



Annual Report and Accounts

2022/2023

It's about dignity,
respect and compassion.

**It's about
survivors.**



Welcome to our first
Annual Report and Accounts

Survivors are at the heart of the Redress Scotland process.
We have been working at pace during our first year to keep them at the forefront of everything we do whilst making fair, robust and transparent decisions on their applications for redress.

It's about...

**making progress
in our first year.**

Read our **Performance highlights** on **page 22** →

**listening to and acting on
what survivors tell us.**

Read **Our Recommendations** on **page 47** →

**being accountable
for our actions.**

Read our **Accountability Report** on **page 51** →

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Performance Overview Report

The purpose of this overview is to provide a short summary about Redress Scotland, its objectives, performance across the period of this report (from 1 April 2022 to 31 March 2023), the principal risks it faces and a summary of future plans. It is followed by a more detailed performance analysis.

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Chair of the Board's foreword

Building on our first full year in operation

I am pleased to present the 2022/23 Annual Report of Redress Scotland, setting out the work and performance of the organisation in its first full financial year.



Redress Scotland is an Executive Non-Departmental Public Body, created in 2021 and one of two organisations responsible for Scotland's Redress Scheme – established to provide financial and non-financial redress for survivors of historical abuse in care. We at Redress Scotland are specifically responsible for the decision-making part of this process – work which is complex and challenging but ultimately fulfilling. In the financial year 2022/23, our first full year of operation, we continued to build our organisation and processes while considering 649 applications for redress. While recognising our part in a process which has capacity challenges and is especially difficult to forecast, we are pleased to have delivered our decisions in a timely manner and within budget.

Our panel members and staff deal with harrowing material on a daily basis as they process applications, and I am grateful to them for the effort, compassion, and skill that they put into their work.

Chair of the Board's foreword continued

I also recognise the incredibly difficult journey that survivors embark upon when they choose to apply to the Redress Scheme and thank them for their engagement.

I would also like to pay tribute to Johnny Gwynne, our founding Chair, for his outstanding contribution to redress in Scotland. His vision, wit and intellect were pivotal during startup and the early development of this organisation, and he helped instil in us a survivor-focus that remains vital in our work.

It has been a great privilege to act as Interim Chair of this organisation, and I am proud of the work we do. I am delighted that Kirsty Darwent has now joined as the new Chair of Redress Scotland and look forward to working with her as we continue this important effort.

649

applications for redress considered in the financial year 2022/23.



Bill Matthews,
Deputy Chair of Redress Scotland, Chair of Audit and Risk Assurance Committee
(Interim Chair of Redress Scotland, March to September 2023)

Chief Executive's foreword

Putting survivors first

In our first full year as a public body, Redress Scotland has made significant progress towards fulfilling our mission.



We know this will never be enough for people who suffered abuse in care as children, and nor should it be. What we do at Redress Scotland is only one part of Scotland's Redress Scheme and the wider national work to recognise the wrongs of the past and contribute to a better future for survivors.

Listening to survivors

Survivors have told me that applying for redress can be a challenging process that causes feelings of real anxiety. A key part of these feelings is worry about whether panel members will believe and understand an individual survivor's experience of abuse. Every panel at Redress Scotland starts with a reminder of our values: dignity, respect and compassion. We are confident that living these values helps us to deliver decision making that is based on the presumption of truth and assures survivors that they have been believed and listened to.

Chief Executive's foreword continued

This matters because most survivors have not been listened to or believed in their past and especially during their childhoods in care. Their experience of abuse in care was a failure to realise their fundamental human rights or to ensure they had the childhood experiences that most of us take for granted. The work we do at Redress Scotland flows from recognition of this loss and trauma and a commitment to deliver justice in the form of redress. This is why we place so much emphasis on writing decision letters to survivors that explain what was decided and reflect the individual's experience of abuse.

A learning approach

From the beginning of setting up Redress Scotland, I have been determined that we should work to deliver excellence in how the public body works and in all our decision making. To do this, I have led an approach where we learn together as a team, reflecting on what we have done and how we can do it better.

Leading a learning approach and encouraging a culture of openness across the organisation can bring challenges and would not be possible without the willingness of panel members and staff. It is a privilege to work with so many people that are knowledgeable, skilled and determined to do their best work. In every challenge, it has been the people in Redress Scotland that have stepped up and delivered.

Throughout the year, I have been supported by Johnny Gwynne (Chair) and Bill Matthews (Deputy and Interim Chair) and the members of the two governance committees, the Oversight Board and the Audit, Risk and Assurance Committee. Their individual and collective insights and informed perspectives bring real added value and ensure we keep making progress.

Our values

Dignity

Respect

Compassion

Read **Our values statement** on **page 10** →



Joanna McCreadie
Chief Executive

About Redress Scotland

Who are we and what we do

In October 2018, the then Deputy First Minister made a formal apology in the Scottish Parliament to those who were abused in care as children. In addition to this unreserved apology, he committed to establishing a financial scheme for survivors.

This commitment was fulfilled in the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021*.

This legislation to set up Scotland's Redress Scheme carried unanimous support across the Scottish Parliament and included establishing Redress Scotland as the independent public body responsible for making decisions on redress applications for survivors.

Redress Scotland is an Executive Non-Departmental Public Body which was set up in 2021. It is one of two organisations responsible for Scotland's Redress Scheme, the other is the Scottish

Government. The scheme provides financial and non-financial redress for survivors of historical abuse in care.

Our founding legislation states that Scotland's Redress Scheme will be open for a time limited period. This will either be five years or two years after the Scottish Child Abuse Inquiry has published its final report. We expect, therefore, that the organisation will go through three phases: start-up, delivery and closing down. This means we have to be flexible and adapt to the demands of each phase of our development and communicate in a clear, direct and useful way.

Our role is defined by the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021* and our work is informed by the statutory guidance. We make independent decisions on applications that are submitted to Scotland's Redress Scheme, and the Scottish Government handles the administration of the applications and supports survivors through the process.

Redress Scotland has a specialist role and responsibilities. As the decision maker in Scotland's Redress Scheme, we are committed to making fair, robust and transparent decisions on all our applications.

About Redress Scotland continued

Redress Scotland has three overarching strategic aims:

1.

To ensure all decisions are thoughtful, robust and take full account of the unique experience of individual survivors.

2.

To develop excellence in all aspects of the public body, from governance to operational delivery, with continuous quality improvement.

3.

To deliver on our responsibilities within Scotland's Redress Scheme and contribute to the overall success and impact of the scheme.

About Redress Scotland continued

Our values statement

Dignity, respect and compassion are integral to why we are here, how we work and what we do.



Dignity

To behave with dignity, we are thoughtful and considerate with ourselves and others.

We take the time to be kind to people we have contact with. We strive to understand different perspectives and actively use these perspectives to develop our approach.



Respect

To behave with respect, we recognise that people have different needs and adjust and adapt how we work to be inclusive.

We listen and learn from others and are prepared to make changes to ensure how we work is respectful of others.

About Redress Scotland continued



Compassion

To behave with compassion, we are aware of the impact of trauma on individuals and how this affects their thoughts, feelings and behaviour.

We always take this into account in our interactions with other people.

Committed to our values

All of our panel members, board members and staff are fully committed to living our values. We respect diversity and promote equality, understanding that different people in our organisation will find different ways to adopt these values. Regardless, it is important to us that everyone should experience us as behaving with dignity, respect and compassion, and we strive to ensure that we are seen and experienced as believing in and behaving according to these values at all times.

We know that we will have to make difficult decisions and judgements, and we do this best when we fully embody our values.

Redress Scotland structure

Since Redress Scotland was established in December 2021, our employee numbers have grown progressively, achieving the current level (as of 31 March 2023) of

28

members of staff and

1

temporary member of staff.

Key issues and risks

How we manage risk

Managing our risk effectively is very important. It helps us to make the most of opportunities, deliver our objectives and protect the interests of our stakeholders.

By responding to risks effectively we are able to maximise the likelihood of Redress Scotland achieving its outcomes and ensuring the best use of resources. We have developed our Strategic Risk Register with the aim of identifying, managing and mitigating risk across everything we do. Risks are managed by the Senior Management Team with the oversight of the Redress Scotland Oversight Board. The Audit, Risk and Assurance Committee scrutinises the overall approach to risk and the regular reviews of risks that are completed. We set up our risk management processes in line with the guidance and advice produced by the Scottish Government and, during 2022/23, the Oversight Board monitored and approved our approach to the management of corporate risk. Full details of the governance structure and risk management arrangements in operation in the public body are provided as part of the Governance Statement on [page 62](#). The risks recorded on our Corporate Risk Register are set out in the table below.

Category	Risk description	Consequence	Mitigation in place	Planned outcome(s)
Values	People do not live the values of Redress Scotland.	The principles of the founding legislation are not fulfilled; delivery of the mission is negatively impacted.	Values statement has been developed; all training programmes include values; regular monitoring of delivery takes place; values are discussed on all panel sitting days; survivor impact assessments included as part of reports.	People live the values of Redress Scotland and they directly influence the work of the organisation and delivery of the mission.

Key issues and risks continued

Category	Risk description	Consequence	Mitigation in place	Planned outcome(s)
Mission	The mission of Redress Scotland is not fulfilled.	Failure to fulfil mission; loss of trust and confidence of survivors; negative experiences for people applying to Scotland's Redress Scheme.	Corporate Plan 2022–2023 and operational plans in place; delivery of plans carefully monitored; thorough reporting at executive team and governance levels; panel and staff well trained and supported.	Redress Scotland delivers the mission and values.
Governance	The governance structure is ineffective and does not meet expected standards.	Criticism of governance by external stakeholders; reduced confidence in delivery of Redress Scotland; survivors do not have trust and confidence in the public body.	Governance structure has been carefully designed; guidance for public bodies has been considered; panel members recruited for governance committees; Non-executive Board Members recruited; rules of procedure in place; Corporate Plan 2023–2026 is in development; internal and external auditors in place with audit plans.	Governance structures are effective with robust oversight of Redress Scotland and its work.

Key issues and risks continued

Category	Risk description	Consequence	Mitigation in place	Planned outcome(s)
Decision making	Decisions are not robust, are not completed within set timescales, or factual errors are made.	Survivors' trust and confidence in decision making is reduced; there are increased delays in decision making; individual survivors are negatively impacted by delays in decision making.	Training for panel members; clear processes and guidance in place; key performance indicator set and monitored; continuous improvement including quality checks; reviews of errors to identify and implement improvements; observers for panels; monitoring of efficiency and timescales for decision making; work of practice development group; recruitment of more panel members under way.	Decisions are robust and completed within set timescales; survivors have trust and confidence in decision making.

Key issues and risks continued

Category	Risk description	Consequence	Mitigation in place	Planned outcome(s)
Operations	Operations are under-resourced or not supported and/or are ineffective and inefficient.	Survivors have a negative experience of Redress Scotland; there is a loss of trust and confidence in Redress Scotland; individual survivors are negatively impacted by misrepresentations; the collaboration between Redress Scotland and the Scottish Government negatively impacts on the Redress Scheme; panel and staff have a poor experience of working for Redress Scotland.	Actively working on planning to ensure sufficient panel members and staff; starting recruitment of more panel members to increase capacity; ongoing discussion about funding being demand led; team almost fully staffed; information on website about how Redress Scotland communicates with survivors and how to check someone works for Redress Scotland; effective leadership and management in operations.	Redress Scotland is well resourced and can meet demand ensuring that the expectations of survivors of the pace of decision making are fulfilled.

Key issues and risks continued

Category	Risk description	Consequence	Mitigation in place	Planned outcome(s)
Communications	Redress Scotland's communications do not meet the expectations of survivors and of public bodies and are not effective with the Scottish Government or in creating a positive narrative about our work.	Redress Scotland has been and continues to be criticised by external stakeholders; key stakeholders and survivors find it difficult to understand the responsibilities of Redress Scotland; there is confusion about the role of Redress Scotland; the relationship with the Scottish Government is ineffective; accessibility issues are a deterrent to applying to the scheme.	Redress Scotland has established a clear in-house style for communications; our website includes information about the organisation; our communications lead is in post; external support is provided through a specialist agency we have in place; increased activity in publishing documents; Freedom of Information (FOI) responses now being published; Joint Collaboration Board and regular structure of meetings with the Scottish Government in place; engagement sessions have taken place.	Communications from Redress Scotland are clear, accessible and useful and build the trust and confidence of survivors.

Key issues and risks continued

Category	Risk description	Consequence	Mitigation in place	Planned outcome(s)
People	The nature of the work at Redress Scotland impacts on individual resilience; people do not perform to their potential or capability; people experience negative effects on their wellbeing.	Survivors are directly and negatively affected by poor performance; people in Redress Scotland experience poor wellbeing and significant consequences; action is taken against the public body; health and safety policy and good practice are not delivered.	An organisational culture encouraging open discussion, seeking support, and encouraging authentic learning is established; support for wellbeing is available to all people; digital working is well supported.	People are resilient, manage the nature of the work well and have positive wellbeing at Redress Scotland.

We have established an active approach to risk management. This means that we identify risks and act with the aim of reducing risk over time. The Strategic Risk Register describes all the high-level risks and how they are being managed. We also have an Operational Risk Register which describes the risks at the operational level of the organisation. It has four areas: Operations, Policy and Improvement, People, and Finance and Resources.

The Strategic Risk Register is owned by the Oversight Board and the Operational Risk Register is owned by the Senior Management Team. All risks are carefully monitored and reviewed, and risks can move between the two risk registers. This approach means that risks can be quickly identified, and actions taken.

Overview of our performance

Key achievements



In-person meetings and how they are managed

The legislation for Scotland's Redress Scheme includes that survivors can be invited by panel members to give 'oral testimony', that is a spoken statement. We have developed an approach for managing these meetings and supporting survivors.

We take a person-centred approach to these meetings, and from the beginning we have referred to them as in-person meetings, rather than the formal 'oral testimony'.

This is because the meetings are not about testing the credibility of a survivor, they are about enabling panel members to understand more about an individual's experience of abuse. The meetings are often set up to get more information that is important to making a decision, or where there may be accessibility needs for the survivor. We have also developed an information leaflet about the process using direct feedback from survivors.

Overview of our performance continued



Living our values

Our values – taken directly from our founding legislation – are dignity, respect and compassion. We take time and make the effort to reflect on these values and challenge ourselves to bring them to life.

To support everyone in the organisation with this, we have developed a values statement and we regularly review our progress against it, often focusing on particular areas of work.

All recruitment, induction and training include discussion of the values and we have worked to develop an open organisational culture that supports honest conversations. Every time panel members meet to discuss and make decisions on applications, they discuss and reflect on the values.



