285	206
Intra governmental balances	727	292
Balances with bodies external to government	742	490
at 31 March	1,469	782

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	2024	2023
	% p.a.	% p.a.
Pension increase rate (CPI)	2.75	2.95
Salary increase rate	3.45	3.45
Discount Rate	4.85	4.75

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 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. for both males and females. Based on these assumptions, the average future life expectancies at age 65 for CHS are:

	Males	Females
Current pensioners	22.1 years	21.7 years
Future pensioners*	22.4 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 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% 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.

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

¹ Employer contributions were estimated for the purpose of this analysis. CHS's actual contributions for 2023/24 are as reported in the Remuneration and Staff Report on page 37.

Change in the Fair Value of Plan Assets, Defined Benefit Obligations and Net Liability for year ended 31 March 2023

	Assets	Obligations	Net (liability)
	£000	£000	£000
Fair value of plan assets	4,590	0	4,590
Present value of funded liabilities	0	6,565	(6,565)
Opening Position as at 31 March 2022	4,590	6,565	(1,975)
Current Service Cost	0	849	(849)
Past Service Cost	0	0	0
Total Service cost	0	849	(849)
Interest income on plan assets	134	0	134
Interest cost on defined benefit obligation	0	193	(193)
Total Net Interest	134	193	(59)
Total defined benefit cost recognised in profit or (loss)	134	1,042	(908)
Plan participants' contributions	144	144	0
Employer contributions	483	0	483
Benefits paid	(36)	(36)	0
Expected closing position	5,315	7,715	(2,400)
Remeasurements			
Change in demographic assumptions	0	(39)	39
Change in financial assumptions	0	(3,692)	3,692
Other experience	0	410	(410)
Return on assets excluding net interest	(28)	0	(28)
Asset ceiling adjustment	(893)	0	(893)
Total remeasurements recognised in Other Comprehensive Income (OCI)	(921)	(3,321)	2,400
Fair value of plan assets	4,394	0	4,394
Present value of funded liabilities	0	4,394	(4,394)
Closing position as at 31 March 2023	4,394	4,394	0

Fair value of employer assets

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

	2024	2024	2024	2023	2023	2023
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	£000	£000	£000	£000	£000	£000
Equity Securities	3,568	0	3,568	2,983	0	2,983
Debt Securities	1,101	0	1,101	806	0	806
Private Equity	34	27	60	3	17	20
Real Estate	22	335	357	43	204	247
Investment Funds and Unit Trusts	14	1,213	1,227	70	911	981
Derivatives	(1)	0	(1)	0	0	0
Cash and Cash equivalents	244	0	244	250	0	250
	4,982	1,575	6,556	4,155	1,132	5,287

Analysis of projected amount to be charged to operating profit for year to 31 March 2025

Year ended 31 March 2025	£000	% of pay
Projected current service cost*	(443)	(19.3)
Interest income on plan assets	330	14.3
Interest cost on defined benefit obligation	(300)	(13.0)
Total included in Statement of Comprehensive Net Expenditure	(413)	(18.0)

* 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 £2.301m.

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

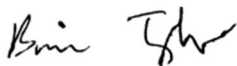
CHS is a Non-Departmental Public Body sponsored by the Care and Justice Division in the Children and Families Directorate. CHS receives funding from the Care and Justice Division in the Children and Families Directorate which is regarded as a related party. During the year 2023/24, CHS received grant-in-aid of £7,735,000 (2022/23 £5,750,000).

No Board Member, key manager or other related party has undertaken any material transactions with CHS during the year 2023/24 (2022/23: £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 2024, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRm) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 9 June 2023 is hereby revoked.



Brian Taylor

A member of the staff of the Scottish Ministers

Dated: 12 June 2024



children's
hearings
scotland

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