JUSTICE 1 COMMITTEE AND JUSTICE 2 COMMITTEE

JOINT MEETING

AGENDA

Justice 1 Committee
33rd Meeting, 2002 (Session 1)
Justice 2 Committee
33rd Meeting, 2002 (Session 1)

Wednesday 2 October 2002

The Committees will meet at 10.00 am in Committee Room 1.

1. **Budget process 2003-04**: The Committees will take oral evidence on Stage 2 of the budget process 2003-04 from—

   Jim Wallace QC, Deputy First Minister and Minister for Justice

   Colin Boyd QC, the Lord Advocate.

Alison Taylor, Tel 85195
Gillian Baxendine, Tel 85054
Clerks to the Committee
The following papers are enclosed for this meeting:

Item 1 – Stage 2 of the Budget Process 2002-03

Committee Stage 1 Report on the Budget J1/02/33/1
J2/02/33/1
Response from the Minister J1/02/33/2
J2/02/33/2
Letter from Jim Gallagher, Head of Justice Department J1/02/33/3
J2/02/33/3
Building a Better Scotland, Executive spending proposals 2003 – 2006 J1/02/33/4
J2/02/33/4
Note from the Adviser (PRIVATE) J1/02/33/5
J2/02/33/5

The Executive published *Building a Better Scotland* Spending Proposals 2003-2006 on 12 September. An extract of this document is being circulated. The full document is available on the following website:

http://www.scotland.gov.uk/library5/government/babs-00.asp

The Justice Committee’s Stage 1 Report on the Budget is available on the following website:

http://www.scottish.parliament.uk/official_report/cttee/just1-02/j1j2r02-budgetprocess-01.htm
The Committees report to the Finance Committee as follows—

Introduction

1. The Justice Committees have been asked to report to the Finance Committee on the relevant parts of the Annual Expenditure Report of the Scottish Executive, *The Scottish Budget 2003-04* (AER). The relevant sections of the Executive report are sections 1 and 2. Section 1 concerns the Justice Department budget, which is the responsibility of the Minister for Justice, and includes support for police and fire services, prisons, the courts, legal aid, criminal injuries compensation, criminal justice social work and victim issues, and emergency planning.

2. Section 2 concerns the Crown Office and Procurator Fiscal Service (CO/PFS), which is the responsibility of the Lord Advocate. The Justice 2 Committee is currently undertaking an inquiry into the CO/PFS. During the Justice 2 Committee’s evidence session on 24 April, the Lord Advocate advised members that detailed discussion with the Minister for Finance and Public Services were currently taking place on additional funding for elements of the implementation programme. This discussion would not be concluded in time for the Committees to scrutinise the outcome at Stage 1. **This lack of available detailed figures has impeded the proper scrutiny of the issues involved at Stage 1.** We are reserving our position and will return to examine the CO/PFS budget in detail at Stage 2. In particular, our interest is to re-assure ourselves that the £10m extra money will be available and identifiable in the budget and that it will not simply go to management restructuring but also frontline services. This report therefore focuses on the Justice Budget.

3. Consideration of the budget clearly cuts across the work and interests of both Justice Committees. The Parliamentary Bureau therefore agreed that budget scrutiny should be undertaken by both Justice Committees working jointly, in accordance with rule 6.14 of the Parliament’s standing orders.

4. The Committees had an informal briefing from officials of the Scottish Executive on 27 March. The Committees took oral evidence from the Association of the Directors of Social Work Services and from the Deputy First Minister and Minister for Justice, Jim Wallace. Written

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1 Lord Advocate, Justice 2 Committee, 24 April 2002, OR, Col 1219-20
evidence was also received from the Justice Department, the Crown Office and Procurator Fiscal Service, the Law Society of Scotland and Association of the Directors of Social Work Services and the Scottish Legal Aid Board.

General

5. The Annual Expenditure Report of the Scottish Executive 2003-04 shows total Managed Expenditure rising in real terms by 3.1% between 2002-03 and 2003-04. However, spending in the Justice Department is set to fall in real terms by 1.7% over the same period. Given that reducing crime is one of the Executive’s priorities, this budget allocation seems contrary to this objective.