Decision letters

Our founding legislation sets out that we should provide the decision on an individual application and the reasons for that decision to Scottish Ministers.

We have developed decision letters that are personalised for each individual survivor.

In these decision letters panel members set out their decision, explain the reasons and include information that reflects the abuse that the survivor has experienced. Panel members also include an apology.

Overview of our performance continued

National Performance Framework

The National Performance Framework measures and keeps track of how Scotland is performing in relation to the Scottish Government's purpose and strategic objectives.

Our Corporate Plan for 2022/23 highlighted three outcomes from the National Performance Framework that Redress Scotland would contribute to:

human rights;

health; and

communities.

The following sets out some of the key work we have undertaken to support delivery of these outcomes during 2022/23.



Human rights

We respect, protect and fulfil human rights and live free from discrimination.

Our work is based on understanding human rights and the rights of survivors and we demonstrate dignity, respect and compassion in everything we do. We have done this by making fair, transparent decisions based on the rights of each survivor and taking into consideration their individual needs; developing a bespoke approach to in-person meetings; and engaging and seeking feedback from survivors about their experience of Redress Scotland throughout the year.

Overview of our performance continued



Health

We are healthy and active.

We have promoted and prioritised the health and wellbeing of our staff and panel members. We have done this with the development of our wellbeing framework; promotion of health and wellbeing at work through different media; and the establishment of flexible working. All one-to-one meetings and annual evaluations include discussion of wellbeing. Open discussion of mental and emotional health is encouraged, and support is readily available.



Communities

We live in communities that are inclusive, empowered, resilient and safe.

Through the work that we undertake, and our approaches, we have contributed to communities that are inclusive, empowered, resilient and safe, particularly for those who are survivors of historical abuse. We have done this by creating a survivor engagement framework; working with survivors to develop resources for survivors; and developing bespoke communications with stakeholder groups.

Performance highlights

Our first year at a glance

Redress Scotland is responsible for making decisions on applications for financial redress from survivors of abuse in care as part of Scotland's Redress Scheme.

Redress Scotland receives a range of different applications which panels make decisions on. These include:

- fixed redress payments;
- individually assessed payments;
- next of kin payments;
- nominated beneficiary payments;
- preclusion;
- further applications; and
- some aspects of legal fees and expenses.

Survivors can apply for a fixed payment of £10,000 or an individually assessed payment. Individually assessed payment levels are currently £20,000, £40,000, £60,000, £80,000 and £100,000.

Performance highlights continued

It's about survivors

649

applications for redress received
by Redress Scotland in 2022/23.

When we receive an application from the Scottish Government it is allocated to an initial panel, i.e. this is the first time the panel have met to consider the particular application(s). Independent panel members meet in groups of two or three to discuss and make decisions on applications. This meeting is referred to as a 'panel sitting'.

Within each panel sitting, the panel members will consider a number of applications.

Before a panel sitting, the panel members complete their preparation. This includes reading everything in the individual applications and making initial notes. When the panel members meet, they discuss and assess the individual applications so that they can make robust decisions.

Performance highlights continued

It's about survivors

163

initial panel sittings that have taken place in 2022/23.

The average number of applications allocated to initial panel sittings varies due to the type, size and complexity of applications. During 2022/23 the average number of applications allocated to an initial panel sitting was 3.4.

If panels are unable to make a decision – for example, if they need more information before making a decision – they will ask an applicant this by writing a letter to them. The same panel members will meet again at a later date, once any additional information has been received. This is known as a ‘reconvened panel’.

During 2022/23 panels were reconvened 97 times to consider 86 responses to the clarifying questions asked by panels. In a small number of cases, panels asked for additional information on more than one occasion for the same applicant.

When the panel have all the information needed, they will make a decision on the application and write a letter to tell the applicant what they have decided.

Performance highlights continued

The number of decisions made by panels in 2022/23 that resulted in decisions as to whether to award redress.



493 of these resulted in a redress award (96.7%) while 17 decisions were made to deny redress (3.3%).

333

decisions made on individually assessed applications. These include decisions made by reconvened panels after asking clarifying questions as well as reviews of redress and nominated beneficiary applications.

132

decisions made on fixed payment applications. These include decisions made by reconvened panels after asking clarifying questions as well as reviews.

Performance highlights continued

45

decisions made on next of kin applications. These include decisions made by reconvened panels after asking clarifying questions as well as reviews.

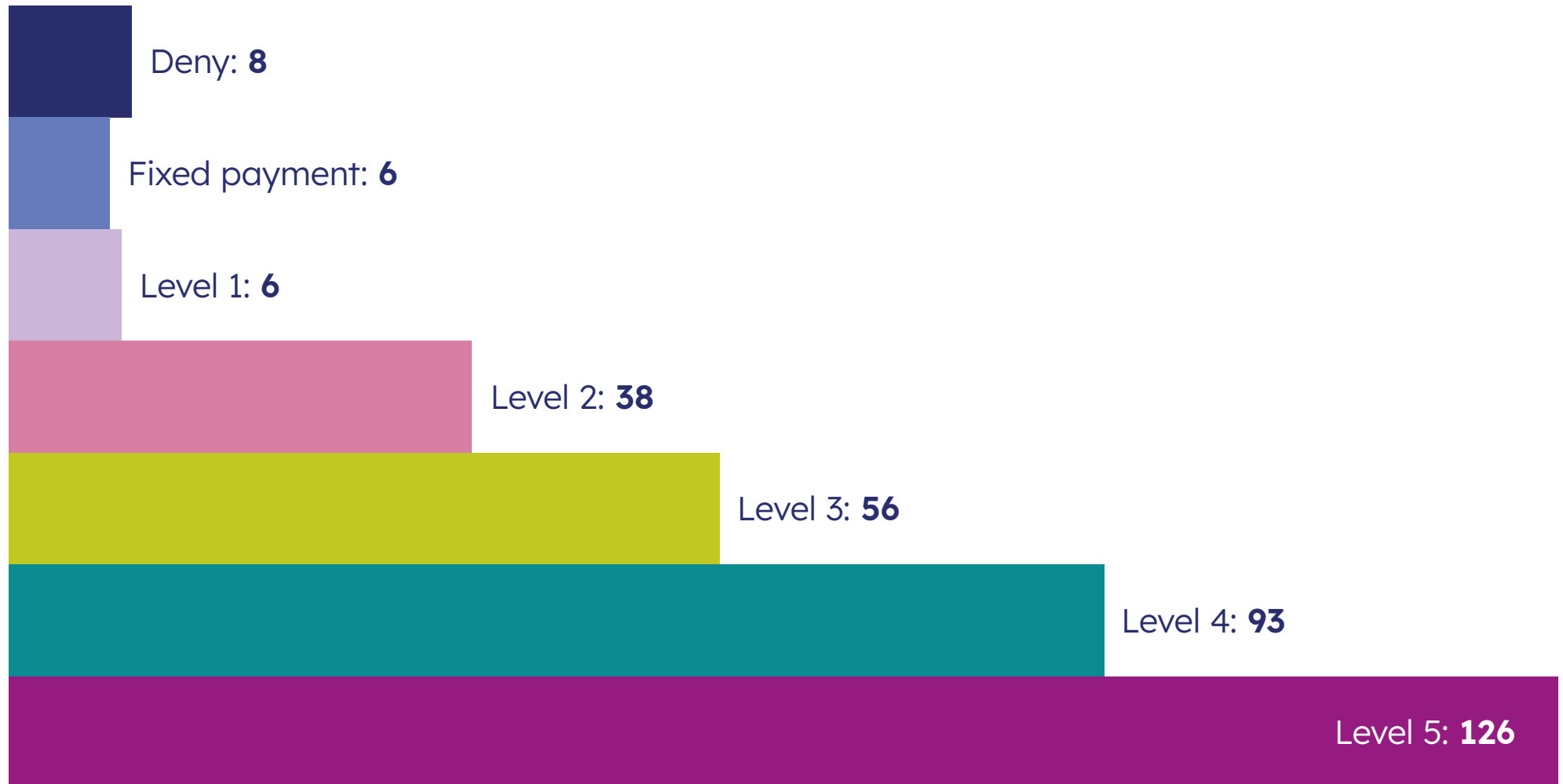
It's about survivors

39%

of all decisions made on individually assessed applications resulted in Level 5 awards.

Performance highlights continued

Redress awards for Individually Assessed application by level



Performance highlights continued

It's about survivors

197

applications returned by Redress Scotland to the Scottish Government Redress Operations Unit.

- 100 were returned before they were considered by a panel:
 - 59 for correction and/or redaction issues;
 - 37 for incomplete application forms; and
 - 4 for other issues.
- 97 were returned by panels because they needed additional information before they could reach a decision.

In 2022/23, some panel sessions did not go ahead for different reasons, including that: there were not enough applications; there was a conflict of interest; or a panel member was unwell. Redress Scotland has been able to decrease the number of panels that do not go ahead as the number of applications has increased.

Performance highlights continued

It's about survivors

17

initial panels that Redress Scotland has had to stand down in 2022/23.

Around eight applications were delayed as a result of panels being stood down during 2022/23.

Most panels were stood down in advance of applications being allocated to them.

Redress Scotland's panels also receive requests for reviews across the range of applications that they have already made decisions on.

Performance highlights continued

It's about survivors

18

requests for review of redress decisions that were received and completed during the financial year 2022/23.

Sixteen were for decisions on Individually Assessed applications. One was for a Next of Kin application and one for a Fixed Payment application.

Applicants are required, as set out in *section 29 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021*, to disclose, as part of their application, if they have any unspent convictions as set out in *section 60(1) of the 2021 Act*.

During 2022/23 Redress Scotland received two applications where panels had to determine if applicants could apply for redress due to serious criminal convictions that they had disclosed in their application forms. Of these, one has been completed and resulted in a redress award while the second is still in progress.

Performance highlights continued

Almost

£22.7m

has been paid out by the Scottish Government in redress to survivors during 2022/23.

Performance overview

Making progress in our first year

This is the first Annual Report and Accounts from Redress Scotland. When we started the work to set up the public body, survivors told us that it was important for our communications to be clear, direct and useful. We have tried to live up to these expectations in this report but there are some specific words that we unfortunately can't avoid using.

We have done our best to limit this and have developed a list of what our words mean to explain key terms. The list is at the end of this report.

The purpose of our annual report and accounts is to provide information about how the costs of the organisation compare with the funding available. It details what the organisation has been able to achieve, how the organisation has performed, and provides evidence as to whether this is value for money to the taxpayer.

In this report we have provided information about the first full financial year of the public body and a commentary on how Redress Scotland has exercised its functions. Our primary function is to make decisions on applications from survivors for redress, but we have broader functions as a public body, such as records management, that we must complete.

Performance overview continued

The report sets out how we have been establishing and managing operations, and developing policies, processes and approaches, since Scotland's Redress Scheme opened.

We have been focused on developing our practice and ensuring that we monitor, review and continuously improve our processes. Engagement with stakeholders and partners is an important part of developing and improving our work. Redress Scotland is an organisation that is always learning. This means we reflect on, and review, what we have done, reflect on how well this worked and make changes to deliver improvements.

In our first full year of operations, we have made great progress on delivering our mission. We work hard to make high-quality decisions and to fulfil the expectations of our role within Scotland's Redress Scheme.

Highlights in 2022/23 include:

- recruiting and establishing a team of people to fully support decision making and fulfil our requirements as a public body;
- training and supporting 26 independent panel members;
- ensuring transparency by publishing information about our work, from our facts and figures report to board reports; and
- completing 510 decisions that resulted in 493 redress awards.

Panels made additional considerations on applications where they were unable to make a final decision. These applications required additional information from the applicant, the Scottish Government, or our legal advisors. Consequently, these decisions had to be adjourned until the additional information was available.

- 86 applications were adjourned to ask for additional information from the applicant (on 10 of these, additional information was asked more than once);
- panels asked for legal advice on at least two applications; and
- panels invited applicants to in-person meetings on five occasions.

Throughout the year, we have worked to ensure we consider the perspective of survivors applying for redress when undertaking our work. This means that we take time to think about our processes and we ask for advice and feedback from survivors whenever possible. This advice and feedback has helped us to:

- develop in-person meetings, where survivors meet panel members and talk about their experiences of abuse;
- improve our communications to explain what we do and how we do it; and
- make improvements to our Corporate Plan.

Performance analysis

Measuring our performance

The purpose of this section is to give a detailed account of Redress Scotland's performance against our strategic objectives.

Our strategic and operational aims are detailed in our Corporate Plan for 2022/23. We report on performance quarterly, highlighting the progress we have made toward reaching our aims and outcomes.

Progress is reviewed formally by the Senior Management Team, which meets every two weeks. The Oversight Board keeps an overview of our work, provides support and challenges us in relation to performance. The board also receives and considers reports on the organisation's major activities. This includes financial management and risk management.

Information on our performance is also shared with colleagues in the Scottish Government sponsor team and discussed at regular meetings with the team.

Performance analysis continued

Key activities and achievements 2022/23

At the start of the reporting year 2022/23 Redress Scotland had three main work areas: Operations; People; and Finance and Resources. By the end of 2022/23 we had established a new work area:

Policy and Improvement.

All these work areas are overseen by our governance structure and arrangements, and underpinned by our values of dignity, respect and compassion.

The following section of the report highlights our key activities and achievements in each area to support delivery of our overarching strategic aims.



Governance

We have:

- developed and implemented an approach and structure for governance that enables critical appraisal and challenge to take place. We have done this by establishing robust risk, control and governance structures and approaches;
- established an Oversight Board which oversees the work of the public body and an Audit, Risk and Assurance Committee which is responsible for scrutinising finance and risk;
- developed and implemented Strategic and Operational Risk Registers to identify, manage and mitigate risk across the whole of Redress Scotland. These registers are overseen by the Audit, Risk and Assurance Committee and the Oversight Board;

Performance analysis continued

- selected key performance indicators on the basis that they are: direct measurement of performance; straightforward to capture and analyse; useful to governance committees, Senior Management Team and the wider team; relevant and make sense to stakeholders; and can be externally published;
- developed and implemented various key documents throughout 2022/23 to ensure that Redress Scotland meets guidance and legislative requirements;
- established a code of conduct, based on the model code of conduct for public bodies, for panel and board members which sets out the conduct expected of those who serve on the boards of public bodies in Scotland;
- developed a conflict-of-interest policy for panel members. This makes sure that we carefully manage an individual's interests, and any potential or actual conflicts. This is particularly important in relation to panel members and applications;
- developed the required rules of procedure that set out how governance is managed and the conduct and proceedings of the Corporate Body;
- developed Standing Orders to ensure that all panel proceedings are conducted fairly and justly while ensuring that all applicants are treated with dignity, respect and compassion. The Standing Orders have enabled the ongoing development and improvement of practice;
- adopted the Model Publication Scheme produced by the Scottish Information Commissioner. This means we follow guidance published by the Commissioner. This aims to make it simple for people to access information from public bodies like Redress Scotland;
- established a practice development group which provides a forum for panel members and staff to discuss and develop practice in both decision making and support for decision making. The work of the group is focussed on how we best apply the legislation and statutory guidance for Redress Scotland; and
- developed a joint framework agreement with the Scottish Government. This sets out the broad framework within which we will operate and it defines key roles and responsibilities.

