



PIRC
Annual Report
& Accounts
2021-2022

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Police Investigations &
Review Commissioner

Police Investigations & Review Commissioner

PIRC annual report and accounts for the year ended 31 March 2022.

This report is prepared in accordance with and meets reporting obligations under Part 1 of the Police, Public Order and Criminal Justice Act (Scotland) 2006 as amended by the Police and Fire Reform (Scotland) Act 2012.

It presents highlights of PIRC's achievements for the financial year 2021-2022 and details the organisation's performance against its objectives.

The report (SG/2022/223) was laid before the Scottish Parliament, under section 43 (5) of the Police Public Order and Criminal Justice (Scotland) Act 2006.



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Commissioner's Foreword

The role of the Police Investigations & Review Commissioner (PIRC) was established in 2013 at the same time as the single Police Service of Scotland. The Commissioner, who is appointed by Scottish Ministers, is independent of the police and delivers a free and impartial service.

Her role is to independently investigate incidents involving the police and independently review the way the police handle complaints from the public. PIRC ensures that the Scottish Police Authority (SPA) and the Chief Constable maintain a suitable system for handling complaints and issues statutory guidance where appropriate.

I have pleasure in presenting my Annual Report as the Police Investigations & Review Commissioner (PIRC) for the year 2021-2022.

The last 12 months continued to be dominated by the impact of the COVID-19 pandemic which, in accordance with Scottish Government guidelines, resulted in staff continuing to work remotely for approximately 75% of the year. However, as the vaccine programme rolled out and restrictions were relaxed, PIRC transitioned to a hybrid working model with teams dividing their time between working remotely and in the office on a rotational basis.

Prior to the implementation of the hybrid working model, a staff survey was issued to capture any concerns. Taking account of the survey results and all relevant guidance, the Covid working group, which included staff and trade union representatives, issued guidance on the practicalities and application of the hybrid model prior to staff returning to the office. The guidance has been embedded into business as usual and is regularly reviewed. It is credit to the engagement of the Covid working group and the business continuity group that the transition was seamless.

Looking to the future, my desire is to capture the learning identified during this transition to ensure that the benefits realised through remote working, including the necessity to develop a more agile and flexible work force, are maintained and embedded.

As highlighted in last year's report, the publication of Dame Elish Angiolini's final report in November 2020 on police complaints handling, investigations and misconduct issues (the Dame Angiolini Report) resulted in the creation of a number of partnership groups. These groups focussed on delivering the wide-ranging recommendations aimed at improving accountability and the overall culture within policing. An update on PIRC's implementation of those recommendations, that do not require legislation, is provided at page 8.



During this year, the work load of the PIRC Investigations team significantly increased. This is primarily due to the implementation of recommendation 47 of the Dame Angiolini Report. Its impact is highlighted in the Investigations section at page 12.

Overall, there were 602 referrals to the PIRC Investigations team, 357 from Police Scotland and 245 from Crown Office and Procurator Fiscal Service (COPFS), which resulted in a total of 124 full investigations being conducted.

In terms of performance, despite the increasing workload, the investigations team achieved their strategic objectives with 85% of investigation reports being submitted to the referring body within three months and 97% of all referrals being assessed and a decision taken within five days of receipt of all relevant information.

Overall, the number of requests for complaint handling reviews (CHRs) remained steady. We found that 68% of complaints from members of the public were reasonably handled by the police, a slight dip from 71% in 2020-2021 which was the highest percentage since the inception of the single police service eight years ago.

Whilst the strategic objective to conclude reviews in 80% of cases within four months was not met, it continues to reflect a positive trend, increasing from 38% last year to 73% this year.



Working with our stakeholders remains an important focus and it came to the fore in the lead up to the United Nations Climate Change Conference, also known as COP26, hosted in Glasgow in November 2021. The preparation and participation of PIRC involved significant numbers of staff and resources. Our role is expanded upon at page 16 of the report.

On 12 November 2019, the then Cabinet Secretary for Justice, Humza Yousaf MSP, announced that a public inquiry would be held to examine the events surrounding the death of Sheku Bayoh, the subsequent investigation and whether race was a factor. PIRC involvement in the investigation of the death of Sheku Bayoh began with an instruction from COPFS on 3 May 2015 to investigate the interaction between the police and Sheku Bayoh at the time of his arrest and the events thereafter.

PIRC undertook an extensive investigation. This included obtaining several hundred witness statements; examining seven separate incident scenes; and recovering in excess of 900 productions. As a consequence, PIRC holds a significant amount of relevant material that should be placed before the Inquiry. It is for this reason that PIRC has been designated as a core participant.

A PIRC public inquiry team was established and throughout 2021-2022 the team has been actively engaged in the preparation, presentation and disclosure of relevant material to the Inquiry. PIRC welcomes this important public inquiry and is committed to implementing the lessons or learning that may arise from its findings.

Following the publication of Dame Angiolini's preliminary report, PIRC transitioned the Audit and Accountability Committee (AAC) to a formal structure with a Chair and five non-executive members, all with relevant and diverse expertise and skills. The appointments were made through a transparent, fair and open competitive selection process which included Scottish Government representation on the appointments panel.

PIRC recognises and welcomes the critical importance of having an oversight body that is able to provide robust challenge, scrutiny and support. An external perspective to the consideration of corporate management issues such as risk management and governance, annual accounts, internal audit reports, key performance indicators and relations with stakeholders, is vital for PIRC.

I thank the members of our AAC for their continued support and constructive challenge over the last year.

In another unprecedented and difficult year, where we continued to deliver our core functions and provide robust scrutiny of policing in Scotland, my management team and staff deserve much recognition for their hard work, commitment and dedication.

Michelle Macleod
COMMISSIONER

Michelle Macleod
31 OCTOBER 2022



Our Purpose and Values

We can investigate:

- Incidents involving the police, referred by COPFS. These may include deaths in custody and allegations of criminality made about police officers.
- Serious incidents involving the police, at the request of the Chief Constable or SPA. Reasons for requests for investigations from the Chief Constable may include the serious injury of a person in police custody, the death or serious injury of a person following contact with the police or the use of firearms by police officers.
- Allegations of misconduct by senior police officers of the rank of Assistant Chief Constable (ACC) and above, if requested by the SPA.
- Other matters relating to the SPA or the Police Service where the Commissioner considers it in the public interest.
- At the conclusion of an investigation, the Commissioner can recommend learning and improvements to the way the police operate and deliver services to the public in Scotland.

We can review:

- How the police in Scotland handle complaints made to them by the public. The purpose of the Complaint Handling Review (CHR) process is to determine whether or not the complaint was handled to a reasonable standard by the police.
- At the conclusion of a CHR, the Commissioner can make recommendations, identify learning points, and direct the policing body to reconsider their response.

We cannot review:

- Complaints which have not been considered and adjudicated upon by the policing body.
- Complaints of criminality.
- Complaints made by individuals currently serving, or who formerly served, with the police about the terms and conditions of their service.

INTEGRITY

We are honest, open and accountable.



IMPARTIALITY

We carry out our work fairly and independently, ensuring that all evidence is considered objectively and decisions are based on sound professional judgement.



RESPECT

We treat everyone with courtesy and dignity, irrespective of their background and needs.



VALUES

A Snapshot of **Our Year**

602

INVESTIGATION
REFERRALS FROM
COPFS AND POLICING
BODIES IN SCOTLAND
RESULTING IN...

124



INVESTIGATIONS
60% INCREASE
FROM 2020-2021

96.3%

STAFF ATTENDANCE

i

97 FOISA
REQUESTS

31% RISE SINCE
2020-2021

212

CHRS
COMPLETED



264 CHR

RECOMMENDATIONS
MADE

£866.30

RAISED FOR OUR
CHARITY OF THE YEAR,
CHRIS'S HOUSE

100%

OF EQUALITY
MONITORING
FORMS RETURNED
BY JOB APPLICANTS
A RISE FROM 48% IN
2020-2021

68%

OF COMPLAINTS
HANDLED TO A
REASONABLE
STANDARD BY
POLICING BODIES

22



NEW EMPLOYEES
RECRUITED COMPARED
TO 2 IN 2020-2021

5

MEETINGS OF OUR
NEW EQUALITY
AND DIVERSITY
WORKING GROUP

Dame Elish Angiolini's independent review

The purpose of this independent review was to:

- Consider the current law and practice in relation to complaints handling, investigations and misconduct issues, as set out in relevant primary and secondary legislation.
- Assess and report on the effectiveness of the current law and practice.
- Make recommendations to the Cabinet Secretary for Justice and the Lord Advocate for improvements to ensure the system is fair, transparent, accountable and proportionate, in order to strengthen public confidence in policing in Scotland.

The review was led by the Rt. Hon Dame Elish Angiolini DBE QC and commenced in September 2018.

The final report contains 81 recommendations in total, with 24 recommendations specific to PIRC. Of these:

- Nine have been completed in 2021-2022.
- 12 require future legislation.
- One has been delayed due to Covid.
- Additional recruitment has been undertaken to progress the remaining two.



The Dame Angiolini Preliminary Report (June 2019) and Final Report (November 2020), delivered a wide range of recommendations for improvements to systems, procedures and the legislative framework. Following publication of the final report, a governance and reporting framework was established to coordinate and monitor implementation progress. PIRC is a participant and has contributed to meetings of the Ministerial Group, Strategic Oversight Group and Practitioner Working Group.

Of the 81 recommendations in the final report, there were 24 that were specifically directed to PIRC. Of those, 12 require legislation and will be considered through the ongoing public consultation process¹. In addition there was an outstanding recommendation from the Preliminary Report (PR 24).

Significant steps have been taken by PIRC to progress those recommendations that do not require legislation. During 2021-2022, nine recommendations have been discharged. In accordance with observations made in both reports, we have sought to place learning and improvement at the heart of our complaint handling reviews and investigations in order to encourage a greater emphasis on developing a learning culture which will benefit policing in Scotland.

