

Criminal Justice Committee - Pre-Budget Scrutiny 2026-2027 CJVSF response to Call for Views

The Criminal Justice Voluntary Sector Forum (CJVSF) is a collaboration of voluntary sector organisations working within justice in Scotland. It is hosted by the Coalition of Care and support Providers in Scotland (CCPS) and is funded by the Scottish Government and membership fees.

Our response to this call for views reflects the feedback we have received from our members, all of whom are working with people affected by Scotland's justice system. CJVSF members deliver a wide range of services for individuals and families in prisons and in the community.¹ Members work across a range of policy areas, including youth justice, children and families, community justice, social care, employability, health and housing.

Introduction

CJVSF provided a written response to the Committee's call for views for its 2025/26 pre-budget scrutiny in October 2024.² In this 2024 submission, CJVSF made a number of recommendations to the Committee for the Scottish Government, including on Fair Funding, prioritising investment in prevention, whole system approaches, human rights budgeting, accountability on stalled justice reform and ensuring lived experience expertise is resourced.

CJVSF welcomes the Criminal Justice Committee's report to the Scottish Government from the pre-budget scrutiny process in 2024. In particular, that the Committee highlighted stakeholder concerns at the pace of justice reform and transformation and made recommendations relating to moving to multi-year funding cycles, more transparency of in-year changes to portfolio budgets, and that proposed legislation must be accompanied by appropriate resources.³

Whilst there have been some fledgling signs of progress, such as the fairer funding pilot that provided multi-year funding grants to some third sector organisations,⁴ **CJVSF's core challenges raised in the 2024 submission essentially remain the same.** Our members continue to face a financially unstable environment in which to deliver crucial

¹ A full list of organisations that are members of the Forum can be found on the [CJVSF website](#).

² Scottish Parliament Criminal Justice Committee (2024) *Pre-budget scrutiny 2025/26*. Available at: [Pre-budget scrutiny 2025-26 | Scottish Parliament Website](#) (Accessed: 9 September 2025).

³ Criminal Justice Committee (2024) *Pre-budget Scrutiny 2025 to 2026*, 25 November 2024. Available at: <https://www.parliament.scot/-/media/files/committees/criminal-justice-committee/correspondence/2024/prebudget-scrutiny-report-letter-to-the-cabinet-secretary-jha-25-november-2024.pdf> (Accessed: 9 September 2025).

⁴ Scottish Government (2025) *Fairer funding for charities*. Available at: <https://www.gov.scot/news/fairer-funding-for-charities/> (Accessed: 9 September 2025).

services in Scotland, with in-year cuts, increasingly complex needs and increased demand, higher service delivery costs, a workforce under pressure and a lack of fair funding arrangements. Rather than repeating these all in detail, this 2025 submission will primarily focus on:

a) New pressures that have arisen for the third sector since the pre-budget scrutiny process in late 2024.

b) Our overarching and increasingly urgent call: until there is fundamental shift from investment in prisons to investment in the community, aspirations of the Vision for Justice in Scotland will not be realised.

New financial pressures facing the third sector in 2025

In June 2025, the Scottish Government released Scotland's Population Health Framework and a new strategy for the reform of public services in Scotland.⁵ They identify taking a whole-system approach to embedding prevention and early intervention, "*not as luxuries we cannot afford, but as essentials our services can't do without.*"⁶

Many CJVSF members deliver services focused on prevention and addressing the root causes and harms associated with contact with the justice system, including drugs and alcohol, homelessness, gender-based violence, social isolation and exclusion and inequality. However, whilst the Scottish Government's renewed commitment to prevention and early intervention is welcome, the ongoing realities of the wider funding environment do not support these aspirations.

In August 2025, 240 charities which provide health and social care in Scotland, including CJVSF members, signed an open letter to First Minister John Swinney warning of a profound sustainability crisis that is at tipping point. The letter included February 2025 poll data from CJVSF's host organisation, the Coalition of Care and Support Providers in Scotland (CCPS). Of the 50 not for profit social care providers polled, 67% said they were budgeting this year on the basis of reaching financial balance through reserves. Of these, 91% reported that they will no longer be a going concern within four years, if they continue to reach financial balance in this way. Across the third sector, SCVO research released recently revealed that in Spring 2025, 81% of charities and voluntary organisations face financial challenges that put essential services and support they deliver at risk – an increase of 10% since Spring 2023.⁷

Whilst underinvestment has been present for decades, 2025 to date has brought particularly brutal headwinds for the third sector, including the following:

Changes to employer National Insurance contributions (eNICs)

In the Scottish Government's response to the Committee's pre-budget scrutiny report for 2025/26, the Cabinet Secretary for Justice and Home Affairs noted the impact of the

⁵ Scottish Government (2025) *Part Three – Public Service Reform in Scotland: What needs to change*, in *Scotland's Public Service Reform Strategy: Delivering for Scotland*. Available at: <https://www.gov.scot/publications/scotlands-public-service-reform-strategy-delivering-scotland/> (Accessed: 9 September 2025).