Performance analysis continued



Operations

We have:

- focussed on developing our processes and approaches to ensure continuous development of decision-making practice. This makes sure that we support our panel members to make robust decisions;
- made improvements to the scheduling of panels. This has meant that we have increased the number of panels. As part of this work, we have been continuously assessing our capacity (people and resources needed for our work). This helps us identify when we need to increase or decrease people and resources to match the demands on Redress Scotland as a public body, including making decisions on applications;
- been monitoring and reporting on the number of applications received throughout the year to the Senior Management Team, Audit, Risk and Assurance Committee and Oversight Board. Our intention is to meet the demand from applications being received, deploy resources well, and deliver at a good pace;
- an agreed model with the Scottish Government which enables us to prioritise our decisions for those who are terminally ill, and for those over 68. This means that these applications will usually have decisions made more quickly;
- developed and improved our operational processes ensuring they are values based. Our panel member agenda templates have a section within them entitled 'Values of Redress', which each Panel Chair discusses at the start of each panel sitting. This includes not
- only our values of dignity, respect and compassion, but also the survivor focus which underpins our work;
- been continuously developing our understanding of trauma-based work and adapting our processes and approaches;
- introduced panel observations from the start of the Redress Scheme. Observing panels supports review and evaluation of decision-making processes. This supports our work and ensures we are continuously improving the quality of decision-making processes and supporting the development of staff, board members and panel members;
- developed guidance on how to manage FOI requests, Subject Access Requests, and enquiries. This guidance supports consistency of practice throughout Redress Scotland; and

Performance analysis continued

- published information on our website about our performance in our Facts and Figures report. This includes how many applications we have received, how many decisions have been made and information about all types of enquiries. This report has been developed to provide useful information for survivors and people interested in the work of Redress Scotland.
- focussed on providing excellent learning and development opportunities for staff. We have achieved this by establishing induction training for all staff. All new panel members must complete a mandatory training programme before they sit on decision-making panels. This programme has been specially developed by Redress Scotland for panel members;
- designed and delivered a structured induction programme for new staff to support them in their new post, and to ensure they understand their role and responsibilities;
- developed all our training to ensure it covers key elements such as our values, history of care in Scotland, trauma, *the Act* and applying legislation, and our code of conduct. This includes the development of bespoke e-learning modules which can be accessed as needed;
- created within all our recruitment processes an approach which is values and competency based. This is also embedded in our end-of-probation review, monthly one to one process and exit interview process. This is because a key priority for us is the wellbeing of all our people, supporting them effectively to fulfil diverse and complex roles and responsibilities;
- developed health and safety policies, procedures and activities. We have also appointed external health and safety advisors;
- set up an Employee Assistance Programme which is self-led and enables immediate access to online support as needed. To complement this, we have established Occupational Health support to ensure quick support for all staff, panel members and board members;

**People****We have:**

- focused on building capacity and capability in Redress Scotland during 2022/23. We have designed our staffing structure to meet the requirements of establishing a new public body, supporting high-quality decision making, and allowing flexibility to meet demand;

Performance analysis continued

- developed all our people policies to ensure that we are a fair employer and we adhere to the fair work principles. We have developed our Equalities and Diversity policy;
- established a learning and development plan that will support us to continue to develop a highly skilled team, board and panel members. This plan supports our wider commitment to be a learning organisation, with a mix of informal and formal learning and development opportunities;
- introduced a monthly wellbeing calendar to encourage self-care and access to support on focused areas; and
- developed an annual review process for all our panel members to ensure they are supported in their role and we are monitoring performance. This includes panel members reflecting on their experience, receiving feedback from observations of their panel days and discussions of wellbeing.

**Finance and Resources****We have:**

- recruited expert staff to deliver high-quality finance and resource management and reporting, to provide assurance to internal committees and boards, our sponsor department, and the wider public of excellent stewardship of government funding;
- introduced financial policies and procedures, ensuring there is appropriate segregation of duties, budgetary authorisation and approvals activities. We have also ensured compliance through regular reconciliation activities;
- been able to provide sufficient detailed analysis and scenario planning of future operational delivery asks to secure a flat-cash budget agreement from the Scottish Government during a time of increasing budgetary pressures;
- established procurement processes and have commissioned a fully managed service from the Scottish Government procurement shared services. This is to ensure that we consider and adhere to government regulations and best practice;
- undertaken regular detailed analysis on various areas of spending to ensure best value for money and inform business planning and decision making;
- appointed internal and external auditors to ensure compliance of our policies, processes and procedures, and have worked with them to develop a comprehensive three-year plan of activity;

Performance analysis continued

- successfully undertaken three substantive areas of review for internal audit and have been awarded two significant assurance assessments and one assessment of reasonable assurance;
- started as a completely digital public body. After careful consideration, we decided to continue this way of working. This has facilitated greater flexibility and diversity across our people, resources and business activities. This has also reduced the costs of running the public body and demonstrates best value;
- ensured that by working digitally, Redress Scotland minimises its carbon footprint and supports delivery of the Scottish Government Climate Change Plan 2018–2032 and our ‘green plan’;
- implemented a travel and expenses policy which prioritises consideration of ‘green first’ travel methods.

This highlights organisational commitment to more sustainable ways of working and reducing organisational impact on the environment;

- developed approaches and processes which ensure we have robust data monitoring, security and protection arrangements in place. This is to ensure we minimise risk of any data breaches;
- commissioned a cyber security expert to test and assess organisational vulnerabilities and risk exposure, to inform an ongoing improvement plan to help protect the organisation from attack; and
- developed a comprehensive finance manual for Redress Scotland incorporating the asks and requirements from the Scottish Public Finance Manual, HM Treasury Financial Reporting Manual and Managing Public Money guidelines.



Policy and Improvement

We have:

- recruited specialist staff and established the Policy and Improvement team focussing on: policy and improvement, research and knowledge, communications and engagement;
- delivered three external engagement sessions: one with solicitors and two with organisations that support or are expecting to support survivors. The sessions provided detail about the work of Redress Scotland and our people. We also took the opportunity to hear from those who attended and answered their questions;
- developed and improved our communications for survivors to ensure that they are clear, direct and useful based on direct feedback from survivors.

Performance analysis continued

We used this when developing our in-person meetings and the supporting information leaflet;

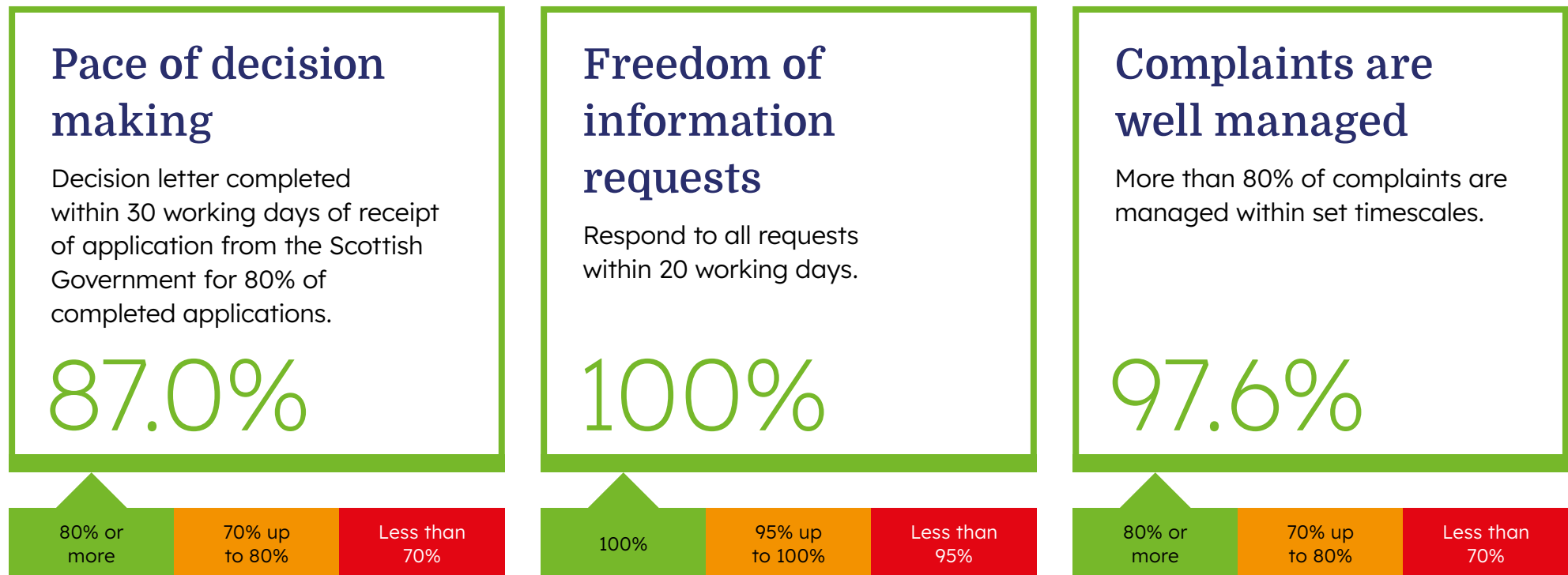
- engaged with a wide range of people in our work, with a particular focus on enabling survivors to influence what we do and how we do it. We did this during the development of our progress report and our three-year Corporate Plan;
- improved the information that we hold and put on our website. We have proactively published a quarterly facts and figures report that shares information about completed applications, types of applications, how long we take to make decisions, asking applicants for more information and levels of redress awards;
- published the minutes and reports from our Oversight Board and Audit, Risk and Assurance Committee meetings to ensure transparency about the work that we do;
- developed a shared engagement framework which was adopted by the Scottish Government for working with the Survivor Forum;
- developed our own internal approach for engaging with survivors which sets out key engagement principles which are aligned to our values of dignity, respect and compassion;
- developed a survivor impact assessment approach. This captures and records how we have considered the impact of abuse on survivors when developing or updating our policies and approaches. This will also be used as a tool for continuous quality improvement to help us fulfil our mission by listening to and acting upon what survivors tell us;
- developed a quality assurance and improvement framework. It sets out assurance and improvement activities, which are managed by us, support evaluation of performance and inform reporting and improvement activity. The framework enables progress to be measured over time; and
- developed and submitted our Records Management Plan, including supporting policies, to the Keeper at National Records of Scotland for formal agreement.

Read **Our Recommendations** on **page 47** →

Our Key Performance Indicator (KPI) summary

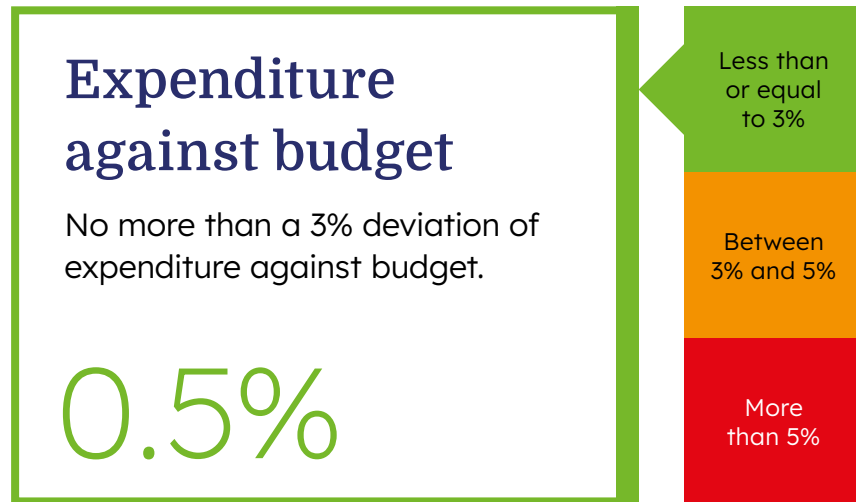
How we are performing against our KPIs

The table below represents our performance against our KPIs during 2022/23.

Operations

Our Key Performance Indicator summary continued

Finance and Resources



People



Summary of our performance

Summary of our performance

The Corporate Plan sets out our mission as follows.

Our mission

to be an excellent public body that makes high-quality decisions and fulfils expectations of our role in Scotland's Redress Scheme.

We believe we will fulfil our mission by listening to and acting on what survivors tell us. By working collaboratively, we will develop approaches that support our mission. We are committed to developing our practice, making sure that we continuously improve. Living our values is critical to delivering our mission.

Redress Scotland has made positive progress throughout 2022/23 as we work toward being an excellent public body.

We have worked directly with survivors, from in-person meetings to discussions about improving our communications. We recognise, however, that there is a need to increase engagement and extend opportunities for feedback. Responding to what we learn from survivors and undertaking more engagement activities will help to drive future improvement.

All of the decisions made by panels are set out in carefully written personalised letters to survivors. In a scheme which is built almost entirely on written communication, it is important to consistently 'keep in mind' survivors and their unique experience. Bringing more survivor voices and experiences into the work of Redress Scotland next year will support us to deliver this.

Summary of our performance continued

When meeting to consider applications, panels can make the decision to ask for more information or clarifying questions. In 2022/23 sitting panels asked for more information on 86 applications (more than once for 10 applications). This gradually reduced over the year with fewer survivors being asked for more information or clarifying questions. We understand from direct feedback that it can be a difficult experience for survivors when they are asked for more information, and so it will continue to be an area of focus for Redress Scotland.

Recruitment of the team and panel members during the year was slower and more challenging than we expected. Work on recruitment placed significant demands on staff and had to be organised and adapted to enable the ongoing management of the organisation. It was more difficult than expected to recruit to some specific posts which created additional pressure for the team.

It also meant that we had more temporary staff than expected over the year.

The volume of completed applications received from the Scottish Government fluctuated throughout the year. The overall number was lower than expected but there was an increase over the year from 31 applications in April 2022 to 111 applications in March 2023. A number of applications were complex and panel members had to work carefully and thoughtfully to make robust decisions. Their work was supported by advice from our appointed external legal advisors.