Four recommendations remain. Recommendation 63, which involves complaint handling review officers and trainee investigators job shadowing police officers, has been delayed due to the impact of COVID. Recommendations 7 and 42 relate to PIRC conducting audits. During early 2021, PIRC recruited additional staff to assist with our audit function and an audit in terms of recommendation 42 has commenced. On completion of that audit, PIRC will undertake an audit of the six stage complaint handling process or of frontline resolution by Police Scotland. Recommendation PR24 relates to the appointments policy in respect of former police officers at PIRC. Work has progressed well to embed new practices to discharge this particular recommendation.

There are a number of recommendations that were directed to other partners but also impact on PIRC. Most significantly was recommendation 47. This is explored in detail in the investigations section at page 12.

¹Commenced in June 2022

Please visit www.gov.scot/groups/independentpolicingreview/ for more information about the Dame Elish review and report.



Final Report - recommendations discharged

Recommendation 26

PIRC should work collaboratively with the SPA to agree and embed a proportionate and effective approach to preliminary assessment (for Regulation 8 of the senior officer conduct regulations) until such time as new regulations come into effect.

PIRC Action

Following meetings between PIRC and SPA in May and August 2021, the SPA issued revised guidance (including the preliminary assessment process). The guidance was approved at the August 2021 SPA Complaints & Conduct Committee.

Recommendation 36

The ultimate ability of a member of the public to take a complaint against PIRC or the Commissioner to the Scottish Public Services Ombudsman (SPSO) when they are dissatisfied with how that complaint has been handled by PIRC in the first instance should be highlighted more prominently on PIRC website.

PIRC Action

The PIRC website has been updated to highlight more prominently the role of SPSO in dealing with complaints about PIRC.

Recommendation 44

PIRC should ensure that discrimination issues are considered as an integral part of their work. A systematic approach should be adopted across the organisation and in all cases investigators should consider if discriminatory attitudes have played a part.

PIRC Action

PIRC prepared internal guidance in relation to dealing with allegations of discrimination when undertaking investigations or complaint handling reviews. Following consultation with Police Scotland's Equality, Diversity and Inclusion group the guidance was published on PIRC website.

Recommendation 45

PIRC should publish their performance against set targets for complaint handling reviews and investigations in the Commissioner's annual report.

PIRC Action

PIRC reports against performance in its Annual Report and Accounts which details performance against strategic objectives. Performance against these strategic objectives is reviewed monthly by the Senior Management Team (SMT) and quarterly by the AAC.

Recommendation 61

Both Police Scotland and PIRC should consider drawing on the expertise of Audit Scotland and the SPSO in redesigning the audit arrangements in respect of police complaints.

PIRC Action

PIRC has regular meetings with Audit Scotland and the SPSO and draws on their expertise in a number of areas.

Recommendation 64

PIRC should deploy the in-house expertise that the organisation has to deliver internal training for investigators in the law of evidence.

PIRC Action

PIRC provides in-house training through shadowing and mentoring and our trainees attend the Police Scotland training facilities and an accredited university course as part of their trainee continuous professional development programme.

PIRC has secured in-house legal expertise through the recruitment of a Head of Legal Services, which will be instrumental in supporting the delivery of a programme of internal continuous professional development.



Recommendation 65

PIRC and Police Scotland should work together to develop training and development opportunities that take the theoretical learning from thematic analysis of complaints and embed it in practical learning for individual officers.

PIRC Action

Investigations and Reviews staff from PIRC provide collaborative training and development inputs with Police Scotland to courses at the Scottish Police College. PIRC and Police Scotland's Police Standards Department (PSD) training cadre have established training materials and will jointly deliver on Police Scotland's internal PSD training, divisional training, leadership training and national training.

PIRC's 'Learning Point' publication provides a medium for capturing and sharing learning that has been identified through PIRC investigations and complaint handling reviews. This has been developed in 'business as usual' processes and will provide a foundation for theoretical learning to be shared and embedded in practical policing operations.

The continued evolution of the Partnership National Complaint Handling Development Group (NCHDG) seeks to further enhance complaint handling through the adoption of joint learning and understanding of best practice involving COPFS/SPA/PSOS and PIRC. It is of note that even during COVID the group migrated to virtual meetings continuing the important momentum developed by the group.

Recommendation 73

Investigations involving death or serious injury in police custody are likely to be amongst the most serious and complex cases PIRC has to investigate.

Delay can add to the distress of families and have an adverse impact on those police officers involved in the circumstances of the death. Such cases should be dealt with in the same timescale and with the same urgency as a homicide investigation.

PIRC Action

PIRC has a statutory objective to conclude 80% of such investigations within three months.

Recommendation 80

A non statutory time limit for the submission of complaints by the public should be made explicit in PIRC's Statutory Guidance and publicised on the relevant websites.

PIRC Action

Complaints made more than 12 months after the event or incident should only be considered where the circumstances are grave or exceptional.

PIRC's revised Statutory Guidance has been updated to include discretion for Police Scotland to discount complaints that are more than 12 months after the event, if they satisfy the specified criteria. The Statutory Guidance is published on the PIRC website.



PIRC Investigations

The last year has been a particularly busy one for the team with a significant increase in the casework being realised, particularly from October onwards. The volume, complexity and variety of the workload remains significant and has required the department to adapt our working processes to manage this sustained trend.

Our commitment to engaging with partners and stakeholders is a cornerstone of providing an efficient and effective investigations function. The investment of time in this space has yielded significant benefits as demonstrated through our consistent achievement of our Strategic Objective throughout the year.

This year we dealt with the highest number of referrals to date - 602 from the COPFS and policing bodies. This realises a 10% increase from last year. The number of investigations conducted as a result, have increased from 78 to 124 - a 60% rise.

Part of this increase was driven by the COPFS instruction for PIRC to receive all police referrals for on-duty allegations of assault made against police officers and police staff, for independent assessment and/or investigation. This was a consequence of recommendation 47 of the Dame Angiolini report. Specifically it stated:



“Where the terms of a complaint made allege a breach of Article 3 of European Convention on Human Rights (ECHR) (Prohibition of torture - inhuman or degrading treatment or punishment) by a police officer or member of police staff, and, therefore, that a crime may have been committed, the COPFS should instruct PIRC to carry out an independent investigation rather than directing Police Scotland investigate it; breaches of Article 5 of ECHR (right to liberty and security – unlawful arrest and detention) may, depending on the seriousness of the case, likewise require early independent investigation.”

To progress the recommendation, a joint working group with representatives of COPFS, Police Scotland and PIRC was established. This working group considered the necessary processes, procedures and framework to enable an efficient and effective transfer of such cases to PIRC resulting in an agreed protocol between all parties which is subject to periodical reviews

As a result, on 4 October 2021, COPFS issued a standing instruction to Police Scotland and PIRC that all on-duty allegations of assault made against police officers and police staff should be referred to PIRC for independent assessment and/or investigation.

The implementation of this instruction has had a significant impact on the workload of PIRC investigations department with 119 referrals of Article 3 allegations resulting in an additional 45 investigations from October 2021 to end of March 2022. This demonstrates a significant increase in workload upon our Investigations department and will be the subject of demand analysis to properly scope the impact upon the capability and capacity of the organisation.

To deal with the increasing workload an assessment unit was established within our Investigations department. The unit performs the function of the single point of entry for Article 3 referrals, as well as other casework referred to PIRC. This allows for the application of a single methodology to properly assess all casework and ensure careful and systematic consideration of each referral allowing for effective and consistent decision making to be achieved.

The rationale for the recommendation is derived from the ECHR - an international treaty to protect human rights and fundamental freedoms.

The ECHR has developed five principles for the effective investigation of complaints against the police that engage Article 2 (the right to life) or Article 3 of the ECHR including a requirement for independence of complaints of alleged breaches. These are:

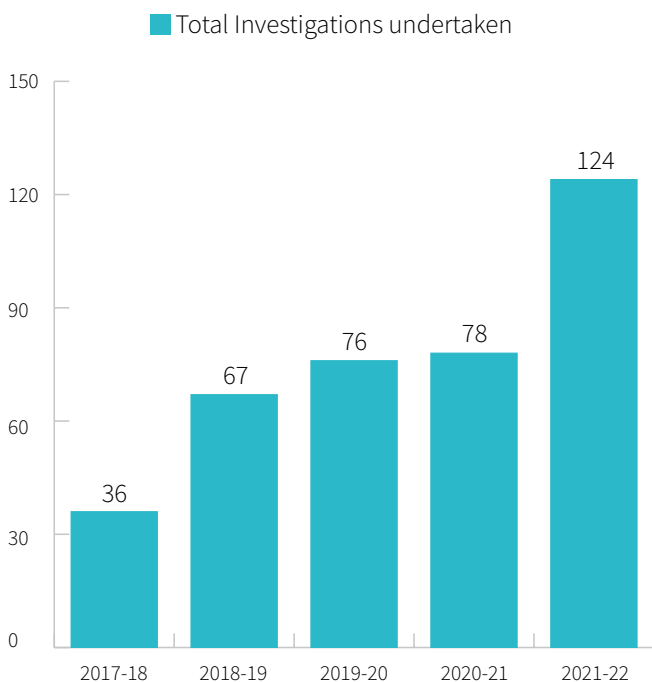
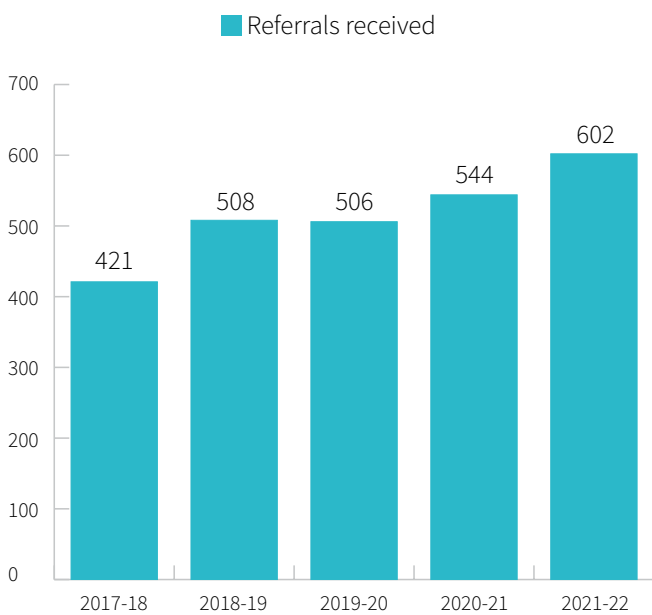
1. **Independence:** there should not be institutional or hierarchical connections between the investigators and the officer complained against and there should be practical independence.
2. **Adequacy:** the investigation should be capable of gathering evidence to determine whether police behaviour complained of was unlawful and to identify and punish those responsible.
3. **Promptness:** the investigation should be conducted promptly and in an expeditious manner in order to maintain confidence in the rule of law.
4. **Public scrutiny:** procedures and decision-making should be open and transparent in order to ensure accountability.
5. **Victim involvement:** the complainant should be involved in the complaints process in order to safeguard his or her legitimate interests.