⁶ Scottish Government and COSLA (2025) *Prevention Focused System*, in *Scotland's Population Health Framework*. Available at: <https://www.gov.scot/publications/scotlands-population-health-framework/> (Accessed: 9 September 2025).

⁷ Scottish Council for Voluntary Organisations (SCVO) (2025) *Wave ten – spring 2025 (Scottish Third Sector Tracker)*. Available at: <https://scvo.scot/research/scottish-third-sector-tracker/wave-10> (Accessed: 9 September 2025).

changes to employer National Insurance contributions (eNICs), including for third sector partners:⁸

*I have a particular concern about the impact of changes to employers' National Insurance contributions, which we know totals over £40 million across the JHA portfolio. Anything short of full funding of these costs by UK Government could have a significant impact across our major public bodies, **but also third sector partners in areas such as community justice and victim support.**" (emphasis added)*

Across the wider third sector in Scotland, the Scottish Council for Voluntary Organisations (SCVO) estimated that the changes would collectively cost approximately £75m.

In late 2024, the Chief Executive of CJVSF member Turning Point Scotland, wrote to the Cabinet Secretary for Health and Social Care following the UK Budget announcement warning that: *"as one of Scotland's larger social care providers this single change in tax policy has placed every one of our services into deficit. This is an unsustainable situation and will force the closure of our services."* Turning Point's services support thousands of vulnerable people, including those impacted by the justice system, alcohol and drug use and homelessness.⁹

To date, there has been no relief from the UK or Scottish Government for the additional costs of eNICs for the third sector.

Local Authority funding pressures

In the last financial year, impacts on services at a Local Authority level have been particularly acute for the third sector. In May 2025, the Accounts Commission found that despite an increase in Scottish Government funding, Local Authorities in Scotland were facing a budget gap of £647 million in 2025/26.¹⁰ These shortfalls have directly impacted third sector commissioned services. For example, Edinburgh Integration Joint Board cuts or reductions to third sector services targeted at prevention, early intervention and tackling inequalities.¹¹

Members have also raised concerns at recent commissioning and procurement practices by Local Authorities in tendering for third sector service provision. This includes instances of third sector organisations being asked to bring in additional financial resource when bidding for contracts. Members have concerns that their ability to bring financial resource to the table is being prioritised over a focus on quality of delivery and outcomes.

Across the country, some members have already had to close services, significantly reduce staff, and close referral routes. Members have observed that, whilst these may have resulted in temporary financial savings for Local Authorities, there are *"real human*

⁸ Scottish Government (2024) *Scottish Government Response to Criminal Justice Committee Pre-budget Scrutiny Report*, 4 December 2024. Available at: <https://www.parliament.scot/-/media/files/committees/criminal-justice-committee/correspondence/2024/scottish-government-response-to-criminal-justice-committee-prebudget-scrutiny-report-4-december-2024.pdf> (Accessed: 9 September 2025).

⁹ Turning Point Scotland *Letter to Cabinet Secretary for Health and Social Care, Neil Gray, regarding National Insurance increase*, 19 November 2024. Available at: [Letter to Cabinet Secretary for Health and Social Care, Neil Gray, regarding National Insurance increase – Scotland's leading social care developer and provider- Turning Point Scotland](#).

¹⁰ Audit Scotland (2025) *Local government budgets 2025/26*. Available at: <https://www.audit-scotland.gov.uk/publications/local-government-budgets-202526> (Accessed: 9 September 2025).

¹¹ Edinburgh Integration Joint Board (2025) *Review of Contracts and Service Level Agreements*, 26 August 2025. Available at [mgConvert2PDF.aspx](#)) Accessed: 9 September 2025).

costs” and the consequences are far reaching for social cohesion and community wellbeing.