6. The Total Managed Expenditure proposed in the AER for the Justice Department in 2003-04 is £744m. To simply maintain the 2002-03 base level of spending in real terms, this would need to be raised to £757.5m, or by some extra £18.5m. If Justice were to enjoy an equal share in the over-all rise in Total Managed Expenditure planned for the Scottish Budget, the Justice Department allocation would need to be raised to £780.4m or by some extra £36.4m.

7. In its consideration of the Budget, the Justice 1 and Justice 2 Committees identified areas where an increase in spending in 2003-04 on justice related projects will produce clearly identifiable and beneficial results that are consistent with the Executive’s priority of reducing crime. These specific requests for alteration in the Budget are discussed below.

8. The Committees also identified a number of areas where there is a manifest need to improve the budgetary system in terms of facilitating linkages between areas and generally bringing about a more ‘joined-up’ delivery of justice related services. Incorporation of these requested changes in the way that budgets are provided would, undoubtedly, lead to substantial benefits in terms of achieving the Executive’s priority of reducing crime. The view of the Committees is that these system-wide changes could, in large measure, be put in place by 2003-04. Details are provided below.

9. Finally, this report includes some observations on the budget process itself, and makes recommendations as to how this might be improved in future years.

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2 [Jack McConnell MSP, First Minister “… we will make sure that our resources are used to target improvements in health and education, reduce crime and to strengthen our transport system and our economy.” page 3, AER]
Requested Changes in Levels of Spending

**Diversion from Prosecution**

10. The ‘Diversion from Prosecution’ budget line is flat in nominal terms (at £1.465m) and, hence, declining in real terms across the three years in the AER. In evidence from the Minister\(^3\), it was pointed out that the out-turn figure in the earlier years had actually been lower than the reported baseline appearing in the AER. The Minister promised clarification of the different figures.\(^4\) This clarification is still awaited and we hope it will be available in time for Stage 2. Nevertheless, in evidence from the Association of Directors of Social Work\(^5\) the inadequacy of the current provision was emphasised. The evidence offered from experience in South Lanarkshire suggests that, if this experience is typical, something more in the order of £8m would be necessary to provide a satisfactory service across the 32 Local Authorities. As a step towards this figure, our request is that the budget provision for ‘Diversion from Prosecution’ be increased to £4m in 2003-04, and should continue to be a realistic priority if new monies are available.

**Time-out Centre**

11. There is provision in the AER to establish a ‘Time-out Centre’ in Glasgow in 2003-04. Based on evidence received from the Association of Directors of Social Work\(^6\), we formed the view that a significantly greater budgetary provision is necessary if the needs of women from outwith the Glasgow area are to be addressed. In evidence\(^7\), the Minister indicated that the Glasgow scheme is not a pilot as such, and that if it is a success it would be taken forward. Whilst we acknowledge a very high percentage of the women using the centre will be from Glasgow, we have concerns that, in effect, this centre will operate preferentially for Glasgow women and not operate as a national resource, addressing the needs fairly of women from other parts of Scotland. We request that the budget for ‘Time-out Centres’ be increased in 2003-04 to £1.2m to provide non-residential aspects of this service widely throughout Scotland and not simply in Glasgow as currently planned. Further, the Committee would seek assurance that there be a review of the effective implementation of this national policy.

**Throughcare**

12. We welcome that the ‘Throughcare’ budget is, after some years of neglect, to be increased substantially in 2003-04, particularly in the ‘Voluntary Throughcare’ aspect of the service. While not wishing to deny the significance of the planned improvement in this aspect of the criminal justice system, members, in recent evidence gathering

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\(^3\) Minister for Justice, Justice 1 and Justice 2 Committees, 7 May 2002, OR, Col 184
\(^4\) Ibid, OR, Col 185
\(^5\) Association of Directors of Social Work, 1 May 2002, OR, Col 170
\(^6\) Association of Directors of Social Work, 1 May 2002, OR, Col 175
\(^7\) Minister for Justice, Justice 1 and Justice 2 Committees, 7 May 2002, OR, Col.189
exercises for the Scottish Prisons Estates Review and other prison visits, have become convinced that a more radical expansion is required. In particular, members perceive a very marked need to improve the uptake of these services, such as, drug treatment. *(The effectiveness of involving prisoners in Throughcare services should be monitored through re-offending figures and appropriate Key Performance Indicators).* This calls for particularly close co-ordination between work done within the Scottish Prison Service and follow-up services provided locally upon the prisoner’s release. This should essentially be a demand led activity, whereby the funding follows the prisoner. This, in part, calls for a change in the system of budgeting, but also requires additional resources to be divided between the Scottish Prison Service and Social Work Services. **We request that the ‘Voluntary Throughcare’ provision be revised upwards from its current planned figure of £3.5m to £6m.**