In accordance with the ECHR, all of these matters should be dealt with independently of the police.

Performance

Despite a significantly increasing workload, the Investigations team met the statutory objectives of 85% of investigation reports being submitted to the referring body within three months; and 97% of all referrals being assessed and a decision taken within five days of receipt of all relevant information.

The charts below illustrate the number of referrals received and the number of investigations conducted over the last five years.



Investigations by type

	2021/22	2020/21
Death Following Police Contact	28	21
Death in Custody	3	5
Conventional Firearms	6	2
CS/PAVA Spray	5	5
Taser	4	4
Serious Injury Following Police Contact	12	20
Criminal Investigations	66	21



Engagement

PIRC Investigations recognise the value of proactive engagement with our stakeholders and partners, to jointly deliver on our mission.

Examples of our active engagement in the past year includes:

- Training inputs to police officers carrying and administering intra-nasal Naloxone as an emergency first aid measure to people suspected of experiencing an opioid overdose.
- Awareness presentations to COPFS staff including those from Scottish Fatalities Investigation Unit, Homicide Unit and wider the COPFS functions.
- Delivery of presentations and awareness sessions to Police Officers and staff at the Scottish Police College, including those attending the Senior Investigators course for both Crime and Road Policing.
- Delivery of presentations to Post Incident Managers (PIM) courses regarding the role and function of PIRC in the Post Incident Procedure (PIP) process.
- Delivery of inputs to Police Scotland Professional Standards personnel on the role of PIRC.
- Attendance and support to joint exercises on Post Incident Management procedures.
- Regular engagement meetings with wider policing organisations including Her Majesty's Revenue and Customs (HMRC), British Transport Police (BTP) and Civil Nuclear Constabulary (CNC).
- 'Learning Point' publication, produced to highlight topics and examples of issues and practices to assist the delivery of policing services in Scotland moving forward.

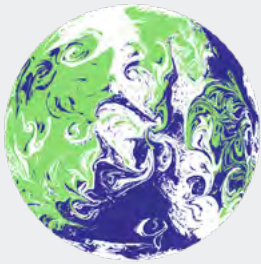
Benefits of body worn video

PIRC has encountered a number of investigations this year where the significant benefits of body worn video (BWV) cameras have been realised from an investigative perspective.

Police Scotland has made the technology available to all armed officers which has had an extremely positive effect on the ability of PIRC to promptly assess and investigate a range of incidents. In particular, the availability of high quality audio and video capture is a cornerstone of 'best evidence' and invaluable in understanding the dynamics and context of invariably high pressure incidents.

Footage has been available for PIRC to review in a wide range of armed policing operations which has dramatically improved our ability to consider policing tactics deployed and report more extensively on such incidents. This undoubtedly enhances PIRC's ability to scrutinise the deployment of firearms officers and the tactics they have utilised. The benefits are wide ranging from a number of perspectives, including the public, police officers and our Criminal Justice partners.

Overall, the use of BWV cameras undoubtedly benefits the delivery and quality of policing services in Scotland. From an investigation and oversight perspective, it considerably expedites our investigations allowing us to support complainers and police officers by providing prompt and robust outcomes.



**UN CLIMATE
CHANGE
CONFERENCE
UK 2021**

IN PARTNERSHIP WITH ITALY

The UN Climate Change Conference COP26 held in Glasgow in November 2021 was one of the most significant events, from a policing perspective, that has ever occurred in Scotland. In the run up to COP26, we engaged with our partners on key issues to manage and mitigate risk.

It was anticipated that the event would attract thousands of protestors including potentially groups who may adopt confrontational tactics. PIRC was heavily involved in a multi-agency approach to the preparation and planning of the event. PIRC, with other key partners, including Police Scotland, COPFS, Scottish Courts and Tribunals Service and the SPA, attended various forums to discuss contingency arrangements in relation to logistics, security, post incident management procedures and law enforcement and custody.

We participated in a number of table top exercises with Police Scotland and other partners including those from the Home Office and other police forces. Some of our staff attended Police Scotland public order training. Through many preparation meetings, we developed various documents including a communication strategy and, critically, with thousands of mutual aid officers attending from other parts of the UK, PIRC was central to developing a Memorandum of Understanding that provided practical guidance on dealing with policing cross jurisdictional issues.

We had teams on call throughout the entire event. In the end, the event passed without the disruption that had been anticipated with most protestors exercising their right to protest peacefully.

Investigations involving mental ill health

Investigations conducted by PIRC into the circumstances of a death has highlighted the increasing demand on policing to deal with people experiencing mental health crisis or illness.

The Dame Angiolini report acknowledged that the issue was placing an increasing demand on policing and observed that the police service is not always the most appropriately skilled service to provide people with the specific help that they need. In that regard, she advocated early intervention, advice and referral by mental health professionals should ease the burden on the police service. Recommendations 71 and 72 of the report stated:

“ As soon as it is reasonable and feasible to do so, Her Majesty's Inspectorate Of Constabulary (HMICS), along with the appropriate health inspection or audit body, should conduct a review of the efficiency and effectiveness of the whole system approach to mental health and that NHS accident and emergency facilities should be designed to be able to deal safely with mental health care and acute crises.”

In 2021-2022, PIRC conducted 31 death investigations involving police contact - 26 were referred by COPFS; two by Police Scotland and three were deaths that occurred while the person was in police custody. In the three deaths in police custody, alcohol and/or drug dependency were contributory factors.



In 2021-2022 the PIRC charity of the year was Chris's House - an organisation committed to providing help, response and intervention surrounding suicide.

Of the remaining 28 deaths, 15 (54%) of the deceased had a background of mental ill health. Tragically, of those 15 persons, 13 completed suicide. Of those 13 persons: eight had been in very recent contact or interacted with medical practitioners and associated health services; two had been admitted to hospital for psychiatric assessment and treatment; four had a number of interactions with mental health practitioners in the days leading up to their death and all within 24 hours of completing suicide; one had been assessed by telephone by a Community Psychiatric Nurse at a local hospital less than 24 hours before they completed suicide and another had a telephone consultation with a General Practitioner 72 hours before they completed suicide.

A common situation for officers dealing with people, who they find in significant crisis or distress, often expressing suicidal thoughts, is that they are assessed either in person or over the telephone but are not deemed to reach the threshold for admission into hospital or a dedicated facility to provide mental health support. Invariably this results in them being released back to their home often with appointments to attend support services at a later date.

Serious incidents involving the police

Of the 12 investigations into serious injury following police contact, six included mental health problems and, in particular, self-harm was a factor in the injury sustained or the reason for coming into contact with the police.

Use, presentation and discharge of Taser and firearms

Of the 10 investigations into the use of Taser and the presentation and/or discharge of firearms, 50% concerned a person experiencing a mental health crisis or mental ill health. In three cases, Taser was utilised to prevent the person from self-harming with a weapon.



To relieve pressures on police officers and provide more support to persons with mental ill health, PIRC supports the recommendations to review the efficiency and effectiveness of the whole system approach to mental health and to introduce more emergency facilities to be able to deal safely with mental health care and acute crises.

PIRC Reviews

The Reviews team examine how the police in Scotland handle complaints made to them by the public. The purpose of the CHR process is to determine whether or not the complaint was handled to a reasonable standard by the police.

Performance

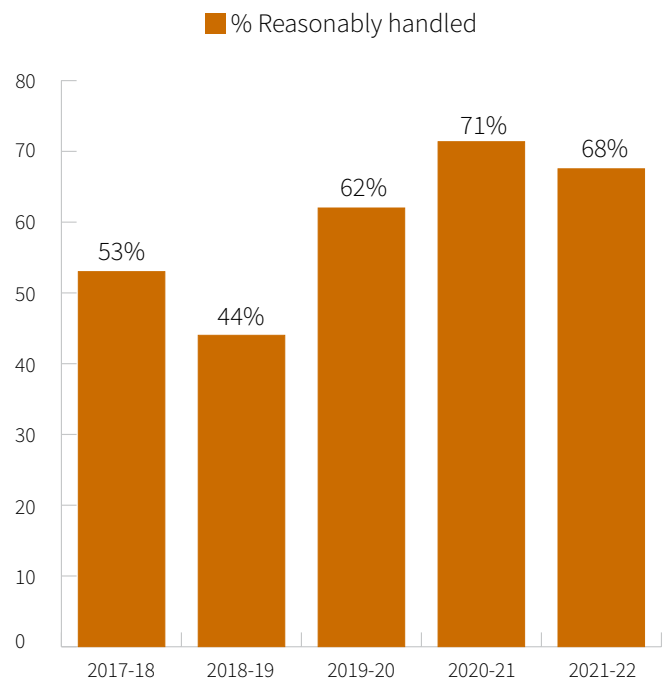
Our Reviews team had another challenging but productive year in 2021-2022. The demand for our CHR function has remained steady over the last three years, with 271 applications received in 2021-2022⁸.

Each application for review can have several individual and separate complaint allegations. These are referred to as heads of complaint. This year the Review team examined over 817 individual complaint allegations and issued 212 CHR reports. In addition, a further 92 CHR cases were concluded by the discretionary decision letters.

The number of reconsideration directions issued continued to decrease from 17 to 13.