Throughout 2022/23 there has been substantial and ongoing improvement work across all areas of what is a new organisation. This was a combination of new initiatives and improvements to initial processes and work, based on learning once we were working in a 'live' environment. This combination has been challenging to manage, especially as operational demands frequently arise

and need to be managed promptly and with care. We have recognised that at times planned work has progressed more slowly than expected in favour of new unexpected demands.

We are confident that the development of our new three-year Corporate Plan and linked Business Plan will assist in setting priorities and what work will be delivered in 2023/2024.

Our plans for 2023/24

Looking ahead to 2023/24

In 2023/24 we will increase our focus on delivery, further developing our approaches.

We will prepare for an increased volume of applications from the Scottish Government and continue to focus on improving quality and continuing to develop our staff, panel members and their skills.

By ensuring that we continue to engage with and listen to the experience of survivors, we will be able to continue to develop, implement and improve the work that we deliver across our organisation.

We will ensure that the independent decisions we make are fair, transparent and robust and that this in turn enables survivors to have trust and confidence in the decisions that we make. To support this, we will share more about how we work and will communicate it in a way that is survivor focused, clear, direct and useful.

To enable us to monitor our organisational performance and the delivery of our three-year Corporate Plan, in 2023/24 we will develop and publish a Business Plan.

The Business Plan will be used to track the delivery of our key aims throughout 2023/24. These aims will be broken down into actions with timescales and/or targets. Progress on the aims and actions will be reported to our Oversight Board and Senior Management Team on a quarterly basis. This will enable us to review and report on our performance and delivery throughout the year.

Joanna McCreadie

Joanna McCreadie
Chief Executive

30 November 2023

Our Recommendations

Listening to and acting on what survivors tell us

The Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021 sets out that Redress Scotland must prepare a report on activities during that year and that the report may include recommendations.

Throughout 2022/23 Redress Scotland gathered information on applications for redress from survivors; had discussions with survivors about their experiences; and analysed and assessed how the scheme was working.



Our Recommendations continued

We had a particular focus on whether applicants to the scheme had the opportunity to make informed choices and the accessibility and suitability of guidance for survivors. We also considered what other information would be useful to Scottish Ministers, with an emphasis on the principles in *the Act* of dignity, respect and compassion. In this, we recognise that all survivors will have been affected by their experience of abuse and that our approach to making recommendations, by necessity, had to be trauma-informed.

In recent years there has been widespread recognition of the importance of trauma-informed approaches in the design and delivery of support and services.

At Redress Scotland, we have defined and developed three key elements for our trauma-informed approach.

These are:

Relationships matter:

support should be based on sustaining and developing relationships between survivors and people who are trying to help.

Trustworthiness counts:

trust is built by being predictable, consistent and doing what was promised.

What we say and how we say it has meaning beyond the words:

being straightforward and open in our language and communications makes it easier to understand what we do and why and ensures we are living our values.

We have therefore taken a broad view of how the scheme can be changed and improved to ensure that all survivors experience dignity, respect and

compassion, can make informed choices and experience the scheme as accessible. In addition, we have recognised that Scotland's Redress Scheme is the first of its kind and in many ways is world leading through the emphasis on believing survivors and holistically assessing their experience of abuse to make decisions on redress. We are therefore committed to making changes that improve the delivery of the scheme in ways that directly benefit survivors.

For a redress scheme to be accessible, it is important for survivors who are thinking about making an application, or have started, or are working their way through their application to have information about the length of the process. This will increase the likelihood that survivors feel respected, as they will have more information and be more able to set realistic expectations.

This should also decrease uncertainty and anxiety and increase accessibility, as people are more likely to engage

Our Recommendations continued

(and be more able to) with a process where there is greater predictability and transparency. This is especially important for survivors who have told us they can find the experience of applying emotionally challenging.

Recommendation one



Scotland's Redress Scheme should provide straightforward information for survivors about the length of the application process, from initial application to accepting an offer of redress. Both the Scottish Government and Redress Scotland have taken steps that have and will continue to positively impact on the length of the process. This work should continue at a good pace, and both organisations must continue to identify and implement changes and improvements that impact positively on survivors' experiences. Information on what has been heard and the actions taken should be published by the Scottish Government and Redress Scotland.

This work should be completed within a year of publication of this report.

Scotland's Redress Scheme is managed by two organisations: the Scottish Government and Redress Scotland. The redress division in the Scottish Government supports survivors applying for redress and Redress Scotland makes decisions. The two organisations have to co-operate and this is particularly important in relation to the management of applications. Each organisation has specialist and expert knowledge of their different responsibilities within the scheme. Through co-operation and collaboration, this expert knowledge can be shared and survivors are likely to have an experience of the scheme that is accessible and where they feel treated with dignity.

Recommendation two



Scotland's Redress Scheme should develop shared standards for the preparation of applications, supported by a formal agreement between

the two organisations of how implementation of these standards will be monitored and assured. The standards should be written in straightforward language and shared with survivors. The standards should be written and published within three months of the publication of this annual report.

Scotland's Redress Scheme is world leading in that the design and development was led and informed by survivors, who campaigned for justice and redress. Their views and experiences made sure that the scheme recognises the trauma people experienced; is based on values; and that decision making on applications is founded on the presumption that survivors are telling the truth.

Continuing engagement with survivors, listening to their experiences and making changes and improvements is essential in fulfilling the ambitions for the Redress Scheme and building trust and confidence.

Our Recommendations continued

Recommendation three



Scotland's Redress Scheme should continue to develop direct engagement with survivors, actively increasing the number of activities that seek feedback on how the scheme is working and supporting as broad engagement as possible with survivors. The Scottish Government and Redress Scotland should take action on feedback to ensure improvements to survivors' experiences of the scheme. Both organisations should publish regular reports on feedback from survivors and what they have done to make improvements. This work should be completed within a year of publication of this report.

Communication that is clear, direct and useful should increase accessibility of survivors and support their ability to make informed choices. In particular, survivors who find the written word more challenging or have disabilities need communication in formats that increase

accessibility, such as explanations that are in audio formats. The statutory guidance for the scheme is not yet available in more accessible formats and this is especially important for statutory guidance that directly impacts on decision making, such as eligibility, evidence and the assessment framework.

At this stage of Scotland's Redress Scheme, both organisations have worked with the application form, the 'help to apply' guidance and statutory guidance since the scheme opened. There has been a good number of applications to the scheme, but it is not yet known whether all eligible groups are aware of the scheme and whether sufficient work has been completed to reach people who may be eligible. There has also not yet been a formal evaluation of the effectiveness of communications from the Scottish Government or Redress Scotland.

Recommendation four



Scotland's Redress Scheme should complete a strategic review of all communications about the scheme with a strong focus on accessibility and awareness for survivors. There may be benefits in appointing an independent agency or expert to lead and deliver this review. Central to any review are the voices and experiences of survivors, which should be used to identify what improvements are needed. The strategic review should be completed within six months of the publication of this report and result in a clear action plan for the Scottish Government and Redress Scotland to implement.

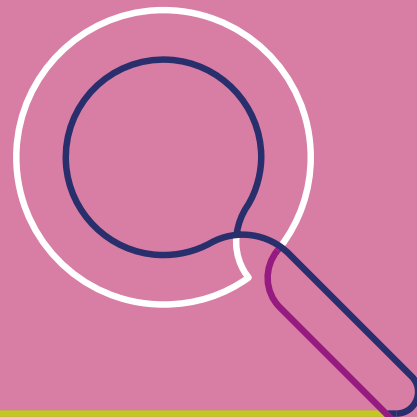
Redress Scotland will include information on the progress made in delivering these recommendations in our next annual report.

Accountability Report

Being accountable for our actions

In this section

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Financial Review

Financial Review

This Financial Review section in our Annual Report and Accounts provides detail of the costs of Redress Scotland compared to funding available.

Our set-up costs for Redress Scotland for 2021/22 were managed by the Scottish Government while systems and processes were set up at Redress Scotland. This expenditure was captured within the accounts for the Scottish Government. The 2022/23 figures are therefore being treated as the first for Redress Scotland and no comparatives will be given for the previous period of 2021/22.

Under *chapter 9 of the HM Treasury Financial Reporting Manual*, the creation of Redress Scotland effectively resulted in a function transfer by absorption and for the purposes of accounting 1 April 2022 is taken as the effective date of this transfer.

All contracts were novated over to Redress Scotland, and the cash in bank amount of £180,166 became the opening cash balance for the 2022/23 financial year.

For 2022/23, as more information became available on applications being received and administrative requirements, it became possible to return some of the budget received from the Scottish Government. The originally agreed budget for the year was £5,000,000, however, we were able to reduce this to £3,250,000. Actual expenditure for the year against this reduced budget is contained in the table on [page 53](#).

£5m

The originally agreed budget for the year. We were able to reduce this to:

£3.25m

Financial Review continued**Operating costs**

	2022/23			
	Original Budget £000	Adjusted Budget £000	Outturn £000	Variance £000
Revenue	5,000	3,250	3,233.1	-16.9
Capital		0	0	0
Total Operating Costs	5,000	3,250	3,233.1	-16.9

After the end of year accounting adjustments were included within expenditure, the variance against budget was £16.9k, a slight underspend of 0.5%. This is in comparison to a 3% variance target set by the Scottish Government for demand-led non-departmental public bodies.

No budget had been provided in year for capital expenditure. A minimal value of

£1,500

per item has been agreed for capitalisation of assets. No assets purchased were above this value so all costs have been expensed. This accounting policy is unlikely to change in the future.

Sustainability and environmental impact

A digital first organisation

Sustainability reporting is about understanding what impact our organisational practices have on the wider environment. As a small organisation, Redress Scotland is not required to report on this¹. However, in the interests of transparency and openness we have chosen to provide information on this area of our work.

Redress Scotland has now been established as a 'digital first' organisation and is the first public body to work on a wholly digital basis. In the initial phase of setting up Redress Scotland, we did plan for a physical office. However, after a period of operating very effectively as a digital organisation the Oversight Board supported the Senior Management Team's assessment that this approach to working was successful and should continue. Therefore, Redress Scotland does not have a physical office.

Working as a digital organisation supports us to work in more agile ways. In particular, this ensures that we can flexibly plan and schedule the work of panel members to support varying work patterns. We have staff, panel and board members in locations as far away as the Republic of Ireland with a very broad range and diversity of skills, knowledge and experience that support delivery of robust decision making. **Key advantages of being a digital organisation are:**

Reduce travelling requirements

Delivery

Our staff work from home only meeting face to face for monthly team meetings, and/or as required for other activities.

Impact

This cuts down on carbon emissions; reduces personal expenditure; improves wellbeing by freeing up more personal time; and enables recruitment of expert staff from a wider geographical area.

1. 2022/23 Sustainability Reporting Guidance - draft.docx (publishing.service.gov.uk) para 1.42.

Sustainability and environmental impact continued

Minimise printing requirements

Delivery

Most activity is carried out digitally. Print runs are only requested for essential documents or key activities.

Impact

Reduces the use of paper and ink, and energy usage due to not having printers; and improves security through having documentation behind digital log-ins.

Reduce additional building needs

Delivery

All staff work from home therefore there are no additional building needs. Accommodation is only used when face to face meetings are needed. Meetings often take place in the buildings managed by other public bodies.

Impact

Significant reduction in cost by not having a permanent building; able to rotate locations to ensure fair spread for meetings; able to avoid potentially inefficient building space; increased flexibility.

To improve understanding around sustainability, we have created a sustainability and green issues workgroup with staff from across the organisation. A quarterly newsletter is produced which includes articles, hints and tips for how staff can be greener in their home, live more active lives, and reduce individual impact on the planet.

There is always more that can be done, but Redress Scotland is paving the way by building up evidence of how things can be done digitally, how we can do better, what challenges digital operations can provide against what freedoms this can give in order to become a more flexible, sustainable and adaptive organisation. We have shared what we have learnt about working digitally with other organisations.

Social responsibility and respect for human rights

A socially responsible employer

As a socially responsible employer, Redress Scotland pays all staff above the national living wage.

We try to be environmentally conscious and treat everyone with dignity, respect and compassion which are our values, and enshrined in our founding legislation.

We have ensured that all our work is based on understanding human rights and that we demonstrate our values in everything we do. We have done this by making fair, robust decisions that follow the assessment framework in the statutory guidance and give consideration to each survivor's experiences.

We have also developed an approach to in-person meetings that is based on individual needs and preferences. We use language that is straightforward to increase accessibility and inclusion.

Anti-bribery and corruption

Minimising the risk of corruption

The risk of bribery in determinations of applications is minimised through a number of safeguards built in to processes.

This includes:

- panels being made up of multiple panel members spread across the UK and the Republic of Ireland;
- regular observation of panels by senior operations staff, senior managers and board members; and
- separation between Redress Scotland who make the determinations, and the Scottish Government who provide casework, final review and payment.

To minimise the risk of corruption, we ensure that procurement transactions follow public sector regulations including separation of duties between those making and those approving transactions.

We benefit from a fully managed procurement service from the Scottish Government Procurement Shared Services to ensure we follow the necessary requirements.

Directors' Report

Directors' Report

Redress Scotland is a body corporate established by *section 3 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021*. In terms of its status as a Scottish public body, Redress Scotland is categorised as a Non-Departmental Public Body.

The members of Redress Scotland, who are appointed by the Scottish Ministers under paragraph 1(1) of schedule 1 of the Redress Act, are known collectively as 'the Corporate Body'. The Corporate Body has approved the arrangements for governance of Redress Scotland.

The Oversight Board is responsible for strategic direction and decision making, and scrutinises the work and performance of the public body. The Chief Executive is the Accountable Officer for the public body and has been appointed by the Permanent Secretary of the Scottish

Government. Redress Scotland has also established an Audit, Risk and Assurance Committee to provide assurance on financial, procedural and other decision areas.

The Senior Management Team consists of: the Chief Executive, Head of Operations, Head of Finance and Resources, Head of People, and the Head of Policy and Improvement. Further delegations are provided from the Chief Executive to the members of the Senior Management Team so they can lead their areas of responsibility effectively.

Full details of the governance structure and risk management arrangements in operation in the public body are provided as part of the **Governance Statement** on **page 62** →

Directors' Report continued**Redress Scotland Oversight Board**

Members	
Non-Executive Board Members	William (Bill) Matthews – Interim Chair Johnny Gwynne – Chair ¹ Colin Spivey – Interim Chair ARAC Paul Edie Neil MacKay Roy McComb
Ad hoc Board Members	Michael Steele ² Catherine Dyer ³
Corporate Body Board Members	Lynne Harvie ⁴ Anne Houston Emma Lewis
Regular Attendees	
Chief Executive and Accountable Officer	Joanna McCreddie
Head of Operations	Gary Gallacher
Head of Finance and Resources	Michael Stevens
Head of People	Michelle Nairn
Head of Policy and Improvement	Melanie Lowe

1. Johnny Gwynne resigned as Chair on 10 March 2023.
2. Michael Steele was a temporary un-remunerated member of ARAC while non-execs were recruited.
3. Catherine Dyer was appointed an ad hoc board member while Bill Matthews, the Deputy Chair is Interim Chair.
4. Lynne Harvie was appointed an interim board member with attendance at both the Oversight Board, and Audit, Risk and Assurance Committee while Bill Matthews, the Deputy Chair is Interim Chair.