**Legal Aid**

13. **Members wish to request an inflationary increase to the civil legal aid budget, as was recommended by the Justice 1 Committee in its “Report on Legal Aid inquiry, 2001 (SP437)”.**

**Requested Changes in the System of Budget Allocation**

**Secure accommodation for children**

14. **The Committees are extremely concerned at the lack of secure accommodation for children convicted of offences under sections 205 and 208 of the Criminal Procedure (Scotland) Act 1995, and the fact that a small number of these children have spent time in penal establishments.**

8 This was explained by the Minister as due to a lack of places and not a resource problem. It is difficult to see a lack of places being anything other than a resource problem. **It is requested that provision for secure accommodation for children should be brought under one budgetary heading, preferably under the Justice budget, which would provide clarity in the operation of this service.** However, such funding could be delegated to the Education and Young People department budget and other relevant spending agencies. Evidence from the Association of Directors of Social Work also highlighted the general shortage of secure accommodation for children and drew attention to the linkage between what is provided under the Justice Budget, the Education and Young People Budget, and also through Local Authorities. As this should essentially be seen as a demand-led system it is requested that all such provision be budgeted through one visible budget heading within the Justice Budget. **We also request an immediate review of the need for secure accommodation places in Scotland.**

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8 page 32, AER and Justice Department 3rd response
9 Minister for Justice, Justice 1 and Justice 2 Committees, 7 May 2002, OR, Col.197
10 Association of Directors of Social Work, 1 May 2002, OR, Col 171
Requested Changes in the Budget Process

15. In the Scottish Prison Service section of the AER, a very large charge is being made in 2003-04 to allow for so-called impairment costs. This item was explained to us by the Minister as arising out of the decommissioning of parts of the Prison Estate and the consequent write-down of the value of the buildings – buildings whose alternative-use value is obviously much reduced\(^{11}\). This entry is £35m in 2002-03 and £18m in 2003-04. As this is essentially a book-keeping exercise and does not represent current revenue being spent on prison services, it is requested that this entry, and any others like it, be clearly separated out in the Budget to allow a better view of where current spending is going.

16. With the current level of reporting detail, it proves impossible for the Committees to scrutinise the outcomes of Ministerial announcements on intended spending under defined programme headings. We request that the system of budget headings be revised to be more consistent with the programme-based activities that form the basis of policy initiatives in the justice area.

17. Where spending on a particular programme (for example, care and treatment of offenders), by necessity, spreads over more than one department, we request that there should be a consistency of reporting categories in the AER and other budget documents. This would enable spending under each type of such heading to be aggregated and the total to be monitored more effectively.

18. While we were pleased to hear from the Minster that negotiations are in hand to revise the system of remuneration of solicitors for work done under civil legal aid,\(^{12}\) we are concerned regarding the long delay in considering such changes and even more concerned regarding the apparent lengthy delays involved in implementing any agreed new rates or new system owing to time lags in the system and the need for statutory approvals. We request that the system of remuneration for legal services under legal aid be placed on a regular basis, three yearly, whereby rates are revised in a consistent and regular manner with as little need for special procedures as possible.

19. The reporting of Budget figures to the nearest £million in this year’s AER caused needless confusion over the true extent of increases, owing to the possible influence of rounding effects. A greater level of detail in figures is undoubtedly required for the Committees to undertake proper scrutiny of the AER. Perhaps these could be set out separately and distributed directly to committees rather than increasing the size of the published AER.

\(^{11}\) Minister for Justice, Justice 1 and Justice 2 Committees, 7 May 2002, OR, Col.203-204

\(^{12}\) Minister for Justice, Justice 1 and Justice 2 Committees, 7 May 2002, OR, Col 200
20. There is clear evidence of an over reliance within the Budget on ‘Miscellaneous’ categories, for what can be relatively large amounts of spending. An example under Community Justice Services (Offender Services) is ‘Miscellaneous Projects’ (£13.627m in 2001-02) which itself is split by 2003-04 into ‘Miscellaneous Projects’ (£5.983m) and the no-more-informative ‘Support Programmes’ (£9.122m). Budget scrutiny requires more detailed information than is available here. In general, we hope that the new finance information system about to be introduced in the Justice Department will provide a more detailed access to spending – at least to Level 4, a level of reporting which is only available at the moment thanks to the co-operation and considerable effort of the Finance Officers in the Justice Department. This detailed information need not form part of the AER, but should be available to Members of the Justice Committees as part of the Budget Review Process.