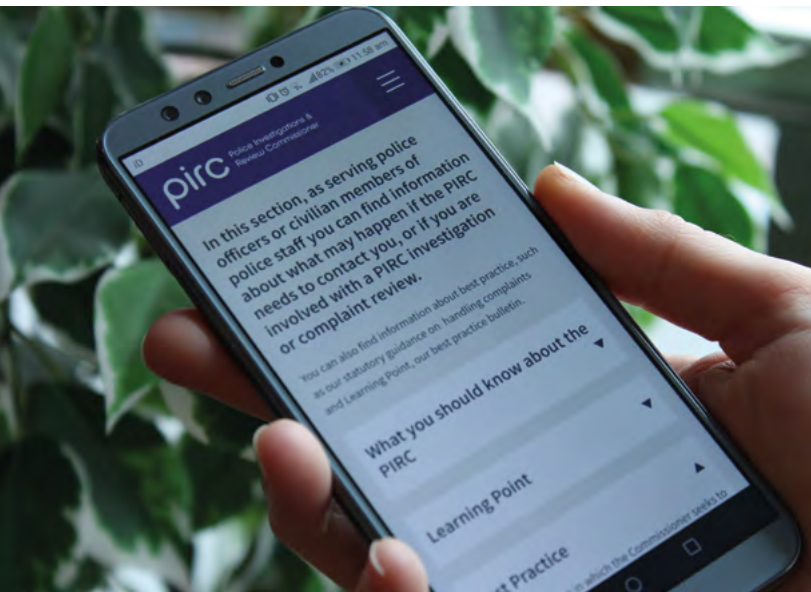
The Reviews team worked hard to reduce the average time to complete the CHR reports, reducing this by another 27%, from 6.3 months in 2020/2021 to 4.6 months in 2021/2022. Overall, 73% of all closed cases were concluded within four months, bringing us closer to achieving our ambitious strategic objective of closing 80% of all CHR cases within four months, with our average timescale for closing CHR cases achieving 4.6 months.

We found that 68% of complaints from members of the public were reasonably handled by the police, a slight dip from 71% in 2020-2021 which was the highest percentage since the inception of the single national police service eight years ago.



⁸ 270 applications received in 2020/2021 and 279 in 2019/2020





Learning Point

The Commissioner issues a best practice bulletin for policing bodies called ‘Learning Point’. Learning Point highlights learning opportunities from the recommendations made by our Reviews and Investigations teams and encourages improvements to the service being delivered to the public.

The biannual publication is also a helpful guide for Police Scotland and the SPA in maintaining a suitable system for handling complaints.

Some of the key issues discussed this year included:

- Assessing complaints.
- Relevant complaints.
- On and off-duty complaints.
- Repeat complaints.
- Unacceptable Actions policy.

CHR summary 2021-2022

- 271 CHR applications received.
- 212 CHR reports issued.
- 68% of those were reasonably handled by police.

CHR disposals 2021-2022

- **264 recommendations** - Recommendations are made in the CHR reports where we identify deficiencies or shortcomings in the police complaint handling. Our recommendations may, for example, ask the policing body to undertake further enquiries, to re-assess the available information, to issue an apology, to re-visit a specific policy/procedure or issue the complainer with further response.
- **108 learning points** - PIRC is committed to promoting a culture of learning and improvement. During our reviews, we seek to identify and capture organisational and individual learning opportunities.
- **92 discretionary decisions** - Not every CHR application is progressed to a Complaint Handling Review. The Commissioner may carry out a CHR where it is deemed fair, reasonable, proportionate and in the public interest to do so. In cases where applications are not taken forward, the Commissioner will issue a discretionary decision letter.
- **13 reconsideration directions** - Reconsideration directions are used in cases where significant complaint handling failings have been identified during a review. It requires someone previously unconnected with the complaint enquiry to reconsider the complaint.

Engagement

Our continued engagement with our key stakeholders, is designed to improve police complaints processes, promote a culture of learning and improvement and generally raise public confidence in the police.

We continued our engagement with the National Complaint Handling Development group, sharing best practice, identifying training opportunities and providing a platform for collaborative engagement for complaint handling practitioners.

We engaged with and supported Police Scotland in preparation for COP26, providing guidance and expertise and putting in place special arrangements for the duration of the event.

We also delivered complaint handling training presentations in order to support and assist Police Scotland with the implementation of their new complaints handling model. In April 2021, we delivered a comprehensive training presentation attended by all of the PSD newly appointed staff, providing expert advice

on the determination of complaints, identification of individual and organisational learning, and responding to complaints topics. This was followed up with a further training event in September 2021, which incorporated an interactive Question and Answer session, allowing police complaint handlers to raise issues and receive the most up to date guidance from PIRC. We also delivered a further presentation to the new members of the SPA Complaints & Conduct Committee on the role and remit of PIRC in relation to dealing with senior officer complaints.

This year, we engaged with our key stakeholders through a cross-justice working group: designed to improve collection and analysis of the equality and diversity data across the justice sector. We have reviewed and updated our website, the CHR application form and other documentation and correspondence in order to enhance our accessibility. We have also updated our website to signpost our CHR applicants to support agencies who can assist them in submitting an application form and provide support during the review process.



Making a difference

Our CHRs seek to assess whether the police response to a complaint is supported by the material information available, is in line with the relevant legislation or police procedures and protocols, and is adequately reasoned. We also consider whether the policing body undertook sufficient enquiries into a complaint and whether appropriate learning and improvement has been identified to prevent the same issues or complaints from arising in the future.

In most cases, where we identify complaint handling shortcomings, we make appropriate recommendations to the policing bodies. Our recommendations are wide ranging and can include: the requirement for the policing body to re-assess the complaint, to undertake further enquiries, to issue the complainer with an apology, or simply to record individual allegations as relevant complaints.

Overall, we made 264 recommendations and identified 108 individual or organisational Learning Points.

Recommendations	
Reassess and fresh response	89
Conduct further enquiry	87
Provide further response	19
Record complaint and response	8
Record as complaint against police	35
Apologise	7
Revisit policy/procedure	2
Other	17



Examples of our recommendations and actions implemented by Police

Example 1

- **Background:** A complaint was made by a member of the public about the way in which a police vehicle was driving on a public road. Police Scotland upheld the complaint, however due to incomplete vehicle journey records and a faulty built-in telematics system, it was not possible to identify the officer driving the police vehicle at the material time.
- **PIRC said:** This complaint was handled to a reasonable standard, but asked Police Scotland to consider systematic improvements to internal procedures to identify, report and rectify faults in police vehicles telematics recordings.
- **PSOS response:** Police Scotland raised this issue with the Fleet Management and confirmed that a robust reporting system for all faults in vehicles, including the telematics system was established, with a monthly reporting facility on all vehicle activities being provided to the local Divisions and Departments.

Example 2

- **Background:** A complaint of excessive force was made by a member of the public following his arrest. During the complaint enquiry, none of the officers involved in the complainer's arrest provided statements to inform the complaint enquiry.
- **PIRC said:** Whilst the subject officers can refuse to provide an account during the complaint enquiry, officers who were present and witnessed the arrest, in line with the provisions of the Complaints about the Police Standard Operating Procedure (SOP), must provide an account or operational statement.
- **PSOS response:** Police Scotland delivered individual learning to the officers concerned, shared this learning with the Professional Standards Department and included it in the monthly Divisional Commander's report.



Example 3

- **Background:** Complaints were made by a member of the public after their 12 year old child was arrested and taken to a police station. We reviewed eight complaints, including that the applicant's child was asked imposing questions regarding their mental health and their use of alcohol and drugs. Police Scotland did not uphold the applicant's complaint on the basis that certain questions require to be asked of every individual taken into police custody, so that a suitable care plan can be implemented for each individual's needs.
 - **PIRC said:** We agreed that the officers followed the existing guidance and determined that this complaint was handled to a reasonable standard. However we asked Police Scotland to consider whether the existing "Risk Assessment Question Set" - and in particular the language and terminology used - was suitable for/could be better explained to children who come into police custody. This would help to ensure that children fully understand the questions put to them, and the reason for the questions, thereby improving the custody process for younger people.
 - **PSOS response:** Police Scotland raised this matter with its Criminal Justice Services Division and confirmed that guidance was issued to custody staff to ensure that the reasons for the Vulnerability Assessment Questions and Pre-Release Questions as part of the Risk Assessment Question Set are adequately explained to young persons.
-

Example 4

- **Background:** Complaint was raised by a member of the public, who was found to be in the company of a vulnerable adult who absconded from a local psychiatric hospital. Whilst the officers were dealing with the vulnerable adult, the complainer was searched, handcuffed and temporarily detained within a police vehicle. The complainer felt that their detention was unlawful and unnecessary.
 - **PIRC said:** The rationale provided by the officers for searching, handcuffing and detaining the complainer was not supported by the circumstances of this case and did not align with the statutory or common law provisions relied upon by the officers to justify their actions.
 - **PSOS response:** Police Scotland re-assessed the complaint and acknowledged that the officers failed to provide sufficient rationale for detaining the complainer. Police Scotland upheld the complaint, issued an apology to the complainer and identified individual learning for the officers concerned.
-



Corporate Services

Staff welfare has always been our priority, as is listening to what our staff need to do their jobs effectively. This underpinned our collaborative working to develop Hybrid Working Guidance which enabled staff to combine home and office working.

Our Covid working group consulted with staff to gauge their views and concerns around a hybrid working model and implemented a plan which allowed flexibility, and fostered respect for each other's views on returning to the office.

We also took account of a staff survey seeking views on all aspects of a hybrid model. To ensure fairness across the teams, a hybrid model has been implemented across the organisation which will be continually reviewed to ensure it remains fit for purpose.

In 2020–2021, recruitment had been limited and our focus was on adapting our way of working within the constraints posed by the pandemic. This year we developed a virtual recruitment process which resulted in us quadrupling the number of staff recruited as in the previous year. This was a great achievement. We developed and implemented an online induction programme which resulted in a number of staff starting their career with PIRC remotely. It is credit to the induction team and all those involved that our new colleagues have commented on how welcome they felt despite much of it being remote. Going forward, it is important that we develop our way of working to allow new staff to learn from more experienced members of staff and strengthen working relationships.

We continue to combine technology and office face to face working enabling us to choose the most effective and efficient method of communication depending on the circumstances. This flexibility has been welcomed by staff and has allowed us to make efficiencies by reducing travel where it is not adding any benefit.