Transparency of funding sources

At present it is also very difficult for stakeholders to assess and scrutinise the adequacy of Scottish Government funding routes to achieve national outcomes across interlinked areas, and how effectively it is being used. For example, certain amounts for community justice funding are administered to statutory justice services via Local Authorities, but there is still currently no clear way to know where this funding goes and how this links to outcomes in the community. At a local level, overall budget figures suggest that additional money is coming into the system, yet third sector services are still experiencing cuts.

The need for justice reinvestment in the community

Scotland’s justice system is at crisis point. Despite various strategies and shared hopes of building a system based in prevention, human rights and restoration, the prison population continues to rise to unsustainable levels. Emergency measures to release the “pressure valve” on prisons with the emergency releases of summer 2024 and the change to release points for short-term prisoners (“STP40”) in early 2025 have not reduced the prison population as hoped.

The Scottish Government’s transformation aspirations in *The Vision for Justice in Scotland* were strong and supported by the third sector. It emphasised person-centred and trauma-informed justice service, working across public services to improve outcomes for individuals and a focus on prevention and early intervention. It also recognised that achieving the vision requires a “*fundamental change*”, with “*iterative reforms and changes to existing structures and processes*” not being sufficient.¹²

However, members have experienced that “system needs” and tweaks to existing structures and processes too frequently take priority over that of outcomes for people and communities. Significant energy and resources are being diverted to crisis management, particularly in relation to the prison system. This has amplified the “implementation gap”, with key reforms stalling and the transfer of pressure from the prisons to community-based services, without being backed by additional resource.

The aspirations of justice system transformation are also not meaningfully reflected in the distribution priorities of the Scottish Government Budget. Following the pre-budget scrutiny last year, Scottish Government made an additional investment of £11m in community justice, with the majority directed towards justice social work to expand the availability of alternatives to custody, and an additional £1.9m for the third sector.¹³ This includes investment in the new national voluntary throughcare services to support people to prepare for returning to the community from prison.

¹² Scottish Government (2022) *The Vision for Justice in Scotland*. Available at: <https://www.gov.scot/publications/vision-justice-scotland/> (Accessed: 9 September 2025).

¹³ Scottish Government (2024) *Scottish Government Response to Criminal Justice Committee Pre-budget Scrutiny Report*, 4 December 2024. Available at: <https://www.parliament.scot/-/media/files/committees/criminal-justice-committee/correspondence/2024/scottish-government-response-to-criminal-justice-committee-prebudget-scrutiny-report-4-december-2024.pdf> (Accessed: 9 September 2025).

Whilst CJVSF welcomes these increases in funding, investment in community justice still represents a tiny proportion of the overall justice budget, and ring-fenced funding for the third sector within that is significantly smaller still. To put this in context:¹⁴

- The total budget for Community Justice in 2025/26 was £92.9m – 2.2% of the overall Justice & Home Affairs portfolio of £4.2bn. Of this, £8.2m was explicitly allocated to the third sector under the community justice allocation, which is 0.2% of the Justice & Home Affairs portfolio.
- In contrast, the 2025/26 Budget for the Scottish Prison Service was £881.1m (approximately 21%). The further substantial investment in prisons in 2025/26 far exceeded any increases to community justice funding. In the two years between 2023/24 and 2025/26, funding for the Scottish Prison Service increased from £526.2m to £881.1m – an increase in £354.9m – largely driven by rising prison population pressures and infrastructure needs.

Whole-system approaches

CJVSF recognises that this pre-Budget scrutiny process is primarily focused on the Justice and Home Affairs Budget. However, members have also consistently emphasised that there is a need to invest more consistently in whole systems approaches, recognising that trends and outcomes in justice contribute to and are affected by a whole range of national outcomes. This includes across justice, health, housing, social care, alcohol and drugs and whole family support funding streams.

For example, stable and secure housing is a key protective factor in reducing contact with the justice system, including returning to prison. Members have reported a deepening of the housing crisis in the last 12 -18 months. There is various reform work occurring, including with the Sustainable Housing on Release for Everyone (SHORE Standards), which aim to ensure that everyone has access to sustainable housing on release from prison, and the Housing (Scotland) Bill which includes provisions relating to homelessness prevention and placing “ask and act” statutory duties on public bodies, including the Scottish Prison Service when a person leaves prison. Whilst these are worthy goals, members have also expressed concerns regarding the resourcing and implementation of the proposed new duties, and how they would be monitored and enforced.¹⁵

Learning from other countries

Scotland is not unique in the challenges it is facing. Many Western countries are facing significant costs (both fiscal and societal) associated with rising prison populations, despite overall recorded crime decreasing over time.¹⁶

¹⁴ Scottish Government (2024) *Chapter 7: Justice & Home Affairs*, in *Scottish Budget 2025 to 2026*. Available at: <https://www.gov.scot/publications/scottish-budget-2025-2026/pages/18/> (Accessed: 9 September 2025).