Recommendations

21. For the reasons given above, we request that:

‘Diversion from Prosecution’ budget for 2003-04 increase from £1.465m to £4m. (paragraph 10)

‘Time-out Centres’ budget item for 2003-04 increase from £0.6m to £1.2m. (paragraph 11)

‘Voluntary Throughcare’ provision for 2003-04 to increase from £3.5m to £6m. (paragraph 12)

Each of these requested changes will have the measurable effect of reducing crime.

22. We request an inflationary increase to the civil legal aid budget (paragraph 13).

23. Due to the unavailability of detailed figures of the COPFS budget, we are reserving our position on this section of the Scottish budget, and look forward to scrutinising the new Budget figures at Stage 2 (paragraph 2).

24. We also request that certain changes be made in the way the budget is administered:

Provision for ‘secure accommodation’ should be brought under one budgetary heading, under the Justice Department’s budget, with delegation to other departments. (paragraph 14)
25. Finally, we request that certain procedural changes be incorporated in the Budget process itself:

That all essentially book-keeping depreciation type entries that do not represent current revenue actually being spent on services and capital projects be clearly separated out in the Budget to allow a better view of where current spending is going. (paragraph 15)

That budget headings more clearly relate to programmes, especially when these programmes are the subject of Executive initiatives and Ministerial announcements. (paragraph 16)

A consistency of reporting categories in the AER and other budget documents when spending on a particular programme spreads over more than one Department. (paragraph 17)

A system be set in place to allow the routine revision of rates paid for legal services provided under the legal aid system. (paragraph 18)

Detailed reporting, at least to level 4, be automatically provided to Members of the Justice Committees for the purposes of the Budget Review Process. (paragraphs 19 and 20).
Justice 1 Committee
33rd Meeting, 2002 (Session 1)
Justice 2 Committee
33rd Meeting, 2002 (Session 1)

Wednesday 2 October 2002

Budget process 2003-04

Letter from Minister for Justice
Pauline McNeill MSP  
Convener  
Justice 2 Committee  
C/O Clerk to the Justice 2 Committee  
Room 3.09  
Committee Chambers  
George IV Bridge  
EDINBURGH  
EH99 1SP

I am writing to you to offer my comments on your Stage 1 Report to the Finance Committee on the Justice Budget for 2003-04. The Committees plainly have some concerns arising from the evidence given on the budget and I am therefore pleased to have this opportunity to address those concerns.

My comments relate to the individual recommendations set out in your paper in paragraphs 21 and 22, then 24 and 25. The recommendation in paragraph 23 relates to the Crown Office and is a matter for the Lord Advocate.

**Diversion from Prosecution**

The Justice Committee quoted evidence submitted by ADSW of claimed inadequacy of current provision for diversion from prosecution schemes and recommended that the budget provision for diversion be increased to £4million in 2003-04 from the current provision of £1.465million.

The funding of diversion schemes has to be placed within the wider context of offender services funding, which as the Committee itself noted was the only area within the Justice Department’s budget to have experienced a real increase in recent years. The allocated budget of £67.0million for 2003-04 represents a further increase of £5million over the current year and provides funding in respect of court reports and the full range of community disposals, including Restriction of Liberty Orders which became available nationally from May of this year.
With regard to diversion we have moved from a situation of funding pilot schemes in 18 local authority areas to one of providing funding of such schemes across all local authority areas. The Executive has committed significantly larger sums to this area of work in recent years at the same time as diversion has been adjusted from a generic approach to one of focussing on four target groups. These are women, individuals with drug problems, young people and individuals with mental health problems. This targeting is based on the evidence from the evaluation of the pilot schemes. In the 2000-01 financial year £665k was allocated to diversion, which has grown to £1.465m in the current financial year and will form the base for 2003-04. We have no evidence that the reported difficulties of funding in South Lanarkshire are replicated in other areas of Scotland. The outcome of the current Spending Review will determine any further increase.