Training and wellbeing

Wellbeing and inclusivity remain a focus as we move towards more integrated working. This year we were able to return to a full programme of training for our staff and managers. Our initial focus was ensuring that our managers had the skills to manage teams within a hybrid working model. We rolled out a skills profile programme whereby we identified the skills required for each post and all staff completed a personal profile to identify if any refresher training was required. We used this information to create our corporate training plan which is reviewed quarterly by our training specialists in each business area.

In accordance with recommendations made in the Dame Angiolini report we have agreed a programme of diversity training and awareness in addition to the unconscious bias training that had already been undertaken. This includes formal training, online sessions and information being posted on our intranet to increase awareness in a particular area e.g. focussing on a particular protected characteristic. The senior management team has undertaken unconscious bias training with PSD and ACAS equality and diversity training which is now being rolled out in-house for all staff.

PIRC Investigations staff have also had mandatory training on dealing with trauma to support and engage with anyone who has experienced trauma. We have also increased our number of fully trained mental health first aiders who are available to support both managers and staff alike.

Our Work Well group promoted a number of awareness campaigns, including living with allergies, mental health week and organised another walking challenge which brought teams of colleagues together (virtually) to compete for first place!

Green shoots

Although there has been a return to the office, we have continued to work with electronic papers rather than hard copy papers which we used before, generating less waste. We have enhanced our electronic systems to allow us to use technology to transfer secure documents and meet remotely when appropriate, resulting in less travel.

Equality and diversity

The Dame Angiolini report made a number of recommendations directed to Police Scotland regarding equality and diversity issues. While directed to Police Scotland, PIRC has taken cognisance of them and has undertaken the following:

- Established an equalities and diversity group which reports back to the senior management team quarterly.
- Engaged with the Equality and Human Rights Commission (EHRC) regarding reinforcing the Public Sector Equality Duty (PSED) for policing bodies.
- Reviewed the collection of internal diversity data to ensure the same data is being collected in each business area. The data collection forms are now issued with every request for a complaint handling review, when witness statements are taken for an investigation and for all recruitment applicants. We have seen an increase on returns of these forms in all areas, in particular, with our job applications we saw an increase from 48% to 100% by adding the Equality Monitoring form to our application form. We are now working across the sector with our stakeholders to agree how equality data is requested, analysed and informs our policies and procedures.

While we strive to be a more diverse organisation, we understand that training on protected characteristics and unconscious bias is only the start of the journey. To that end at every interview we ask questions that provide an insight into the candidates' experience and awareness in this area. For the year ahead, all staff have been given an equalities objective which will be evaluated at their interim and final performance review.

Giving a little

Each year we select a charity to support and Chris's House was the beneficiary this year. Chris's House is a centre for help, response and intervention surrounding suicide and the first 24-hour, non-medical crisis centre offering integrated support in Scotland. This charity can only grow the way it has with the support from organisations like PIRC taking part in fundraising activities including whisky trails, raffling hampers etc.

Despite mainly working at home, the generosity and kind hearts of PIRC staff shone through as, on the last day of the mental health awareness week, we proudly presented Chris's House, with a cheque for an amazing £866.30.

We also launched our volunteering policy with the first of our staff being able to take advantage of special leave days to support local charities. This has included working with local schools and a community action group.



Performance Measurement

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
FOISA Requests	59	37	57	74	97
DPA Requests	44	31	39	92	92
Complaints about the PIRC	12	21	21	12	27
Staff Attendance	98.3%	96.9%	98.2%	98.1%	96.3%
Staff Turnover *	1.0%	0.9%	9.0%	8.90%	13.53%
Posts Advertised **		15	3	7	29
Interviews held **		48	13	28	67
No. Staff Started **		17	9	5	22
% Payments to Suppliers within 10 days	98.2%	99.5%	99.2%	100.0%	100.0%

* method of calculation of turnover changed in 2019 - 2020

** information not recorded prior to 2018 - 2019



PIRC Annual Accounts 2021-2022

Performance Measurement

The strategic objectives for 2021-2022 are:

1. To carry out thorough and timely investigations of incidents involving the police.
2. To carry out thorough and timely reviews of the way police handle complaints made about them and improve the quality of police complaint handling.
3. To carry out our functions with a high level of efficiency, governance and accountability.

The Commissioner agreed a series of strategic objectives which form the basis of PIRC's performance management framework. Performance against these strategic objectives is reviewed monthly by the SMT and quarterly by the AAC and at Scottish Government Sponsor Team meetings.

Despite the continuing disruption of COVID – 19, all teams improved from a performance perspective.

Investigations

Strategic Objective 1

To carry out thorough and timely investigations of incidents involving the police.

MEASURE	YEAR END FIGURE	ANNUAL BENCH MARK
80% of all investigation reports are submitted to the referring body within three months (of the start of the investigation).	85%	80%
90% of all referrals are assessed and an investigation decision taken within five working days of receipt of relevant information.	97%	90%

Against a backdrop of an increasing workload, particularly from October 2021 onwards, it is credit to the Investigations team that they met their strategic objectives. The volume, complexity and variety of the workload remains significant and has required the department to adapt our working processes to manage this sustained trend.

Reviews

Strategic Objective 2

To carry out thorough and timely reviews of the way police handle complaints made about them and improve the quality of police complaint handling.

MEASURE	YEAR END FIGURE	ANNUAL BENCH MARK
80% of Complaint Handling Review cases finalised within four months of receipt	73%	80%
Reduction in the backlog of applications for Complaint Handling Reviews	36	15

Overall, the number of requests for CHR has remained steady. Whilst the strategic objective to conclude reviews in 80% of cases within four months was not met, it continues to reflect a positive trend, increasing from 38% last year to 73% this year. The focus on increasing the number of CHR within four months has resulted in a slight increase of unallocated applications carried forward from 30 last year to 36 this year. Efforts are ongoing to introduce more efficiencies in order to reduce this backlog.

Strategic Objective 3

To carry out our functions with a high level of efficiency, governance and accountability.

MEASURE	YEAR END FIGURE	ANNUAL BENCH MARK
Complete FOISA requests within statutory timescales	100%	95%
Complete Subject Access requests within statutory timescales	97%	95%
Achieve annual efficiency savings	3.76%	3%
Publish Learning Point bulletins to policing bodies, identifying thematic issues and potential learning	1	2
Monthly meetings between Training Coordinator and departmental Single Point of Contacts (SPOCs)	12	12

The corporate services team achieved its strategic objectives with the exception of two Learning Point publications being issued. Whilst only one was issued in the financial year 2021-2022, the second one was issued in April 2022 and, therefore, just out-with the year in question.



Financial performance

We continue to strive to deliver a high level of service whilst providing value for money by using our funding to maximum effect.

Our funding is delivered by way of Grant in Aid provided by the Scottish Government. The Scottish Ministers are accountable to the Scottish Parliament for the financial resources of PIRC and for the allocation of the correct level of financing from the Scottish Government. In 2021-2022 our Grant in Aid (GIA) of £5.158 million was spent as follows:

	2021-2022	2020-2021
Staffing costs	4,481,000	3,752,000
Other operating costs	744,000	622,000
Capital	0	0
Depreciation	78,000	132,000
Total:	5,303,000	4,506,000

In line with the Scottish Government and other Non Departmental Public Bodies (NDPBs), PIRC has implemented full reporting of the Annual Accounts under International Financial Reporting Standards (IFRS).

Payment policy and performance

PIRC aims to ensure that 95% of all suppliers invoices, not in dispute, are paid within 10 days. In 2021-2022 performance against this target was 100%.

Legal support

Over the reporting period, PIRC continued to engage Anderson Strathern Solicitors to provide legal support.

Environmental sustainability

Although PIRC is not classified as a ‘major player’ as per the Sustainable Scotland website and we are exempt from mandatory sustainability reporting requirements, we remain committed to reducing our carbon footprint.

Working practises, implemented as a consequence of COVID-19, have seen our staff primarily working from home resulting in greater use of electronic communications and vastly reduced travel. In addition, within the office environment we have:

- Continued to use efficient heating and lighting controls to minimise our energy use.
- Encouraged paper free meetings with papers circulated via email.

Accredited Living Wage Employer

In September 2017, PIRC became an accredited living wage employer. The PIRC living wage commitment ensures that all employees, regardless of whether they are direct employees or third-party contracted staff, receive a minimum hourly wage of £9.50 which is significantly higher than the statutory minimum for over 25s of £8.91 per hour introduced in April 2021.

The accreditation programme in Scotland launched in April 2014. It is an initiative from The Poverty Alliance, in partnership with the Living Wage Foundation, and is funded by the Scottish Government.

Sharon Smit

ACCOUNTABLE OFFICER



31 OCTOBER 2022



Accountability Report

Corporate Governance Report

This section contains

- **The Accountable Officer's report.**
- **The Statement of the Accountable Officer's Responsibilities.**
- **The Governance Statement.**

The Accountable Officer's report

Until August 2021, the organisation comprised of an executive team consisting of the Commissioner, Michelle Macleod and Alan Buchanan, Director of Operations. Between 1 April 2020 and 31 May 2021, the Director of Operations, Alan Buchanan was also the Accountable Officer. Sharon Smit was appointed as the Accountable Officer, in addition to her existing duties, on 1 June 2021.

In July 2021, the Director of Operations, Alan Buchanan, retired and Phil Chapman was appointed as the Director of Operations. At this time it was deemed appropriate to revise our management structure and we merged the executive team with the heads of department group, creating a senior management team (SMT). This consists of:

- Michelle Macleod – Commissioner
- Phil Chapman - Director of Operations
- Sharon Clelland - Head of Legal Services
- Sharon Smit - Head of Corporate Services (Accountable Officer)
- John McSporrán - Head of Investigations
- Ilya Zharov - Head of Reviews and Policy

Performance, risk, finance and matters of strategic importance are considered at a monthly SMT meeting which is further supported by the leads on finance and communication. The PIRC Register of Interests is available on the PIRC website at www.PIRC.scot. On the basis of robust assurance provided, there are no interests that conflict with the interests of PIRC. There were no data related security incidents during the year 2021-2022.