Information on **salary and pension entitlement** can be found on **pages 68 – 73** →

Company directorships and other significant interests

No members undertook any material transactions with the public body.

Directors' Report continued

Appointed auditors

Our Annual Report and Accounts are audited by Audit Scotland, appointed by the Auditor General for Scotland. Details on auditor remuneration can be found in the Notes to the Accounts section of this report.

Internal audit services are provided by TIAA Ltd. The scope of work is determined following discussion with management and is subject to approval by the Audit, Risk and Assurance Committee.

Statement of Accountable Officer's responsibilities

Scottish Ministers, under *paragraph 16(1)(b) of the Redress for Survivors (Historical Child Abuse in care) (Scotland)*, have directed Redress Scotland 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 Redress Scotland and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

Directors' Report continued

In preparing the accounts the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual 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 Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- prepare the accounts on a going concern basis; and

- confirm and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accountable Officer of the Scottish Government has appointed the Chief Executive of Redress Scotland as the Accountable Officer for the public body.

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 of proper records, and for safeguarding Redress Scotland's assets, are set out in the Accountable Officer Memorandum issued by Scottish Ministers.

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Redress Scotland's auditors are also aware of this information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Joanna McCreadie

Joanna McCreadie
Chief Executive

30 November 2023

Governance Statement

Governance Statement

This Governance Statement aims to provide a clear explanation of our organisation’s internal control structure and the management of our resources. This statement outlines and evaluates the arrangements in place during 2022/23 to gain assurance about performance and risk management. It also describes how we are responding to address weaknesses and control emerging risks.

Scope of responsibility

As Accountable Officer for Redress Scotland, I am responsible for the delivery of the public body’s functions, its performance and for planning its future development. My responsibilities include:

- being Accountable Officer for the management of operating budgets and resources;
- ensuring an effective system of organisational risk management and controls which is regularly reviewed to provide assurances to the Oversight Board and Scottish Ministers;
- being personally accountable to Scottish Ministers and Parliament for the organisation’s efficient and effective operation and for our performance against key targets;
- ensuring that the public body works across government in support of the Scottish Government’s purpose and national outcomes set out in the National Performance Framework;
- providing assurance to the sponsorship team, who acts as a liaison point within the Scottish Government for supporting and facilitating the work of the organisation in meeting its objectives and targets and who approves the level of resources required as a result;
- ensuring best value in all aspects of the public body’s operations, both front line delivery and corporate support functions;
- consulting with the Scottish Government partners on policy, financial and corporate developments that may impact on the services delivered by the public body.

I ensure organisational compliance with the Scottish Public Finance Manual which is issued by Scottish Ministers to provide guidance to the Scottish Government and

Governance Statement continued

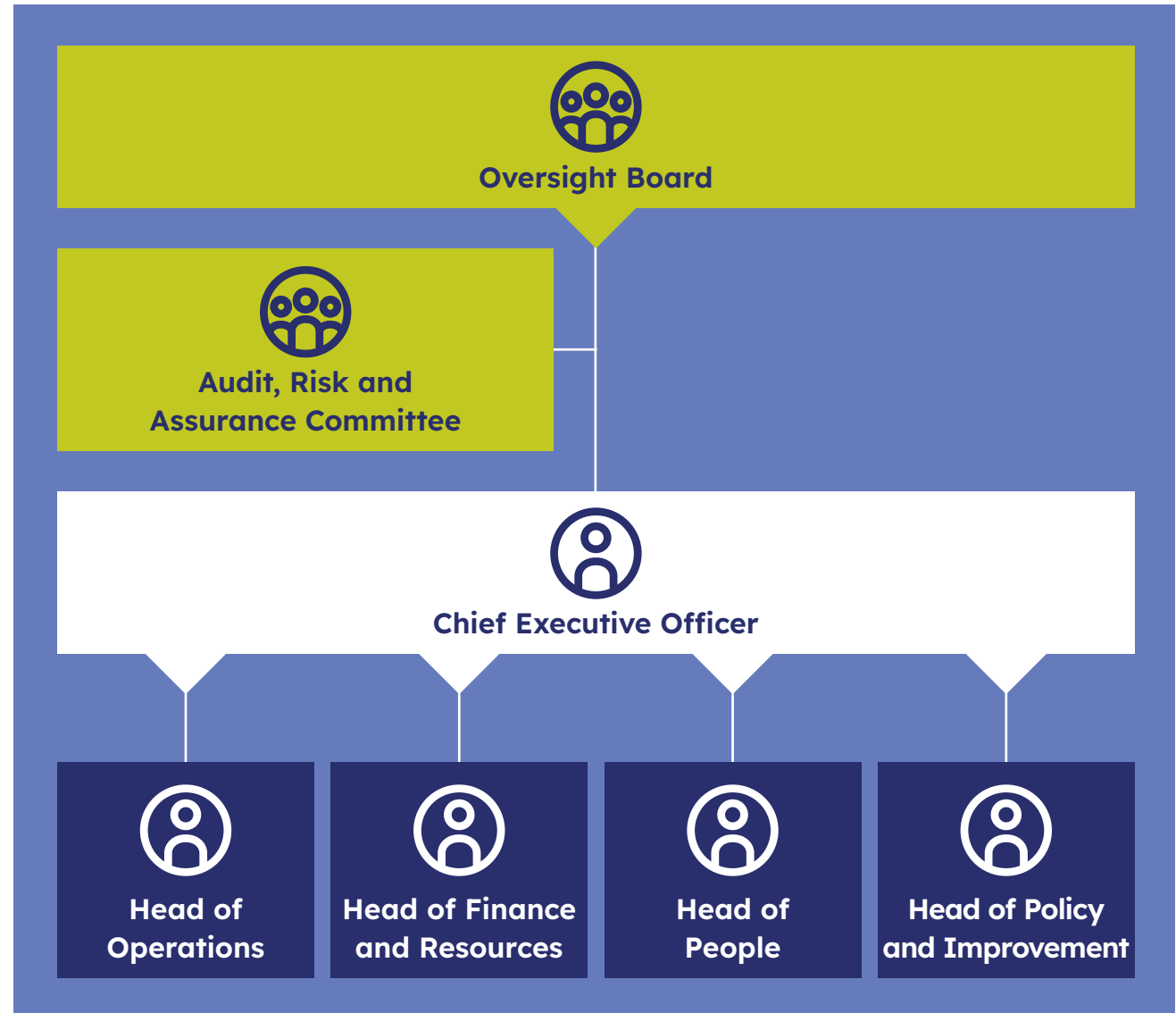
other relevant bodies on the proper handling and reporting of public funds.

My accountability is subject to the respective overall responsibilities of the Permanent Secretary of the Scottish Government as the Principal Accountable Officer.

Corporate governance framework

Redress Scotland’s corporate governance framework is made up of the systems, processes and values within which it operates.

The high-level strategic governance framework, including financial delegations, is set out in our Framework Document. In 2022/23, this was still subject to agreement with the Scottish Government and was a draft document. Our system of internal control and assurances seeks to identify the principal risks to the achievement of the public body’s policies, aims and objectives.



Governance Statement continued

As Chief Executive, I have been supported by four senior managers with responsibility for the functions of the public body. Collectively, the Senior Management Team is responsible for strategic operational decision making and responding to operational matters. It meets formally at two-weekly intervals.

The public body has five business areas:

- Governance;
- Operations;
- Finance and Resources;
- People; and
- Policy and Improvement.

In 2022/23, I was provided support and challenge initially by ad hoc members of the project board, and subsequently by six Non-Executive Board Members. The Non-Executive Board Members provide the public body with an independent view on issues of strategy and scrutiny, including performance and governance,

and bring specific expertise and knowledge to discussions. They are independent of management and are provided authority for this role from the Corporate Body of Redress Scotland.

Together, our Non-Executive Members and Senior Managers provide membership and attendees for our corporate governance committees, currently the Audit, Risk and Assurance Committee, and the Oversight Board.

The Oversight Board is chaired by the Chair of Redress Scotland, and the Audit, Risk and Assurance Committee is chaired by a Non-Executive Board Member. The full attendance list was provided under the Oversight Board members for 2022/23 on [page 59](#).

Oversight Board

The Oversight Board is responsible for supporting and advising the Chief Executive on the strategic leadership and direction of the public body, achievement of the public body's objectives and operational oversight of the public body's systems of control and accountability.

Membership comprises Non-Executive Board Members and panel members with members of the Senior Management Team as attendees. Prior to recruitment of Non-Executive Members of the Oversight Board, interim arrangements were in operation including a project board in the initial phase of the organisation.

The interim project board and subsequent Oversight Board met nine times in 2022/23.

In order to increase transparency of the board, two Redress Scotland panel members are appointed as board

Governance Statement continued

members to provide the perspective of the body corporate. In February 2023, the Chair of Redress Scotland resigned, and the Deputy Chair was appointed to the Chair role on an interim basis. An additional panel member was appointed to the Oversight Board on an interim basis and an ad hoc Non-Executive was appointed to the Audit, Risk and Assurance Committee.

The minutes of the meetings are publicly available on our website.

Audit, Risk and Assurance Committee

The Audit, Risk and Assurance Committee advises the Oversight Board and the Accountable Officer on the adequacy of risk management, internal control and governance arrangements and the efficient and effective use of public funds. This includes:

- strategic processes for risk, control and governance;

- accounting policies, the accounts, and the annual report of the organisation; and
- gaining assurance that risk is being monitored and managed appropriately.

Until December 2022, the Audit, Risk and Assurance Committee consisted of two ad hoc members, one body corporate representative, and was chaired by the Deputy Chair of Redress Scotland.

Following Non-Executive Board Member recruitment, two Non-Executive Board Members replaced the ad hoc committee members. In February 2023, the Deputy Chair of Redress Scotland became Interim Chair, as recruitment began for a new Chair to be appointed by Scottish Ministers.

To maintain separation, the Chair of the Audit, Risk and Assurance Committee, is currently a Non-Executive Board Member who has relevant financial experience in line with the HM Treasury Code of Good Practice on Corporate Governance.

A further ad hoc independent member has also been appointed to the committee, alongside permanent attendees: the Head of Finance and Resources, representation from internal and external audit, myself and other members of the Senior Management Team as required.

The Committee met five times in 2022/23.

Internal audit

The work of internal audit is informed by the Strategic and Operational Risk Registers, and by the annual audit needs assessment undertaken by the auditors.

Internal audit services are provided by TIAA to deliver independent and objective assurance of delivery by Redress Scotland. TIAA was appointed in February of 2023 and completed three internal audits prior to the Annual Report and Accounts being finalised.

Governance Statement continued

The Internal Audit Reviews on 2022/23 activity were:

- payroll and expenses;
- financial reporting and controls; and
- invoices and payments.

The opinions provided by internal audit were of significant assurance against payroll and expenses, and financial reporting and controls, and acceptable assurance against invoices and payments.

In 2023/24, the Finance and Resources Team will develop a financial improvement plan based on the outputs from both internal and external audit.

External audit

The Auditor General for Scotland is responsible for auditing the public body's accounts. The appointed auditor in 2022/23 was Audit Scotland.

Assessment of corporate governance arrangements

The governance arrangements continue to be strengthened and I will keep them under review to ensure that they remain fit for purpose. Actions that took place in 2022/23 include, but were not limited to:

- development of our Business Continuity Plan, with further refinement activities due in 2023/24;
- creation of a policy and official documents register to monitor progress and periodic review of key documents and policies;
- planning and risk workshops to review the content of the Strategic Risk Register;
- detailed analysis of particular risks to better inform assessment, management and mitigation of risk;
- review of the effectiveness of our internal controls, procuring support from and working closely with internal audit;

- strengthening our management of change ensuring that it is actively, consistently and proportionately managed across the organisation; and
- securing the services of an internal audit organisation, with the assessments providing significant assurance in two areas and reasonable assurance in one area.

Risk assessment

During 2022/23 Redress Scotland has continued to develop and strengthen its risk management approach.

Throughout the reporting period, the Senior Management Team, Audit, Risk and Assurance Committee, and Oversight Board have continued to take an active approach to risk management within the organisation.

Redress Scotland maintains a Strategic Risk Register, owned by the Oversight Board, which records key internal and external risks and identifies the mitigating

Governance Statement continued

actions needed to reduce the likelihood and impact they may have on the organisation. To support this, an Operational Risk Register has been established. This is regularly reviewed and discussed routinely by the Senior Management Team, the Audit, Risk and Assurance Committee, and at the Oversight Board to ensure awareness, escalation or advice as required.

Primary risks of the organisation are provided in the performance report on [page 12](#).

Information security

Incidents reported to the Information Commissioner. There were no reported incidents in 2022/23.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the risk and control framework. My review is informed by:

- formal assurances from my Senior Management Team who have responsibility for the development and maintenance of our internal control frameworks;
- the Senior Management Team who has responsibility for the development and maintenance of the risk and control framework;
- the Oversight Board which considers the plans, risks and management of the organisation and advises on the overall strategic direction and performance;
- the Audit, Risk and Assurance Committee which meets quarterly to consider our internal controls and how effective those controls are;
- the work of our internal auditors who submit regular reports to the Audit, Risk and Assurance Committee;
- comments from our external auditor in its management letters and other reports;

- the risk registers in place for all critical elements of our operations; and
- regular reports on managing risks for key work areas.

The organisation's risk and control framework is based on an on-going process designed to identify: the principal risks to achieving the organisation's mission, aims and objective; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically.

More generally, the organisation is a learning organisation, committed to a process of continuous development and improvement. We will therefore continue to focus on improving our corporate governance arrangements.

Joanna McCreddie

Joanna McCreddie
Chief Executive

30 November 2023

Remuneration and Staff Report

Remuneration and Staff Report

Remuneration policy

Service contracts

The *Constitutional Reform and Governance Act* specifies that all civil service appointments should be offered to the most suitable candidate(s) following a fair and open competition, with limited exceptions. Redress Scotland, while being independent of the Scottish Government and outside of the civil service, has chosen to recognise and mirror the Scottish Government terms and conditions, although some approaches may differ, if necessary, due to our size and function.