**Time Out Centres**

I very much welcome the Committee’s endorsement of the Executive’s approach on women’s offending and its continuing support for the Time Out Centre. However, it is difficult to justify committing further scarce resources to allow the day programme element of this approach to be provided across Scotland when the Time Out Centre approach is entirely untested at this stage. For this reason, the Justice Department will carry out an evaluation into its effectiveness in achieving the policy objectives and this will provide a sounder base for future spending decisions. It also has to be borne in mind that the selection of Glasgow for the first centre reflects the numbers of women in that city who might benefit from the services to be provided by Time Out whereas the numbers of women on community disposals in other parts of Scotland is often very small and would be insufficient to support the numbers envisaged for Time Out.

Importantly, I recognise the needs of women offenders in other areas of Scotland. For this reason, funding is being made available to assist the development of offender programmes geared specifically to women in other parts of the country. The intention is to make the use of community sentences more attractive to sentencers for this client group. The ultimate intention is that programmes, once fully developed, will be submitted for approval by the accreditation panel, which we are in the process of establishing for community disposals. This offers an additional approach to dealing with women offenders which complements the plans for Time Out.

**Throughcare**

I note that the Committee welcomed the planned substantial increase in the funding provision for throughcare. This follows work undertaken within a Tripartite Group comprising officials from the Executive, SPS and local authorities to develop proposals to improve the current arrangements for the transition from prison to community. The Group has recognised the need to tackle the structural differences, which exist in the current service and the need to develop a broader agenda for throughcare services, which has been fully costed. Ministerial endorsement of the Group’s recommendations already is supported by plans for a very substantial increase in funding provision. There will be a staged implementation programme because criminal justice social work services will need time to build the necessary capacity to undertake this work. We are not convinced that within the context of the overall funds available a further very large increase can be justified on top of the existing planned increase nor that it could be put to effective use.

Whilst the Department recognises the arguments for increasing funding to particular services, such demands need to be placed within the overall budget constraints which operate and are considered along with the other pressing demands on the Justice Department’s budget and in relation to the Executive’s priorities as a whole. In considering the allocation of the increasing funds which have been made available to criminal justice social work services, the Justice Department has aimed to provide a balanced programme which will:
provide a broad range of community disposals;
make them available across the country (only DTTOs are at present not available nationally and these are being progressively rolled out); and
increase the quality of the service.

By doing so, the objectives are to protect the public, to increase the confidence of the courts and the public in community sentences and to reduce re-offending rates.

Legal Aid

Turning now to legal aid, the Committees recommend that there should be an inflation increase in the budget for civil legal aid; and that there should be a regular, routine revision of rates paid for legal aid work.

On the former, I have already explained to the Committees that the Legal Aid Fund is not cash-limited: the Scottish Legal Aid Board grants legal aid to all qualifying applicants without reference to the level of the Fund, and the Executive provides whatever monies are needed to meet the resulting expenditure. The provision we have made in our expenditure plans is, in our view, a reasonable forecast of need: I cannot see that there would be any real advantage in an arbitrary increase in provision against the possibility that it might be required in the course of 2003-04, when any increase in provision that was made now would require corresponding cuts to other, planned programmes within the Justice portfolio.

I am concerned that the Committees appear to think that delays in deciding on a fee rise, and the estimated lead time between introduction of a fee rise and its impact on expenditure from the Fund, are attributable to the Executive. This is simply not the case. We have been waiting for proposals from the Law Society of Scotland for a new fee structure, allied to a quality assurance scheme, for some considerable time: but we have still not received them. When we do, I can assure the Committees that we will consider them without delay. As far as lead-times are concerned, the fact is that civil cases often take a long time: so the full impact of any fee increase will not be felt until solicitors and counsel submit accounts to the Board for payment, on completion of cases undertaken under a new fee regime. That means that there will inevitably be a time lag between any change to the fee system and its full impact on spending.

As far as routine revision of fees is concerned, I have already made it clear in the recent debate on legal aid that I want to avoid the level of remuneration for solicitors falling so far behind that effective access to justice would be compromised: but I could not agree to an automatic system for uprating fees. In deciding whether a fee rise is needed at any given point in time, the Executive has to consider factors such as the overall economic position, demand for legal aid, current costs, the availability of solicitors and resource pressures on the overall budget. Nevertheless, I support the principle of regular review, and hope that the Law Society’s proposals will address the issue.