Our AAC was strengthened further this year with the addition of three committee members. The Committee now consists of the Chair and five members from a variety of backgrounds and each with a particular skill set which will be of benefit to the AAC and PIRC. The role of the AAC is to provide independent oversight and scrutiny of finances, risk management and governance; approve the appointment of internal auditors; and, to review the annual accounts and internal audit reports. They meet with the Commissioner, Director of Operations and the Head of Corporate Service and Accountable Officer quarterly.

Following an internal audit in the year 2020-2021, the risk management process was revised and our risk register updated. The AAC attended a training session on the methodology employed and will be involved in determining the risk appetite of PIRC.



Statement of Accountable Officer's responsibilities

In terms of the Police, Public Order and Criminal Justice (Scotland) Act 2006, Scottish Ministers have directed PIRC to prepare for each financial year a statement of accounts in the form and on the basis set out in their Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of PIRC and of its comprehensive net expenditure, financial position, cash flows and movement in taxpayers' equity for the financial year. In preparing the accounts, the Accountable Officer is required to comply with the Financial Reporting Manual (FReM) and in particular to:

- Observe the Accounts Direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the FReM have been followed and disclose and explain any material departures in the financial statements.
- Prepare the financial statements on a "going concern" basis, unless it is inappropriate to presume that the Commissioner will continue in operation.
- Confirm that, as far as he or she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and that he or she takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

As Accountable Officer I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I am aware of any relevant audit information and to establish that the auditors are also aware of this information.

As Accountable Officer, I confirm that this annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Governance statement

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of PIRC's policies, aims and objectives. I am also responsible for safeguarding the public funds and assets assigned to PIRC, in accordance with the responsibilities set out in the "Memorandum to Accountable Officers".

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the organisation's policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve PIRC's policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The processes within the organisation have regard to the guidance to public bodies in Scotland issued by Scottish Ministers and set out in the Scottish Public Finance Manual with further guidance contained within the Governance and Accountability Framework Document agreed with the Scottish Government.

As Accountable Officer I also have responsibility for reviewing the effectiveness of the systems of internal control. The following processes have been established to inform my review.

PIRC has a SMT which met 12 times during the past year. The SMT develops and monitors the plans and agrees the strategic direction of the organisation under the strategic direction of the Commissioner. The SMT comprises the Commissioner, the Director of Operations, the Head of Corporate Services, the Head of Reviews and Policy, the Head of Investigations, and the Head of Legal Services. The group is also attended by the Finance Manager and Communications Manager. It considers regular reports from the managers on progress towards meeting the organisation's performance objectives as well as reviewing the PIRC risk register and other standard corporate documents.

PIRC has an AAC which met four times during the year. The AAC provides independent challenge in areas of risk management, governance, internal audit and performance. It also reviews our annual accounts and assurances provided by management.



During the year our internal auditors conducted high level reviews of the following aspects of our business governance:

Internal audits	Assurance Level Provided
Business Continuity Planning	Reasonable assurance
IT Health check	Final partial assurance, discussed at AAC
Trainee Programme	Reasonable assurance

The audit results provided assurance with no high risks identified. Due to circumstances beyond our control, there was a delay in the completion of final IT health check report. This has now been concluded with final recommendations issued in August 2022. The auditors also reviewed recommendations arising from previous audits with no issues arising. All actions are recorded and updates are reported to the Audit and Accountability Committee for oversight and approval at the quarterly meetings. They concluded that we had made good progress.

The Head of Corporate Services is designated as PIRC’s Accountable Officer by the Principal Accountable Officer of the Scottish Administration in accordance with sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000.

The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding PIRC assets, are set out in the Memorandum to Accountable Officers for Other Public Bodies issued by the Scottish Government which is available at:

www.gov.scot/publications/scottish-public-finance-manual/accountability/annex-2-memorandum-to-accountable-officers-other-public-bodies/

The Accountable Officer has received assurance checklists and certificates from the SMT members, the Finance Manager, Communications Manager and the Corporate Services Manager in relation to their particular areas of responsibility.

PIRC has a risk strategy and policy which sets out the approach to risk management which is kept under annual review. The corporate risk register, which identifies the key risks facing the organisation, the likelihood and impact of the risk crystallising, the controls in place, the way in which the risk is monitored and any actions to mitigate the risk, is regularly reviewed by the SMT, the AAC and the Scottish Government at the quarterly business meeting.

Information risk is covered by the normal risk management arrangements. PIRC remains committed to information management and security and improving our arrangements for data sharing and data protection.

The system of internal financial control is based on a framework of regular management information, administrative procedures and a system of delegation and accountability. In particular it includes:

- Detailed budgeting processes with an annual budget sign off by the Sponsor Team at the Scottish Government.
- Regular reviews by the SMT of financial reports covering progress towards financial targets.
- Annual reviews and updates to standing orders, scheme of delegation and standing financial instructions.
- Monthly reviews of the corporate risk register.
- PIRC Finance Manager carries out a monthly reconciliation of SEAS to PIRC bank accounts which the Accountable Officer agrees.
- PIRC Corporate Services Manager carries out monthly payroll reconciliation, reporting any anomalies to the Accountable Officer.

Sharon Smit

ACCOUNTABLE OFFICER



31 OCTOBER 2022



Remuneration

Remuneration policy

PIRC's remuneration is determined by Scottish Ministers. The Commissioner, in turn, determines the remuneration of all staff.

PIRC submits a pay remit within the terms and conditions of the Scottish Government Public Sector Pay Guidance to its sponsoring department at Scottish Government for negotiation on an annual basis. A single year pay remit was approved for implementation for the whole of the financial year 2021-2022 and will be confirmed after the round of pay negotiations.

PIRC also takes account of guidance from the work of the Senior Salaries Review Body.

In line with Scottish Government pay policy guidance there were no performance or other form of bonus payments made in 2021-2022.

In 2021-2022, the total remuneration for the members of the Audit and Accountability Committee was £4,425.00.

Staff resources

The breakdown of staff resources as at 31 March 2022 by gender is shown in the attached table.

	All	Male	Female
Commissioner	1	-	1
Directors	1	1	-
Senior Managers (Other)	4	2	2
Other Staff:	79	42	37
Other appointments:			
Fixed term appointments	5	4	1
Secondees (Inward)	-	-	-
Secondees (Outward)	-	-	-
Agency staff	-	-	-
Total	90	49	41



Remuneration and pensions benefits

Commissioner Michelle MacLeod

	Total Remuneration 2021-22	Total Remuneration 2020-21
Salary	£95,000 - £100,000	£95,000 - £100,000
Pension Benefit	£37,000	£85,000
Total	£135,000-£140,000	£180,000-£185,000

Alan Buchanan Director of Operations (left July 2021)

	Total Remuneration 2021-22	Total Remuneration 2020-21
Salary	£25,000 - £30,000	£75,000 - £80,000
Pension Benefit	£15,000	£30,000
Total	£40,000 – £45,000	£105,000 – £110,000

Phil Chapman Director of Operations (Started July 2021)

	Total Remuneration 2021-22	Total Remuneration 2020-21
Salary	£50,000 - £55,000	n/a
Pension Benefit	£24,000	n/a
Total	£75,000 – £80,000	n/a

Sharon Smit Head of Corporate Services (From July 2021)

	Total Remuneration 2021-22	Total Remuneration 2020-21
Salary	£55,000 - £60,000	n/a
Pension Benefit	£35,000	n/a
Total	£95,000 – £100,000	n/a

No performance bonuses or benefits in kind were made to the Commissioner or Director.



Pension benefits

	Total accrued pension at age 60 as at 31 March 2022 & related lump sum £'000	Real increase in pension & related lump sum at age 60 £'000	CETV at 31 March 2021 £'000	CETV at 31 March 2022 £'000	Real Value of CETV increase over year £'000
Michelle MacLeod (started 17.08.19)	35-40 plus a lump sum of 90 - 95	0 – 2.5 plus a lump sum of 0	739	807	23
Alan Buchanan	5-10	0 - 2.5	75	87	9
Phil Chapman	0 - 5	0 - 2.5	0	18	11
Sharon Smit	10 - 15	0 - 2.5	109	138	19

Fair Pay Disclosure

The highest paid Director received remuneration of £95,000 - £100,000 in 2021-22 (2020-21: £95,000 - £100,000). In the reporting year, the average remuneration in respect of the employees taken as a whole was £37,949 (2020-21: £34,787). This is an increase of 9%, reflecting a number of pay awards and increments across the period. The range of remuneration in PIRC for the financial year 2021-22 was £20,000-£25,000 - £95,000-£100,000 (2020-21: £20,000-£25,000 - £95,000-£100,000). These remuneration figures exclude pension benefits.

	2021-22	2020-21 Restated
Highest paid director salary component	£95,000 - £100,000	£95,000 - £100,000
Highest paid director total pay and benefits	£95,000 - £100,000	£95,000 - £100,000
25th Percentile Salary Component	31,542	29,758
25th Percentile Total Pay and Benefits	31,542	29,758
25th Percentile Ratio	3.1	3.3
50th Percentile Salary Component	36,129	31,923
50th Percentile Total Pay and Benefits	36,129	31,923
50th Percentile Ratio	2.7	3.1
75th Percentile Salary Component	38,581	37,418
75th Percentile Total Pay and Benefits	38,581	37,418
75th Percentile Ratio	2.5	2.6

The movement in ratios as shown above is attributable to an increase in the average employee salary through incremental increases and cost of living rises. These increases are in excess in terms of percentage of those awarded to the highest paid Director.

PIRC believe that the median pay ratio is an accurate reflection of the pay, rewards, and progression policy for employees as a whole.



The Cash Equivalent Transfer Value (CETV)

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 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.

The real increase in the value of the CETV

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.

Pensions

Pension benefits are provided through the Civil Service pension arrangements. Since 2015, all newly hired staff have joined 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). 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 five months from their normal pension age on 1 April 2012 switched into alpha between 1 June 2015 and 1 February 2022. All members who switched 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 'money purchase' stakeholder 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 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 his 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 a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. 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 highest 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

Employer contributions for 2021-2022 were £881k (2020-2021: £745k) and were on average 27% of pay (2020-2021: 20%).