Our staff covered by this report, with the exception of our Non-Executive Board Members, members of the Audit, Risk and Assurance Committee and our panel members, have permanent contracts. Early termination, other than for gross misconduct would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners is available at:

<https://civilservicecommission.independent.gov.uk>

Audit Review

Within the remuneration report, the following information has been subject to audit:

Board Remuneration	69 – 71
Pensions and Cash Equivalent Transfer Values	73
Fair pay disclosures	76
Staff numbers and costs	77 – 79
Voluntary exit scheme	81

The remaining information within the Remuneration and Staff Report has been reviewed for consistency.

Remuneration and Staff Report continued**Board Remuneration****Senior staff salaries**

The salary, pension entitlements and benefits-in-kind of the executive members of Redress Scotland were as follows:

Officials	Salary £000		Pension benefits £000		Total £000	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Joanna McCreadie ¹ Chief Executive	80-85	–	30-35	–	110-120	–
Gary Gallacher ² Head of Operations	45-50	–	15-20	–	60-70	–
Michael Stevens ³ Head of Finance and Resources	65-70	–	30-35	–	95-105	–
Michelle Nairn ⁴ Head of People	60-65	–	20-25	–	80-90	–
Melanie Lowe ⁵ Head of Policy and Improvement	10-15	–	0	–	10-15	–

1. Joanna McCreadie was appointed Chief Executive from 18 August 2021.
2. Gary Gallacher was appointed Head of Operations from 8 August 2022. For a full year, the salary would fall within the band 70-75.
3. Michael Stevens was appointed Head of Finance and Resources from 17 January 2022.
4. Michelle Nairn was appointed Head of People from 17 January 2022.
5. Melanie Lowe was appointed Head of Policy and Improvement from 1 February 2023. For a full year, the salary would fall within the band 65-70.

Remuneration and Staff Report continued**Non-Executive Board Members**

Our Non-Executive Board Members were remunerated for the following attendance fee payments for financial year 2022/23. No other fees were provided to Board Members in the year.

Both the initial Chair and Deputy Chair were instrumental in the set up of Redress Scotland, so day rate fees claimed in 2022/23 were higher than will be expected in future years.

Board member	2022/23 £	2021/22 £
Johnny Gwynne ¹ , Chair	40,953	-
Bill Matthews ² , Interim Chair (former Deputy Chair)	26,289	-
Colin Spivey ³ , Non-Exec Director	-	-
Neil Mackay ⁴ , Non-Exec Director	4,290	-
Roy McComb ⁵ , Non-Exec Director	1,950	-
Paul Edie ⁶ , Non-Exec Director	4,485	-
Catherine Dyer ⁷ , ad hoc Non-Exec Director	-	-
Michael Steele ⁸ , ad hoc Non-Exec Director	-	-
Lynne Harvie ⁹ , Board Member ¹⁰	2,730	-
Anne Houston, Board Member	4,485	-
Emma Lewis, Board Member	3,315	-

Remuneration and Staff Report continued

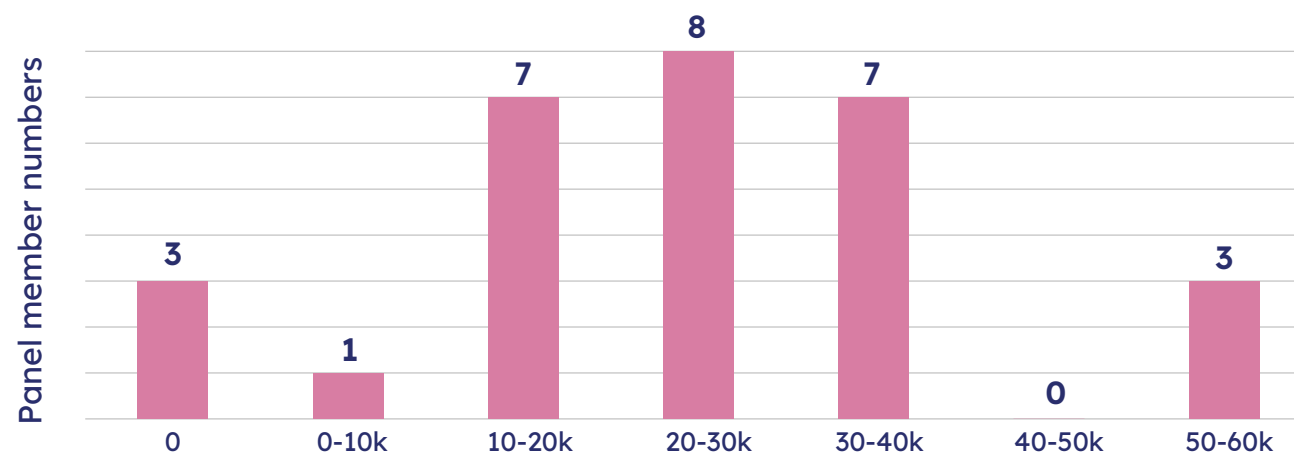
1. Johnny Gwynne was appointed Chair from 28 June 2021 and resigned on 10 March 2023.
2. Bill Matthews was appointed Deputy Chair of Redress Scotland and Chair of ARAC on 16 November 2021 and appointed Interim Chair on 11 March 2023.
3. Colin Spivey was appointed Non-Executive Board Member from 25 November 2022 having previously been a non-remunerated ad hoc Non-Executive Director. He was appointed Interim Chair of ARAC on 14 March 2023. As an existing public sector employee, Colin does not receive remuneration.
4. Neil Mackay was appointed Non-Executive Board Member from 25 November 2022.
5. Roy McComb was appointed Non-Executive Board Member from 25 November 2022.
6. Paul Edie was appointed as Non-Executive Board Member from 1 December 2022.
7. Catherine Dyer was appointed an ad hoc Non-Executive Board Member from 14 March 2023.
8. Michael Steele was a non-remunerated ad hoc Non-Executive Director until 26 October 2022.
9. Lynne Harvie originally attended Audit, Risk and Assurance Committee, but has additionally joined the Oversight Board on a temporary basis while the Deputy Chair is Interim Chair to maintain membership levels and consistency.
10. Lynne Harvie, Anne Houston, and Emma Lewis reflect the perspective of the body corporate and rotate on an 18-monthly basis with other body corporate members. This rotation was temporarily suspended while the Deputy Chair holds the interim Chair position.

Panel members

Panel members are remunerated on a day-rate basis at a rate of £390 per day. The Financial Reporting Manual only requires that we report on remuneration detail for senior staff, Ministers and/or board members. Within Redress Scotland panel members form part of the body corporate, however panel members do not have significant governance or directional leadership requirement for the organisation, so can be excluded from reporting on an individual basis.

To maintain confidentiality of fees awarded, we have prepared a distribution curve which shows how much panel members earned over the course of the 2022/23 financial year. Some panel members are also board members on a rotating basis for 18 months. The costs below exclude any board-related costs, which are split out and included in the previous table.

Panel member: salary costs



Remuneration and Staff Report continued

Salary

‘Salary’ includes gross salary; overtime; recruitment and retention allowances; private office allowances; and any other allowance to the extent that it is subject to UK taxation, if payable.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind, if payable. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Benefits-in-kind

The monetary value of benefits-in-kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable payment.

None of our staff, board or panel members received any such benefit in 2022/23.

Compensation for loss of office

No individuals were compensated for loss of office in 2022/23.

Bonuses

In mirroring the approach of the Scottish Government, it is currently the policy of Redress Scotland not to award bonuses.

Remuneration and Staff Report continued

Details of pensions and Cash Equivalent Transfer Values are disclosed based on information supplied by MyCSP (the Civil Service Pension Portal).

	Accrued pension at pension age as at 31/3/23 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/23 £000	CETV at 31/3/22 £000	Real increase in CETV £000	Employer contribution to partnership pension account nearest £000
Joanna McCreadie Chief Executive	0-5	0-2.5	41	16	18	-
Gary Gallacher Head of Operations	0-5	0-2.5	10	0	6	-
Michael Stevens Head of Finance and Resources	15-20 plus a lump sum of 25-30	0-2.5 plus a lump sum of 0-2.5	234	196	14	-
Michelle Nairn Head of People	0-5	2.5-5	59	4	15	-
Melanie Lowe ¹ Head of Policy and Improvement	25-30	0	377	374	-2	-

1. The CETV detail for Melanie Lowe is taken only from the point she started her current permanent employment in February 2023. Prior employment detail is calculated at point of exit.

Remuneration and Staff Report continued

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or *alpha*, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined *alpha*. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (*classic*, *premium* or *classic plus*) with a normal pension age of 60; and one providing benefits on a whole career basis (*nuvos*) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year.

Pensions payable under *classic*, *premium*, *classic plus*, *nuvos* and *alpha* are increased annually in line with pensions increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into *alpha* sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to *alpha* have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on

their final salary when they leave *alpha*. (The pension figures quoted for officials show pension earned in PCSPS or *alpha* – as appropriate. Where the official has benefits in both the PCSPS and *alpha* the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (*partnership* pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of *classic*, *premium*, *classic plus*, *nuvos* and *alpha*. Benefits in *classic* accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For *premium*, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike *classic*, there is no automatic lump sum. *Classic plus* is

Remuneration and Staff Report continued

essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per *classic* and benefits for service from October 2002 worked out as in *premium*. In *nuvos* a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in *alpha* build up in a similar way to *nuvos*, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the *Finance Act 2004*.

The *partnership* pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member).

The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of *classic*, *premium* and *classic plus*, 65 for members of *nuvos*, and the higher of 65 or State Pension Age for members of *alpha*. (The pension figures quoted for officials show pension earned in PCSPS or *alpha* – as appropriate. Where the official has benefits in both the PCSPS and *alpha* the figure quoted is the combined value of their benefits

in the two schemes but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement

Remuneration and Staff Report continued

when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with *The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008* and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in Cash Equivalent Transfer Value

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Fair pay disclosures

Pay multiplier

In accordance with the Government Financial Reporting Manual, reporting bodies are required to disclose the relationship between the remuneration of the highest paid employee and the 25th, 50th and 75th percentile remuneration of staff.

The banded remuneration of the highest paid Director in the financial year 2022/23 was within the range of £80–85,000 based on annualised,

full time equivalent remuneration. The mid-point equates to 2.17 times the median remuneration of staff.

The median remuneration based on annualised, full time equivalent of staff is £37,936 while 25th and 75th percentile are £31,541 and £49,860 respectively. This provides that the highest paid employee range mid-point is 2.62 times the 75th percentile salary and 1.65 times the 25th percentile salary.

In 2022/23, no staff member received remuneration in excess of the highest paid Director. Staff remuneration ranged from £29,102 (full-time equivalent) to £82,500.

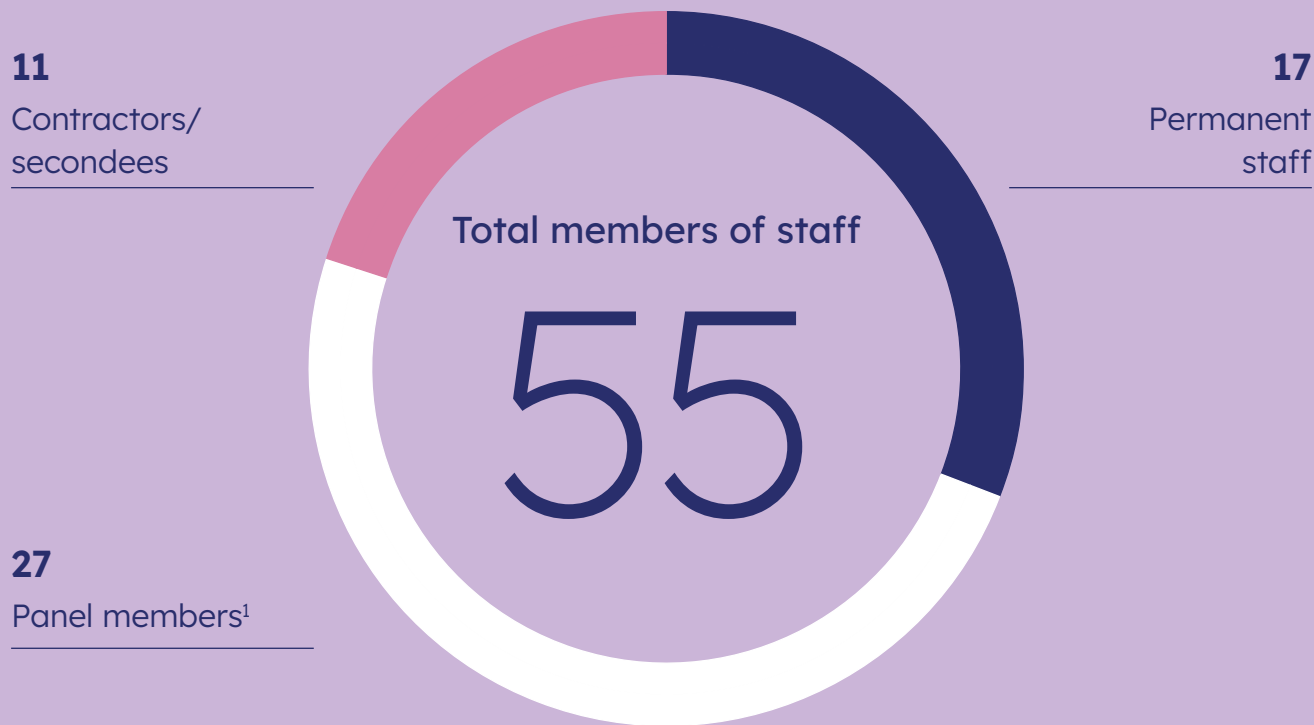
Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind, where payable. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pension.

Remuneration and Staff Report continued

Staff Report

Staff numbers and costs

The average number of full-time equivalent persons employed during the year was as follows:



1. Panel members are paid a day rate with fluctuating days per month. For this element, we have used the number of active panel members rather than full-time equivalent.

Remuneration and Staff Report continued**The total payroll costs for our staff were as follows:**

	2022/23 £000	2021/22 £000
Salaries and wages	1,514	-
Social security costs	166	-
Other pension costs	207	-
Payroll costs charged to capital projects	0	-
Total – Statement of comprehensive net expenditure	1,887	-
Contractors/secondees	847	-
Total	2,734	-

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as ‘*alpha*’ – are unfunded multi-employer defined benefit schemes but Redress Scotland is unable to identify its share of the underlying assets and liabilities.

The Scheme Actuary valued the PCSPS as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation.

For 2022/23, employers’ contributions of £197,765.16 were payable to the PCSPS at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2022/23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Staff can opt to open a *partnership* pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £1,327.65 are currently

Remuneration and Staff Report continued

being held while a *partnership* pension account is being set up with Legal & General.