Secure Accommodation for Children

The Committees recommend that all provision for secure accommodation for children should be brought under the Justice budgetary heading. I think that the issue runs wider than the budgetary issue. The current system is that local authorities are responsible for providing the places for secure accommodation for those children deemed in need of it, or sentenced to detention there by a court, and the Justice budget covers the costs for the latter group. I agree that there is a job to do in assessing the appropriate level of national provision. That is why Ministers commissioned a Secure Accommodation Advisory Group to review this area. The Group concluded that there was a lack of evidence to support an increase in places. We are aware, however, that there can be availability
problems for some emergency admissions. We also know that some children stay in secure accommodation longer than they need to because a place has not been found for them elsewhere. It is also the case that some girls would benefit from single-sex provision. There is a need to ensure we have the right kind of provision in the right parts of the country. That is why the Cabinet, as part of its review of youth crime, agreed that the Executive should look to reconfigure the existing accommodation, providing some girls-only accommodation and reconsider the need for an increase in places. We are also looking at the provision of programmes to tackle the behaviour that caused the young person to be in secure accommodation, including offending behaviour. I must stress that my Cabinet colleague Cathy Jamieson and I will be working very closely together in considering issues affecting the secure estate for children.

**Procedural changes to the Budget process**

The Committees also raised a number of procedural changes they would like to see in the Budget process. The first calls for non-current revenue expenditure provision to be stripped out from the Budget document. It is Executive policy, along with all other Government Departments, that the full cost of providing services is taken into account. This provision of full cost expenditure information in The Scottish Budget 2003-04 is a direct result of the introduction of resource accounting. The identification of the full impact of capital is an essential element of resource accounting and budgeting. There are no plans to publish ‘current spending’ information in subject chapters in the Scottish Budget documents.

The next change suggested is in relation to ‘budget headings’. Given the overall size of The Scottish Budget, subject chapters are restricted to specific levels of detail, namely level 2, which is a main subject grouping, and level 3, where the subject grouping is broken down into more detail. There is simply no space to provide detail for individual Ministerial announcements. However, if the Committees consider that the current Justice subject groupings at either level 2 or 3 are misleading or incorrect, my officials would be happy to discuss with them any proposed changes they may suggest.

The Committees suggest that there should be a consistency of reporting categories in Budget documents when spending on a particular programme spreads over more than one Department. The breakdown of each portfolio budget is a matter for the responsible Minister. As already stated, The Scottish Budget is restricted in size, and often many issues are aggregated into larger subject areas for reasons of space. However, if the Committees wish specific information on other Departmental budget categories which are linked to Justice initiatives, they should write seeking details through the Justice Finance Team, who will be more than happy to pursue and supply the information.

The final recommendation is that the Committees receive more detailed information on Justice expenditure provision than that published in The Scottish Budget. I am aware that the Justice Finance Team supplied this information directly to the Committees this year, and they have assured me that this will be done as a matter of course in future.

I hope you find this information useful. I am copying this letter to Christine Grahame, the Convener of Justice 1.

JIM WALLACE
Justice 1 Committee
33rd Meeting, 2002 (Session 1)
Justice 2 Committee
33rd Meeting, 2002 (Session 1)

Wednesday 2 October 2002

Budget process 2003-04

Letter from Jim Gallagher, Head of Justice Department, Scottish Executive
STAGE 1 OF THE BUDGET PROCESS 2003-04: JUSTICE BUDGET

When the Deputy First Minister and I appeared before the Justice Committees on 7 May to give evidence on the Justice Budget for 2003-04, we undertook to come back to the Committees with further information on certain issues. I apologise for the delay in this reply, but we were awaiting clearance from the Valuation Office Agency on the issue of the release of the valuation of Penninghame Prison information. This has just recently come to hand.

Time Out Centre, Glasgow

The Committees were concerned about possible timetable slippage in the delivery of this project. The Project Team comprising Glasgow Council Social Work and Housing Departments, Greater Glasgow Health Board and the Executive is currently finalising the tender which should issue over the summer. The main factor in deciding the timing of the Time Out Centre has been the requirement to identify a suitable building providing the right mix of accommodation in an appropriate location. Glasgow Council has identified a building which is fit for this purpose and is in negotiations to secure it for Time Out. It will require substantial refurbishment to bring it up to the standard required but we are informed that it should be ready for occupation early in 2003.