Pension liabilities

PIRC pension benefits are provided through the Civil Service pension arrangements and administered for PIRC by Scottish Government.

Sickness absence

During the period ended 31 March 2022 PIRC has recorded 897 days of sickness absence and an average of 10.8 days per employee. The Chartered Institute of Personnel Development (CIPD) Health and Wellbeing Survey (formerly absence survey), in March 2020 indicates that nationally 5.8 days/person are lost to sickness in a year. The reason for it being higher than the average was due to a small number of staff being on long term sickness absence. PIRC has a performance target of 95% attendance and our performance for the period to 31 March 2022 was 96.3%.

Expenditure on consultancy and off payroll matters

PIRC spend as follows:

	2021-2022	2020-2021
Consultancy:	£13,000	£0
Off Payroll:	£0	£0

Equal opportunities and diversity

PIRC is fully committed to equality and inclusion in the work place and across our operation. This is reflected in both our working practices and our policies which are all equality impact assessed. An equality personal objective is mandatory for all PIRC staff.

All PIRC staff undertake regular mandatory training in relation to equality and participated in awareness sessions scheduled throughout the year. All new recruits receive training during initial induction.



Staff costs

				2021-22	2020-21
				£'000	£'000
	Permanent	Fixed Term	Agency	Total	Total
Wages and salaries	3,190	62	-	3,252	2,720
Social security costs	337	7		344	283
Other pension costs	864	17		881	745
Staff on secondment costs				-	-
Commissioner fees and expenses				4	4
Total administration staff costs				4,481	3,752

Staff numbers

Average numbers of employees during the year (FTE)	2021-22	2020-21
Commissioner	1	1
Other staff (permanent and temporary appointments)	78	74
Total	79	75

Early exit package

There has been no voluntary termination payment during the financial year 2021-2022.

Number of arrangements

	2021-2022	2020-2021
< £10,000	0	0
£10,000 – £25,000	0	0
£25,000 – £50,000	0	0
£50,000 – £100,000	0	0
Total number of arrangements	0	0

Trade Union facility time

Approximately 40 hours were spent on trade union facility time.

Sharon Smit

ACCOUNTABLE OFFICER



31 OCTOBER 2022



Independent auditor's report to the members of the Police Investigations and Review Commissioner, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of the Police Investigations and Review Commissioner for the year ended 31 March 2022 under the Police, Public Order and Criminal Justice (Scotland) Act 2006. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flow, and the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant 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 2021-2022 Government Financial Reporting Manual (the 2021-2022 FReM).

In our opinion the accompanying financial statements:

- Give a true and fair view in accordance with the Police, Public Order and Criminal Justice (Scotland) Act 2006 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 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 2021-2022 FReM.
- Have been prepared in accordance with the requirements of the Police, Public Order and Criminal Justice (Scotland) Act 2006 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our 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. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 May 2016. The period of total uninterrupted appointment is 6 years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We 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 we have performed, we 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, we 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

We report in our separate Annual Audit Report the most significant assessed risks of material misstatement that we identified and our 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

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

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

- Obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework.
- Identifying which laws and regulations are significant in the context of the body
- Assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur.
- 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 our 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 our auditor's report.



Reporting on regularity of expenditure and income

Opinion on regularity

In our 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 our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are 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 part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Police, Public Order and Criminal Justice (Scotland) Act 2006 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 part of the Remuneration and Staff Report.

Our 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 our knowledge obtained in the course of the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In our 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 Police, Public Order and Criminal Justice (Scotland) Act 2006 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 Police, Public Order and Criminal Justice (Scotland) Act 2006 and directions made thereunder by the Scottish Ministers.



Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- Adequate accounting records have not been kept; or
- The financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of our 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 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Nick Bennett

31 OCTOBER 2022

Nick Bennett

(for and on behalf of Azets Audit Services)

Exchange Place 3
Semple Street
Edinburgh
EH3 8BL



The Financial Statements

Statement of Comprehensive Net Expenditure

Year ending 31 March 2022

		2021-22	2020-21
	Note	£'000s	£'000s
Administrative Costs			
Staff costs	2	4,481	3,752
Other admin costs	3,4	744	622
Depreciation/Amortisation	5,6	78	132
NET OPERATING COST		5,303	4,506



Statement of Financial Position

As at 31 March 2022

		31 March 2022	31 March 2021
	Note	£'000s	£'000s
NON-CURRENT ASSETS			
Property, plant and equipment	5	109	176
Intangibles	6	-	8
TOTAL NON-CURRENT ASSETS		109	184
CURRENT ASSETS			
Trade and other receivables	7	102	52
Cash and cash equivalents	8	538	561
Total current assets		640	613
TOTAL ASSETS		749	797
CURRENT LIABILITIES			
Trade and other payables	9	444	318
Total current liabilities		444	318
TOTAL ASSETS LESS CURRENT LIABILITIES		305	479
NON-CURRENT LIABILITIES			
Other Financial liabilities	9	-	32
Total non-current liabilities		-	32
TOTAL ASSETS LESS TOTAL LIABILITIES		305	447
TAXPAYERS EQUITY			
General Fund	SOCTE	305	447
TOTAL TAXPAYERS EQUITY		305	447

The Accountable Officer authorised these financial statements for issue on

Signed:

Sharon Smit



ACCOUNTABLE OFFICER

31 OCTOBER 2022

Police Investigations & Review Commissioner
Hamilton House, Caird Park, Hamilton
ML3 0QA Scotland

Statement of Cash Flows

Year ending 31 March 2022

		2021-22	2020-21
	Note	£'000s	£'000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Net operating cost	SOCNE	(5,303)	(4,506)
Adjustments for non-cash transactions:			
* Depreciation	5,6	78	132
* Notional costs	4	3	3
Movements in working capital			
* (Increase)/Decrease in trade and other receivables	7	(50)	19
* Increase/(Decrease) in trade and other payables	9	94	(30)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		(5,178)	(4,382)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	5	(3)	(0)
NET CASH FLOW FROM INVESTING ACTIVITIES		(3)	(0)
CASH FLOWS FROM FINANCING ACTIVITIES			
Funding	SOCTE	5,158	4,466
NET CASH FLOW FROM INVESTING ACTIVITIES		5,158	4,466
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(23)	84
Cash and cash equivalents at beginning of period	8	561	477
Cash and cash equivalents at end of period	8	538	561
NET CHANGE IN CASH AND CASH EQUIVALENT BALANCES	8	(23)	84

Statement of Changes in Taxpayers' Equity

As at 31 March 2022

		General Fund
	Note	£'000s
Balance at 1 April 2021		447
Non-cash charges – notional costs	4	3
Net operating cost for the year	SOCNE	(5,303)
Net funding		5,158
BALANCE AT 31 MARCH 2022		305
Balance at 1 April 2020		484
Non-cash charges – notional costs	4	3
Net operating cost for the year	SOCNE	(4,506)
Net funding		4,466
Balance at 31 March 2021		447



Notes to the accounts

Year ending 31 March 2022

1. Statement of accounting policies

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRSs) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstance for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Police Investigations and Review Commissioner are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

(a) Basis of accounting

The accounts are prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment to fair value as determined by the relevant accounting standard.

(b) Property, plant and equipment (PPE)

Depreciated historic cost has been used as a proxy for the fair value of all assets. All of the assets in these categories have:

- Low values or short useful economic lives which realistically reflect the life of the asset and
- An amortisation charge which provides a realistic reflection of consumption.

The capitalisation thresholds for the principal categories of assets is £5,000, with the exception of IT assets, where the capitalisation threshold is £1,000.

Assets below these thresholds may be capitalised if they fall within the same project.

Assets under construction are held at cost until operational. Thereafter they are valued as above in accordance with all other assets in the same category and will become subject to depreciation in line with note 1c).

(c) Depreciation

Depreciation is provided on property, plant and equipment, on a straight line basis at rates sufficient to write down their cost over their estimated useful lives. The depreciation periods for the principal categories of assets are:

Leasehold Improvements	15 years
Plant and machinery	15 years
Fixtures and fittings	5 years
Office equipment	5 years
Information Technology	5 years

A full year is charged in the year of acquisition, and there is no charge in the year of disposal.

Assets under construction are not depreciated.

Intangible assets are captured within the annual accounts following an annual review.

(d) Intangible assets

Intangible assets are measured initially at cost.

Licence costs which meet the criteria for recognition as software licences are capitalised and are stated at cost less accumulated amortisation. Amortisation is provided to write off the cost of the intangible fixed assets below:

The estimated useful lives range as follows:

Software licences	5 years
-------------------	---------

A full year is charged in the year of acquisition, and there is no charge in the year of disposal.

(e) Government grants

All of the expenditure of PIRC is met from funds advanced by the Scottish Government within an approved allocation. Cash drawn down to fund expenditure within this approved allocation is credited to the general fund. Funding for the acquisition of fixed assets received from the Scottish Government is credited to the general fund. Funding received from any other source for the acquisition of specific assets is recognised as income in the statement of comprehensive net expenditure.



(f) Amortisation of rent-free periods

The benefit of rent-free periods on leases of premises is amortised over the period of the lease or over the period to a lease break point when this is the most probable end of lease, whichever is the shorter.

(g) Operating leases

Rentals payable under operating leases are charged to the revenue account over the term of the lease.

(h) Provisions

Provisions are made for obligations which are of an uncertain amount or time at the balance sheet date. During financial year 2021-2022, PIRC made no provisions.

(i) Value added tax

Irrecoverable tax is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

(j) Receivables

All material amounts due as at 31 March 2022 have been brought into the account irrespective of when actual payments were received.

(k) Payables

All material amounts outstanding as at 31 March 2022 have been brought into account irrespective of when actual payments were made.

(l) Pensions

Pension benefits are provided through the Principal Civil Service Pension Scheme which is an unfunded multi-employer defined benefit scheme.

As it is not possible to identify PIRC's share of the underlying assets and liabilities of the scheme, PIRC has accounted for the contributions to the scheme as if it was a defined contribution scheme. This is in accordance with FRS 17.