Employer contributions are age-related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of 0.5% of pensionable pay, are payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these staff.

Contributions due to the *partnership* pension providers at the balance sheet date were £1,327.65. Contributions prepaid at that date were £0.

Staff numbers by gender

As at 31 March 2023, 28 permanent staff and one temporary staff member were employed by Redress Scotland. Currently two staff work part time, with varied working patterns. Two staff have declared a disability.

Breakdown of permanent and temporary staff by gender as at 31 March 2023

Female: 21

Permanent staff: 21
Temporary staff: 0

Male: 8

Permanent staff: 7
Temporary staff: 1

Total permanent and temporary staff: 29

1. Our Chief Executive (female) has received a spot rate based on Senior Civil Service (SCS) grade 1 grade, however is not a civil servant. Our Senior Management Team (Directors) consist of three females (inclusive of CEO) and two males.

Breakdown of ministerial appointments by gender as at 31 March 2023

Female: 23

Panel members: 22
Board members: 1

Male: 12

Panel members: 7
Board members: 5

Total ministerial appointments: 35

There are three panel members (all female) who attend boards and committees and have a vote in decision making. These are not included in board members to make sure they are not counted twice.

Remuneration and Staff Report continued**Sickness absence**

During the year, a total of 152.3 business days were lost due to sickness absence, an average of 5.25 days per employee.

We are a small team, and this is the first time we have reported on sickness absence. We have found that the remote working and having the ability to support flexible working arrangements with our people has contributed to low levels of sickness absence.

Staff turnover percentage

Staff turnover is one of our Key Performance Indicators (KPIs) and we have set this at 10%. In the first year of operation turnover was variable due to the high number of agency and temporary staff. In calculating the turnover figure, we have included anyone who was in a set post even if they were there on a temporary basis. This has led to a higher turnover than our KPI target. We are confident that turnover will reduce now there is an established

team of permanent staff. The turnover percentage in April 23 for the year was 15.2%. This was 5.2% above target.

Staff engagement

Redress Scotland is committed to the fair work principles as set by the fair work convention. Success and wellbeing are at the heart of what we do and one of the main aspects is the voice of staff. We have engaged in a number of different initiatives over the last year to ensure that staff are involved and their views are sought.

These initiatives include:

- establishing full team meetings with the emphasis on keeping people up to date, checking health and safety and discussing wellbeing;
- development and implementation of a practice development group that considers operational practice;
- completing polls and questionnaires to establish preferences on the working environment, including committing to being a fully digital organisation;

- gathering views from panel members in relation to flexibility, capacity and operational activity through questionnaires and polls and using this to inform improvements; and
- leading team development days where staff are involved in continuous improvement initiatives and development of the business.

Trade union facility time and costs

Redress Scotland has begun the work of agreeing a voluntary recognition agreement with the trade union bodies that support the Scottish Government. No data is available on trade union facility time and costs as the agreement was not in place for 2022/23.

Equal opportunities/ diversity/disability

We treat everyone we have contact with, with dignity, respect and compassion,

Remuneration and Staff Report continued

recognising the value of each individual and embracing diversity.

Equality and diversity is not about treating everyone the same. It is about acknowledging and respecting differences and changing the way we work if necessary. We will ensure all our policies follow the guiding principles set out in this policy.

We aim to create a working environment where:

- all people have the opportunity and support to give their best;
- there is no discrimination (direct or indirect), harassment or victimisation; and
- all decisions will be based on merit.

Our commitments

We will ensure that we are an organisation which promotes equality, diversity and inclusion.

We will do this by:

- encouraging equality, diversity and inclusion in the workplace;
- creating a working environment free of bullying, harassment, victimisation and unlawful discrimination, promoting dignity and respect for all, and where individual differences and the contributions of all staff and panel members are recognised and valued;
- taking seriously complaints of bullying, harassment, victimisation and unlawful discrimination;
- making opportunities for training, development and progress available to all;
- making decisions concerning our people based on merit (apart from in any necessary and limited exemptions and exceptions allowed under the *Equality Act*);
- encouraging applications from underrepresented groups;

- making sure that all job applicants and our people are treated fairly, with respect and without bias; and
- reviewing working practices, policies and procedures when necessary.

Consultancy

During the year we did not incur any expenditure on consultancy.

Voluntary exit scheme

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the *Superannuation Act 1972*.

Exit costs are accounted for in the year that departure is agreed. Where the organisation has agreed early retirements, the additional costs are met by the organisation and not the Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme. There were no departures under such schemes in 2022/23 or 2021/22.

Parliamentary accountability and audit

Parliamentary accountability and audit

Parliamentary accountability

Expenditure trends

As an Executive Non-Departmental Public Body, the majority of Redress Scotland expenditure is incurred on staffing costs. Staff, panel and board member costs will continue to rise as a result of pay awards. These unavoidable costs increase pressure on overall public body baseline budgets. Throughout 2022/23 Redress Scotland continuously improved assurance by monitoring and challenging to effectively manage expenditure and budgets.

Regularity of expenditure

Our financial transactions are prepared in accordance with the relevant legislation and regulations governing our activities and are subject to audit. Expenditure has been incurred or applied in accordance with applicable enactments and guidance issued by Scottish Ministers. Sums paid out of the Scottish Consolidated Fund are applied in accordance with the *Scotland Act 1998*.

Accounts Direction

The accounts have been prepared in accordance with a direction given by Scottish Ministers in accordance with *section 19(4) of the Public Finance and Accountability (Scotland) Act 2000*. The direction is provided at [page 106](#).



Joanna McCreadie
Chief Executive

30 November 2023

Parliamentary accountability and audit continued

Independent auditor's report to the Members of Redress Scotland, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of Redress Scotland for the year ended 31 March 2023 under the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021*. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the accounts, including accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards,

as interpreted and adapted by the 2022/23 Government Financial Reporting Manual (the 2022/23 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2023 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 FReM; and
- have been prepared in accordance with the requirements of the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021* and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 3 April 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

Parliamentary accountability and audit continued

Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

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

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

Risks of material misstatement

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

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable

Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Parliamentary accountability and audit continued

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

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

- using my understanding of the central government sector to identify that the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021* and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;

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

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

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

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

Parliamentary accountability and audit continued

Reporting on regularity of expenditure and income

Opinion on regularity

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

Responsibilities for regularity

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

Reporting on other requirements

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

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021* and directions made thereunder by the Scottish Ministers.

Other information

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

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

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

Parliamentary accountability and audit continued**Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement**

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

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the *Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021* and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the

Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

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

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

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

Pauline Gillen

Pauline Gillen, Audit Director

Audit Scotland, 4th Floor, 8 Nelson Mandela Place, Glasgow G2 1BT

30 November 2023

Annual Accounts

Annual Accounts

Statement of comprehensive net expenditure for the period ended 31 March 2023

	Notes	2022/23 £	2021/22 £
Staff costs incl panel and board members	5	1,887,015	
Depreciation and impairment charge	7	-	
Other operational expenditure	6	1,346,130	
Net operating expenditure		3,233,145	
Comprehensive net expenditure for the year		3,233,145	

The accounting policies and notes on [pages 92 – 105](#) form part of these accounts.

A breakdown of staff costs is provided within the Remuneration Report and Staff Report on [pages 68 – 81](#).

Annual Accounts continued**Statement of financial position as at 31 March 2023**

	Notes	31 March 2023 £	31 March 2022 £
Non-current assets			
Property, plant and equipment	7	-	-
Total non-current assets		-	-
Current assets			
Trade and other receivable	8	11,793	-
Cash and cash equivalents	9	444,727	-
Total current assets		456,520	-
Total assets		456,520	-
Current liabilities			
Trade and other payables	10	259,499	-
Total current liabilities		259,499	-
Total assets less current liabilities		197,021	-
Taxpayers' equity and other reserves			
General reserve		197,021	-
Total taxpayers' equity		197,021	-

The Board approved these financial statements on 30 November 2023 and the Accountable Officer authorised them for issue on the same date. Signed on behalf of Redress Scotland. **Joanna McCreadie, Accountable Officer.**

Joanna McCreadie

30 November 2023

The accounting policies and notes on [pages 92 – 105](#) form part of these accounts.

Annual Accounts continued**Statement of cash flows for the year ended 31 March 2023**

	Notes	31 March 2023 £	31 March 2022 £
Cash flows from operating activities			
Net operating cost		(3,233,145)	
Adjustments for non-cash items			
(Increase)/decrease in receivables	8	(11,793)	
(Decrease)/increase in payables	10	259,499	
Transfer of assets from Scottish Government		180,166	
Depreciation on tangible fixed assets	7	-	
Net increase/(decrease)		(2,805,273)	
Cash flows from financing activities			
Scottish Government funding for the year	3	3,250,000	
Scottish Government funding for the year		3,250,000	
Net increase/(decrease) in cash and cash equivalents		(444,727)	
Cash and cash equivalents at start of year	9	-	
Cash and cash equivalents at end of year	9	444,727	
Net change in cash and cash equivalent balances		444,727	

The accounting policies and notes on [pages 92 – 105](#) form part of these accounts.

Annual Accounts continued**Statement of changes in taxpayers' equity for the year ended 31 March 2023**

	Notes	General Reserve £	Total £
Balance at 1 April 2022		-	-
Net operating cost for the year		(3,233,145)	(3,233,145)
Total recognised expenditure for 2022/23		(3,233,145)	(3,233,145)
Funding from the Scottish Government	3	3,250,000	3,250,000
Transfer of assets from Scottish Government		180,166	180,166
Balance at 31 March 2023		197,021	197,021

Statement of changes in taxpayers' equity for the year ended 31 March 2022

	Notes	General Reserve £	Total £
Balance at 1 April 2021		-	-
Net operating cost for the year		-	-
Total recognised expenditure for 2021/22		-	-
Funding from the Scottish Government	3	-	-
Balance at 31 March 2022		-	-

The accounting policies and notes on [pages 92 – 105](#) form part of these accounts.

Annual Accounts continued

Notes to the accounts for year ended 31 March 2023

1. General information

Redress Scotland is the independent body which makes decisions about applications to Scotland's Redress Scheme. Its values are dignity, respect and compassion, and its approach is based on honesty and transparency.

Redress Scotland was set up following an act passed by the Scottish Parliament in 2021, called *Redress for Survivors (Historical Abuse in Care) (Scotland)*. Although Redress Scotland works with guidance and funding from the Scottish Government, it is not part of any government department.

As a non-incorporated arm's length body, Redress Scotland will prepare an annual report and accounts to meet statutory obligations.

2. Accounting policies

The accounts are prepared in accordance with the Accounts Direction issued to Redress Scotland by the Scottish Ministers. This Accounts Direction requires compliance with HM Treasury's 2022/23 Finance Reporting Manual (FReM), and the Scottish Public Finance Manual. The accounting policies adopted are as described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

Annual Accounts continued

Accounting convention

The accounts are prepared under the historical cost convention, modified by the revaluation of certain assets and liabilities to fair value as determined by the relevant accounting standards and subject to the requirements of the FReM.

Non-current assets

(1) Valuation of non-current assets are recognised in the accounts as follows:

All non-current assets in full use have been valued at historic cost, adjusted in accordance with the asset lives assigned to give a depreciated value which equates to fair value.

Only assets costing £1,500 (exclusive of VAT) and more are capitalised and items below this amount are treated as revenue expenditure.

2) Depreciation

Depreciation is provided on all tangible non-current assets on a straight-line basis. Depreciation charges commence in the first full month following the addition to the relevant non-current asset category. Asset lives are reviewed during the year to ensure that they continue to represent a reasonable estimate of useful economic life.

Asset category	Asset lives
Office equipment	4 Years
Fixtures and fittings	4 Years
Computer equipment	3 Years

Non-current assets are depreciated in the year of acquisition but not in the year of disposal. Assets are reviewed for any indicators of impairment.

Annual Accounts continued

Reserves

The General Reserve represents the excess of income over expenditure on grant-in-aid funded activities.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand.

Going concern

Redress Scotland is aware of its reliance on the continued financial support of the Scottish Government Ministers. There is no reason to believe that the department's future sponsorship and future Ministerial approval will not be forthcoming or will only provide a reduced support to Redress Scotland. Given the above it has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Redress Scotland is a time-limited public body. Scotland's Redress Scheme will be open for either five years or two years after the conclusion of the Scottish Child Abuse Inquiry. Redress Scotland is a going concern for the duration of Scotland's Redress Scheme and completion of outstanding work after closure to applications.

Value Added Tax

Irrecoverable VAT is charged in the Statement of Comprehensive Net Expenditure in the period in which it has been incurred.

Government grant-in-aid

Grant-in-aid received to cover general operating activities and capital projects is shown as financing income and credited directly to the General Fund.

Annual Accounts continued**Income recognition**

Income represents the total value of income received. Income grants received from the Scottish Government are credited to the Statement of Comprehensive Net Expenditure in the year to which they relate.

Expense recognition

Expenses are debited to the Statement of Comprehensive Net Expenditure in the year to which they relate.

Pensions

The Civil Service Pension (CSP) and compensation arrangements are an important part of the benefits package for Redress Scotland staff. The arrangements give a wide range of benefits, from the basic retirement benefits to the benefits for members who leave early or who die in service.

The CSP arrangements are made up of a number of different schemes, including some where the member contributes to their own investment fund. The following table provides an overview of the arrangements:

alpha	A Defined Benefit scheme (Career Average – CARE). Pension builds up at 2.32% of actual pensionable earnings each scheme year. Introduced 1 April 2015. Most new entrants after that date will join this scheme.
nuvos	A Defined Benefit scheme (Career Average – CARE). Pension builds up at 2.3% of pensionable earnings each scheme year. Introduced 30 July 2007. Closed to new entrants from 31 March 2015 except those with a recent public sector pension, see section 4 (‘Your responsibilities when staff join’) for more details.
premium	A Defined Benefit pension scheme based on final salary introduced 1 October 2002. Now closed to new entrants.

Annual Accounts continued

partnership	A Defined Contribution ('money purchase') pension.
classic	A Defined Benefit scheme based on final salary. It was open to Civil Servants from 1972 to 2002. The name <i>classic</i> came into effect 1 October 2002. Now closed to new entrants.
classic plus	A Defined Benefit pension scheme based on final salary. It was available from 1 October 2002 for staff in post on 30 September 2002. Now closed to new entrants.
The Civil Service Supplementary (Earnings Cap) Scheme	This provides benefits on pensionable earnings above the earnings cap. Closed to new members from 6 April 2006.
Designated stakeholder pension scheme	A Defined Contribution (money purchase) arrangement, offered as a way for staff to boost their retirement income, regardless of whether they already belong to one of the Defined Benefit schemes or <i>partnership</i> . Closed to new entrants from 1 June 2018 and to existing members from 1 September 2018. Section 3.3 ('Other Schemes') gives further details.