Employment Opportunities for Ex-Offenders

The Scottish Offenders Employment Forum (SOEF) is a multi-agency initiative established in 1999 to take forward at a strategic level work on developing the employability prospects of offenders in Scotland. The SOEF is intended to have oversight of the establishment and implementation of an effective multi-agency approach to improving the employability of offenders in Scotland through education, training and other opportunities. The specific roles of SOEF include advising on policy and strategic development together with identifying and promoting effective practice. Membership of the Forum includes representation from a wide range of statutory and voluntary bodies. Mr Mike McCarron has very recently taken over as Chair of SOEF.
The Scottish Prison Service (SPS) are involved with SOEF which brings together a number of organisations including the Scottish Executive Community Justice and Lifelong Learning; Employment Service and Benefits Agency (Job Centre Plus); Local Enterprise Network; Local Authorities; Criminal Justice Social Work; Apex Scotland; College Network and Association of Directors of Social Work (ASDW).

Through links made on SOEF, SPS Glasgow Coalition and a major building trade employer are currently investigating promoting better links and employment prospects for Barlinnie prisoners. The Deputy Justice Minister also recently launched the Apex Glasgow ES Innovation Fund project linking prisoners additionally disadvantaged by homelessness with housing and employer/training organisations. Edinburgh Prison recently held an Employers Fair, where employers came to the prison to see the type of work undertaken in prisons.

Secure Accommodation

Scott Barrie asked if the Justice Department would purchase a place for a young person sentenced to detention under section 205(2) or 208 of the Criminal Procedure (Scotland) Act 1995 if no place were available in secure accommodation in Scotland, rather than place the young person in a Scottish prison. The Deputy First Minister and I were unsure about this but in principle unwilling to rule it out. We have now checked the legal position. Scottish Ministers in fact have no statutory power to direct that a person sentenced to detention under sections 205 or 208 of the 1995 Act is detained otherwise than in Scotland. Such a person could be directed to be detained elsewhere in the UK but such a direction could only be made if the person concerned applied to be transferred and the receiving jurisdiction was content that there were relevant grounds for the transfer.

On the issue of provision of secure accommodation places in Scotland, Ministers are considering the findings of the interim report submitted last year by the Secure Accommodation Advisory Group.

Valuation of Penninghame Prison

You asked about the valuation and sale price of the former prison at Penninghame which was sold on the open market following closure in 2000.

As intimated in response to parliamentary question S1W-20333, the sale price was £275,000 and is recorded with the title deeds in the Land Register.

Valuation advice is provided to the Scottish Prison Service by the Valuation Office Agency. Again as stated in response to the above parliamentary question, such advice was sought by SPS prior to the former prison being sold. In accordance with normal practice, the valuation was provided to SPS on a confidential basis and therefore SPS has therefore not released details of the advice.

However, given the Justice Committees' interest in this particular case, the Valuation Office has now agreed that the details of the valuation of the former prison can be released, notwithstanding the confidentiality clause. They have asked us to explain it in the following terms:

'It is confirmed that the VOA provided an asset valuation of Penninghame Prison as at 31 March 1997 for incorporation into the annual accounts of Scottish Prison Service Agency. As Penninghame comprised a specialised property which due to its specialised nature is rarely if ever sold on the open market, the valuation was carried out on a Depreciated Replacement Cost (DRC) basis and was reported at £3,752,410 all in accordance with the Royal Institution of Chartered Surveyors’ Appraisal and Valuation Manual.'
Where a valuation is reported on a DRC basis, it is a requirement of the Appraisal and Valuation Manual that wherever possible, the report should provide an opinion of Open Market Value (OMV) to show if this is likely to be significantly higher or lower than DRC. This highlights to the client any differences between what a property might achieve on the open market and its value for accounting purposes.

In the case of Penninghame, the OMV was reported at £400,000 as at 31 March 1997.

Unfortunately, despite the assistance of professional property advisers and DAS Land and Buildings support, the open market sale failed to match this theoretical value. On the basis of professional advice and taking into account the on-going costs associated with maintaining the property, the property was sold for £275,000 as representing best value available for the taxpayer.

I am writing similarly to Christine Grahame, the Convener of Justice 1 Committee.

J D GALLAGHER