The funding arrangements are through defined contributions.

It is not possible to identify or describe the extent to which PIRC is liable for other entities obligations or any agreed allocation of deficit/surplus on the wind-up of the plan given the scale of our involvement in relation to the wider Scottish Government (SG). The exact proportion of the plan attributable to PIRC is negligible in relation to SG and other related bodies within the plan. Employer contributions to the scheme are shown in the Remuneration and Staff Report.

(m) Going concern

The Police and Fire Reform (Scotland) Act 2012 established a single Police Service in Scotland and the Police Investigations and Review Commissioner (PIRC). The act came in to effect on 1 April 2013. PIRC was established and came in to effect from 1 April 2013. It is appropriate for the accounts of PIRC to be prepared on a going concern basis.

(n) Disclosure of new accounting standards

IFRS 16 in the public sector was further deferred from 1st April 2020 to 1st April 2022. Under IFRS 16 the premise lease will be capitalised and held as an asset on the Statement of Financial Position (SoFP) in 2022/23 alongside the capitalised lease incentives and dilapidations provision. There will also be a lease liability on the SoFP which represents the obligation to make lease payments. Depreciation will be charged on the asset and interest will be charged on the lease liability, cash repayments will also be recognised in the Statement of Cash Flows, as required by IAS 7. All leases held by The PIRC are currently under negotiation for renewal. Current best estimates for the new 10 year lease term stand at £1,072k for existing accommodation and £1,272k for all existing accommodation plus additional space in Hamilton House. These new leases will be captured under IFRS16 in the 2022/23 annual accounts.

(o) Salaries

The increase in salary costs is purely related to an increase in headcount, cost of living and incremental rises. Increased headcount was funded by the increase to PIRC's GIA for 2021-2022.

2. Staff costs

An average of 83 staff were on PIRC payroll during 2021-2022 at a cost of £4,481k (for full details see Remuneration and Staffing Report).



3. Other operating costs

	2021-22	2020-21
	£'000	£'000
Accommodation including Rent & Rates	216	206
Maintenance and Cleaning	22	28
Office Equipment	43	30
Research and Consultancy	13	-
IT	227	189
Travel and Subsistence	62	43
Legal Fees	21	22
Training and Conference costs	29	13
Telephones	18	33
Electricity	8	(1)
Printing and Publications	24	17
External audit fee	13	13
Internal audit fee	13	15
Recruitment	10	2
Stationery	4	2
Other Office costs	18	7
Total other operating costs	741	619

4. Notional costs

	2021-22	2020-21
	£'000	£'000
Scottish Government Accountancy Fees	3	3
Total	3	3



5. Property, plant and equipment

	Leasehold Improvements	Fixtures & Fittings	Plant & Machinery	Information Technology	Total
	£'000	£'000	£'000	£'000	£'000
COST					
At 1 April 2021	481	458	22	189	1,150
Additions	-	-	-	3	3
Disposals	-	-	-	-	-
Transfers to Assets					
At 31 March 2022	481	458	22	192	1,153
DEPRECIATION					
At 1 April 2021	379	394	22	179	974
Charge for year	32	32	-	6	70
Disposals	-	-	-	-	-
At 31 March 2022	411	426	22	185	1,044
NBV at 31 March 2022	70	32	-	7	109
NBV at 31 March 2021	102	64	-	10	176
ANALYSIS OF ASSET FINANCING:					
Owned	70	32	-	7	109
Finance leased	-	-	-	-	-
NBV at 31 March 2022	70	32	-	7	109

Prior year

	Leasehold Improvements	Fixtures & Fittings	Plant & Machinery	Information Technology	Total
	£'000	£'000	£'000	£'000	£'000
COST					
At 1 April 2020	481	458	22	189	1,150
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2021	481	458	22	189	1,150
DEPRECIATION					
At 1 April 2020	347	312	22	168	849
Charge for year	32	82	-	11	125
Disposals	-	-	-	-	-
At 31 March 2021	379	394	22	179	974
NBV at 31 March 2021	102	64	-	10	176
NBV at 31 March 2020	134	146	-	21	301
ANALYSIS OF ASSET FINANCING:					
Owned	102	64	-	10	176
Finance leased	-	-	-	-	-
NBV at 31 March 2021	102	64	-	10	176



6. Intangibles

	Software Licences	Total
	£'000	£'000
COST		
At 1 April 2021	38	38
Additions	-	-
Disposals	-	-
At 31 March 2022	38	38
AMORTISATION		
At 1 April 2021	30	30
Charge for year	8	8
Disposals	-	-
At 31 March 2022	38	38
NBV at 31 March 2022	0	0
NBV at 31 March 2021	8	8
ANALYSIS OF ASSET FINANCING:		
Owned	-	-
Finance leased	-	-
NBV at 31 March 2022	-	-

Prior Year

	Software Licences	Total
	£'000	£'000
COST		
At 1 April 2020	38	38
Additions	-	-
Disposals	-	-
Transfers to assets	-	-
At 31 March 2021	38	38
AMORTISATION		
At 1 April 2020	23	23
Charge for year	7	7
Disposals	-	-
At 31 March 2021	30	30
NBV at 31 March 2021	8	8
NBV at 31 March 2020	15	15
ANALYSIS OF ASSET FINANCING:		
Owned	8	8
Finance leased	-	-
NBV at 31 March 2021	8	8

7. Trade receivables and other current assets

	2021-2022	2020-2021
	£'000	£'000
AMOUNTS FALLING DUE WITHIN ONE YEAR:		
Prepayments and accrued income	102	52
Total receivable within 1 year	102	52

8. Cash and cash equivalents

	2021-2022	2020-2021
	£'000	£'000
Balance at 1 April	561	477
Net change in cash and cash equivalent balances	(23)	84
Balance at 31 March	538	561

The following balances at 31 March were held at:

	£'000	£'000
GBS Account (NatWest)	543	561
Local Account (RBS)	(5)	-
Commercial banks and cash in hand	-	-
Balance at 31 March	538	561

9. Trade payables and other current liabilities

	2021-2022	2020-2021
	£'000	£'000
AMOUNTS FALLING DUE WITHIN ONE YEAR:		
Trade payables	27	-
Other payables	385	318
Deferred lease payments	32	-
Total due within one year	444	318
AMOUNTS FALLING AFTER MORE THAN ONE YEAR:		
Deferred lease payments	-	32
Total	-	32



10. Financial instruments

As the cash requirements of PIRC are met through grant funding, financial instruments play a more limited role in creating and managing risk than in a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with PIRC's expected purchase and usage requirements, and PIRC is therefore exposed to little credit, liquidity or market risk.

11. Related party transactions

PIRC is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence PIRC. Disclosure of these transactions allows readers to assess the extent to which PIRC might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely.

Scottish Government and its agencies

During 2021-2022, the Scottish Government provided PIRC with Grant in Aid funding of £5.158M (2020-2021 £4.466M).

Senior Member of PIRC staff

Senior members of staff and the transactions between them and PIRC are disclosed within the remuneration report within this document.

12. Capital commitments and contingent liabilities

There were no contracted capital commitments or contingent liabilities.

13. Commitments under leases

Obligations under operating leases comprise:

	31 March 2022	31 March 2021
	£'000	£'000
BUILDINGS:		
Not later than one year	46	73
Later than one year and not later than five years	-	94
Later than five years	-	-

Payments due under operating leases relate to the lease of premises.

14. Segmental reporting

PIRC is considered to have just one operating segment and therefore no segmental information is produced.



Accounts Direction

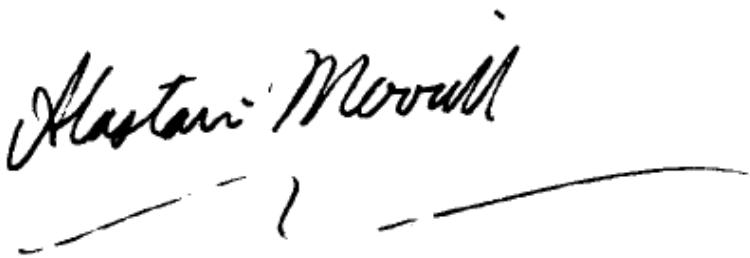


Scottish Government
Riaghaltas na h-Alba
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POLICE INVESTIGATIONS AND REVIEW COMMISSIONER

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of paragraph 10 of Schedule 4 of the Police, Public Order and Criminal Justice (Scotland) Act 2006, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2008, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts.



Signed by the authority of the Scottish Ministers Dated 31 March 2008

Relevant Legislation and Regulations:

- The Police, Public Order & Criminal Justice (Scotland) Act 2006
- The Police and Fire Reform (Scotland) Act 2012
- The Police Investigations & Review Commissioner (Investigations Procedure, Serious Incidents and Specified Weapons) Regulations 2013
- The Police Service of Scotland (Senior Officers) (Conduct) Regulations 2013

Policing Bodies Operating in Scotland:

- Police Scotland
- The Scottish Police Authority
- British Transport Police
- British Transport Police Authority
- The National Crime Agency
- Civil Nuclear Constabulary
- Civil Nuclear Police Authority
- Ministry of Defence Police
- UK Visas and Immigration
- HM Revenue & Customs

Glossary

AAC – Audit & Accountability Committee

BWV – Body Worn Video camera

CHR – Complaint Handling Review

COPFS – Crown Office & Procurator Fiscal Service

DPA – Data Protection Act 1998

EHRC – Equality and Human Rights Commission Scotland

FOISA – Freedom of Information (Scotland) Act 2002

Heads of complaint – Individual complaints identified by PIRC

PIP – Post Incident Procedures

PIRC – Police Investigations and Review Commissioner

PSED – Public Sector Equality Duty

PSD – Professional Standards Division, Police Scotland

Senior Police Officer – Police Officer of rank of Assistant Chief Constable and above

SOP – Standard Operation Procedure

SPA – Scottish Police Authority

SMT – Senior Management Team

The Commissioner's Annual Report presents highlights of PIRC's achievements for the financial year 2021-2022 and details the organisation's performance against its objectives.

Copies can be downloaded from our website: pirc.scot

Design by StudioSVN



**Police Investigations &
Review Commissioner**

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