Related parties

Redress Scotland is an Executive Non-Departmental Public Body sponsored by the Scottish Government General Education and Justice Directorate. The Directorate is regarded as a related party. During the year Redress Scotland has had a number of material transactions with the Directorate. During the year no Redress Scotland board or panel members have undertaken any material transactions with Redress Scotland. Note 12 to these accounts gives details of payments and approvals of £1,000 and greater made during the financial year between Redress Scotland and organisations where board or panel members have a connection.

Annual Accounts continued

Financial instruments

Financial assets and financial liabilities are recognised when Redress Scotland becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

All financial assets and liabilities are initially measured at transaction price (including transaction costs). At the balance sheet date financial assets and liabilities are held at amortised cost.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and Redress Scotland intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Redress Scotland does not hold any of the following financial instruments:

- Debt Instruments
- Investments
- Convertible Loan Notes
- Derivative Financial Instruments
- Hedging Instruments

There are no financial assets or liabilities valued under Fair Value accounting. Redress Scotland only holds cash and liquid resources.

Review of accounting policies

In accordance with International Accounting Standard 8, Accounting Policies, Changes In Accounting Estimates And Errors, Redress Scotland undertook a review of all its accounting policies to ensure their continued relevance.

Annual Accounts continued

Adoption of new and revised standards and amendments

a) Standards, amendments and interpretations effective in the current year:

In the current year, Redress Scotland has applied a number of amendments to IFRS Standards and Interpretations that are effective for an annual period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements:

b) Standards, amendments and interpretations early adopted this year:

There are no new standards, amendments or interpretations adopted early this year.

c) Standards, amendments and interpretations issued but not adopted this year:

Redress Scotland has considered the following amendments to standards but they aren't currently relevant to our business activities:

IFRS 16	Leases
IFRS 17	Insurance Contracts
IAS 38	Intangible Assets
IAS 37	Provisions

Key sources of judgement, estimation and uncertainty

In the application of Redress Scotland's accounting policies, judgements, estimates and assumptions are required about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Annual Accounts continued

The most critical judgement is that of Going Concern. The legislation which governs Redress Scotland has the organisation as a time limited operation which exists for the duration of the Redress Scheme, defined as five years, or two years after the conclusion of the Scottish Child Abuse Inquiry, whichever is latest.

As at the end of this period, this has not yet crystallised and Redress Scotland is considered to remain a going concern.

3. Grant-in-aid

	2023 £	2022 £
Total grant-in-aid credited to the general reserve in the Statement of Financial Position	3,250,000	-

The amount of grant-in-aid is initially agreed by Scottish Ministers, as part of the Scottish Budget process. The figure is then subject to adjustments as agreed with the sponsoring department to reflect Redress Scotland's programme of work.

4. Other income

No other income was received in the financial year ending 31 March 2023.

5. Staff costs

	2023 £	2022 £
Wages and salaries (including board and panel members)	1,513,973	-
Social Security costs	166,408	-
Other pension costs	206,634	-
Total	1,887,015	-

Further analysis of staff costs are located in the Staff Report on [page 77](#).

Annual Accounts continued**6. Other operational expenditure**

	2023 £	2022 £
Other operational expenditure – running costs		
Board and staff costs – recruitment and training	80,581	–
Audit fees internal and external ¹	33,808	–
Travel and subsistence	10,879	–
Events and accommodation	24,561	–
Administration costs	16,706	–
Computer costs	147,657	–
Contractor fees (organisation set-up and implementation)	811,651	–
Professional fees (including legal costs and external support)	220,287	–
Total	1,346,130	–

1. Auditor remuneration paid to Audit Scotland for the audit of these accounts is £28,000.

Annual Accounts continued**7. Property plant and equipment**

2022/23¹	Leases £	Office Equipment £	ICT £	Total £
Cost or valuation				
As at 1 April 2022	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	-	-	-	-
Depreciation				
At 1 April 2022	-	-	-	-
Provided in year	-	-	-	-
Relating to disposals	-	-	-	-
At 31 March 2023	-	-	-	-
NBV at 31 March 2023	-	-	-	-
NBV at 31 March 2022	-	-	-	-

1. No purchases met the minimum threshold within the capitalisation policy in 2022/23.

Annual Accounts continued**7. Property plant and equipment** continued

2021/22	Leases £	Office Equipment £	ICT £	Total £
Cost or Valuation				
As at 1 April 2021	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2022	-	-	-	-
Depreciation				
At 1 April 2021	-	-	-	-
Provided in Year	-	-	-	-
Relating to Disposals	-	-	-	-
At 31 March 2022	-	-	-	-
NBV at 31 March 2022	-	-	-	-
NBV at 31 March 2021	-	-	-	-

Annual Accounts continued**8. Trade and other receivables**

	2023 £	2022 £
Amounts falling due within 1 year		
Prepayments and accrued income	11,793	–
Trade and other receivables	–	–
Total	11,793	–

9. Cash and cash equivalents

	2023 £	2022 £
Balance at 1 April 2022	–	–
Net change in cash and cash equivalents	444,727	–
Balance at 31 March 2023	444,727	–
The following balances at 31 March 2023 were held in Government Banking services	444,727	–

10. Trade and other payables

	2023 £	2022 £
Amounts falling due within 1 year		
Trade payables	72,937	–
Accruals and deferred income	186,562	–
Total	259,499¹	–

1. This primarily consists of month 12 panel member payments, payable a month in arrears.

Annual Accounts continued

11. Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPSs) which are described in the 'Civil Service Pensions' section ([page 74](#)). The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The organisation recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis.

12. Payments and approvals £1,000 and greater

No payments made during the Financial Year 2022/23 and commitments for future years (£1,000 and greater) between Redress Scotland and organisations where board and panel members, or members of the Senior Management Team have a connection.

13. Financial instruments

Redress Scotland requires to disclose the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Due to the nature of its activities and the way in which Redress Scotland is financed, Redress Scotland is not exposed to the degree of financial risk faced by business entities.

Liquidity risk

Scottish Ministers make provision for Redress Scotland's use of resources, for revenue and capital purposes, in its budget for each financial year. Resources and accruing resources may be used only for the purposes specified and up to the amounts specified in the budget. An overall cash authorisation is also agreed between the Scottish Government and Redress Scotland to operate for the financial year. Redress Scotland is not therefore exposed to significant liquidity risks.

Foreign currency risk

Redress Scotland has no material exchange rate risk. During the year there was no transaction conducted which was denominated in a foreign currency.

Annual Accounts continued

Interest rate risk

Redress Scotland has no power to borrow and all surplus funds are held in the current accounts with NatWest and Royal Bank of Scotland. Redress Scotland has no other investments and therefore there is no exposure to interest rate risks.

Fair values

There is no difference between the book value and fair value for the Trade and other receivables (Note 8), Cash and cash equivalents (Note 9) and Trade and other payables (Note 10).

14. Post balance sheet events

There are no material post balance sheet events that require to be adjusted in the accounts or to be disclosed.

15. Related parties

Redress Scotland is an Executive Non-Departmental Public Body sponsored by the Scottish Government. The Scottish Government is regarded as a related party.

During the year Redress Scotland has had a number of material transactions with the department in the form of grant-in-aid income of £3.25m, and charges for provision of service of £117.2k for IT services, £86.7k for inbound secondment costs, £52.1k for provision of procurement shared services, and £27.5k recharges for electronic procurement card use.

During the year no board or panel member has undertaken any material transactions with Redress Scotland. Note 12 to these accounts gives details of payments and approvals of £1,000 and greater made during the financial year between Redress Scotland and organisations that board and panel members have a connection.

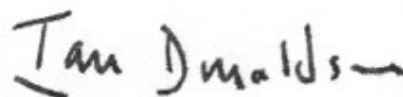
Redress Scotland



Scottish Government
Riaghaltas na h-Alba
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Direction by the Scottish Ministers

1. The Scottish Ministers, in pursuance of *paragraph 16(1)(b) of Schedule 1 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021*, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2023, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FRoM) 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.



Signed by the authority of the Scottish Ministers
Dated: 01 June 2023

Key words

Key words

Governance

Framework Document

The *Framework Document* outlines the framework within which Redress Scotland will operate, and particular roles and responsibilities. This includes, for example, how Redress Scotland will report on its activities and engage/work with Scottish Government.

As well as working with Scottish Government to deliver the scheme, Redress Scotland additionally works with another team within the Scottish Government – the ‘Redress Scotland Sponsorship Team’. Among other functions, this team also has responsibilities for monitoring how Redress Scotland – as a *Non-Departmental Public Body* – is performing.

The Framework Document can be found on our website:

www.redress.scot/wp-content/uploads/2023/07/Redress-Scotlands-Framework-Document.pdf

Non-Departmental Public Body and Body Corporate

Redress Scotland is a type of public body. In Scotland, public bodies are defined as having “...a direct relationship with the Scottish Government or the Scottish Parliament and for which they are responsible.”¹ The exact nature of that relationship varies depending on the type of public body.

For more information about *public bodies* in Scotland, and the different types, here:

[Scottish Government \(2018\) Public bodies in Scotland: guide. Available at: https://www.gov.scot/publications/public-bodies-in-scotland-guide/](https://www.gov.scot/publications/public-bodies-in-scotland-guide/)

Redress Scotland is an *Executive Non-Departmental Public Body (NDPB)*.

One characteristic of an NDPB is that it is a *body corporate*, and is overseen by a board made up of members who have been appointed by Scottish Ministers².

In Redress Scotland, the members of the board are one part of a larger group of members, collectively known as the *corporate body*.

Corporate Body

The *corporate body* comprises all members of Redress Scotland. Most of the members forming the corporate body are ‘panel members’, with a smaller proportion of the group being ‘non-executive’ members (also known as ‘governance members’). All members are appointed by the Scottish Ministers.

1. and 2. Scottish Government (2018) Public bodies in Scotland: guide. Available at: <https://www.gov.scot/publications/public-bodies-in-scotland-guide/>

Key words continued

The role of non-executive/governance members is to look at the processes the organisation has in place and how it is functioning. Each member has specific skills and experience, and collectively they provide support and guidance to ensure that the organisation is fulfilling its purpose and making effective and efficient use of public funds.

Panel members discuss and make decisions on applications. At any time, a small number of panel members are also involved in examining the functioning of the organisation. The small group of panel members performing this governance role changes every 18 months.

The *corporate body* is guided by a set of rules known as *Rules of Procedure*.

Rules of Procedure

The *Rules of Procedure* outline how the corporate body should meet – both as a whole group, and in smaller groups (known as *governance committees*).

The rules are clear regarding how meetings should be run. This includes, for example, the number and mix of members required to be at a meeting in order for a decision to be made, and the logs or minutes that are to be kept from the meetings.

The *Rules of Procedure* can be found on our website:

<https://www.redress.scot/wp-content/uploads/2022/12/Rules-of-Procedure-Final.pdf>

Governance Committees

In its early days, Redress Scotland was overseen by a Project Board, which was made up of ad hoc members.

The organisation now has two *governance committees* – the Oversight Board, and the Audit, Risk and Assurance Committee.

The Oversight Board is concerned with the ‘day to day’ work of the organisation, and whether our aims are being met.

It considers the *risks* which could have a negative impact on achieving those aims, and the actions being taken and the controls that are in place to mitigate them. It also supports and provides advice to the Chief Executive regarding the strategic management of the organisation.

The Audit, Risk and Assurance Committee is responsible for scrutinising finance and risk – in other words, for examining and advising on the processes in place to manage *risk*, and the efficient and effective use of public funds.

The minutes from the meetings from both governance committees can be found on our website:

<https://www.redress.scot/resources/>

Risk and Risk Registers

A *risk* could be described as an event or circumstance which, were it to occur, could impact negatively on the organisation’s ability to fulfil its aim/purpose.

Key words continued

Redress Scotland has two *risk registers* which outline identified risks and how they are going to be managed (in other words, what actions are being taken and controls put in place to mitigate against them).

The *Strategic Risk Register* is high level, and covers the whole organisation. The *Operational Risk Register* supports the *Strategic Risk Register*, and is divided across the five business areas.

These risk registers also inform what work is carried out in the *internal audit*.

Internal Audit

As well as being informed by the *risk registers*, which activities should be put forward for *internal audit* is specified within a yearly assessment of ‘audit needs’. This assessment is carried out by the auditors.

Internal audit is carried out by professionals who are independent of the organisation. The audit provides another layer of scrutiny and assurance regarding Redress Scotland’s processes.

Finance

Financial Policies and Procedures

Redress Scotland is a sponsored body – that means that the funding required to enable the organisation to perform its functions is provided by the Scottish Government. The funding received is called a *grant-in-aid*.

Redress Scotland has financial policies and procedures in place. These specify a number of practices, or controls, designed to act as safeguards. One such example is the ‘segregation of duties’, which requires financial tasks to be broken down into a number of parts, each of which are completed by a different person. Another activity is ‘reconciliation’,

which is the process of comparing various records to see if they match and allowing any discrepancies to be identified.

Grant-in-aid

A *grant-in-aid* is an amount paid by Scottish Government to cover the costs of the organisation carrying out its functions. The sum of the *grant-in-aid* reflects the resource budget, which is agreed in advance³.

More information about *grant-in-aid* can be found here:

<https://www.gov.scot/publications/scottish-public-finance-manual/>

3. Scottish Government (2023) Scottish Public Finance Manual. Available at: <https://www.gov.scot/publications/scottish-public-finance-manual/>

Key words continued

Taxpayers' Equity

Any balance that is left over from the *grant-in-aid* provided to the organisation (in other words, any funding which has not been spent) will be repayable to the Scottish Government.

Any such balance is referred to as *Taxpayers' Equity*.

Preparing Accounts

Redress Scotland is required to prepare a statement of accounts every financial year. The form the accounts take is directed by the accounts direction issued by Scottish Government, and the accounts must comply with the requirements outlined within the Government Financial Reporting Manual.

The Government Financial Reporting Manual is regularly updated. The version for the financial year 2022-2023 can be found here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1124824/MASTER_FINAL_2022-23_FReM.pdf

The accounts are prepared on an accruals basis – this means that any expenditure (or, in reverse, any income) is logged as occurring on the date that the activity took place, or that the goods were received, not on the date the funds were actually transferred.



It's about dignity,
respect and compassion.
It's about survivors.

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Annual Report and Accounts **2022/2023**

PO Box 27177, Glasgow G2 9NL | t: 0300 244 9090 | e: enquiries@redress.scot | www.redress.scot