¹⁵ Scottish Parliament Information Centre (2024) *Housing (Scotland) Bill: analysis of the call for views*. Available at: [\[housingbillsummary.pdf\]](#) (Accessed: 9 September 2025).

¹⁶ For example, in Scotland, whilst the nature of offending has changed, the recording of crime remains below the position immediately prior to the pandemic (2019-20) and down 51% from its peak in 1991. See Scottish Government (2025) *Recorded Crime in Scotland, 2024-25*. Available at: <https://www.gov.scot/publications/recorded-crime-in-scotland-2024-25/> (Accessed: 9 September 2025).

In the United States, the *Justice Reinvestment Initiative* is a successful bipartisan initiative created by Congress in 2010 in response to high incarceration rates and recidivism. By using data-driven decision-making, it identifies locally the factors that are contributing to high rates of prison admission and recidivism and prioritises only incarcerating those who pose a serious risk to public safety.¹⁷ This generates savings that are then reinvested in alternative responses and community-based supports. For example: Alaska strengthened local multi-organisation coalitions dedicated to coordinating and advancing violence prevention efforts; Louisiana invested in community-based prison alternatives and victims' services; Maryland invested in local community-based recidivism-reduction strategies and Massachusetts invested in supporting justice system-involved young adults and providing behavioural health services and housing supports.¹⁸

In England and Wales, the *Independent Review of Prison Capacity* for England and Wales was released in August 2025 – prompted by successive prison capacity crises to examine what went wrong and what could be done differently.¹⁹ There are significant lessons and synergies for Scotland. Key findings from the report included:

- Crisis management measures, such as early release programmes, only transfer pressures from prisons to the community:

“Early release measures and greater use of community alternatives do not by themselves reduce overall pressure: they displace it from prisons to probation third sector and community services, which have their own, less well-publicised, capacity problems.”²⁰

- Long term planning and strategic investment in, and with, community services, is essential for preventing repeated crises:

“...prison capacity crises will keep recurring unless there is sufficient investment outside prison – both in probation and in other community services - to support those being released and to tackle some of the underlying causes of offending.”²¹

“Probation, community services and the third sector are not pressure valves that can be turned on or off at will to relieve an overwhelmed prison system: they should be an integral part of leadership, planning and funding.”²²

- Lessons can be learned from successful early intervention measures supporting population groups that have bucked the trend of a rising prison population in England and Wales, such as under 18s:

¹⁷ Justice Reinvestment Initiative *About JRI*. Available at: <https://justicereinvestmentinitiative.org/about/> (Accessed: 9 September 2025).

¹⁸ Justice Reinvestment Initiative (May 2022) *Strengthening Community-Based Service Capacity through the Justice Reinvestment Initiative*. Available at: <https://justicereinvestmentinitiative.org/resources/strengthening-community-based-service-capacity/> (Accessed: 9 September 2025).

¹⁹ Ministry of Justice (2025) *Independent Review of Prison Capacity*. London: Ministry of Justice. Available at: <https://assets.publishing.service.gov.uk/media/6890b2b4dc6688ed508783d5/independent-prison-capacity-review-report.pdf> (Accessed: 9 September 2025).

²⁰ Ministry of Justice (2025) *Independent Review of Prison Capacity*. p. 6

²¹ Ministry of Justice (2025) *Independent Review of Prison Capacity*. p. 6

²² Ministry of Justice (2025) *Independent Review of Prison Capacity*. p. 63.

“This can be seen as a direct result of multidisciplinary, community-based, preventive and supportive approach, with imprisonment reserved for the most serious offending. That has not just meant disinvesting in prison: it has meant reinvesting in the community services that can prevent offending or reoffending.”²³

We also note that the recently published report from the *Independent Sentencing Review* in England and Wales includes a specific recommendation (recommendation 7.2) to increase funding available for the third sector.²⁴

Conclusion

Scotland’s Independent Sentencing and Penal Policy Commission is due to present its final report and recommendations before the end of 2025 – potentially offering a critical turning point this year for Scotland’s justice policy direction.²⁵ CJVSF re-affirms our calls from 2024, and hopes that the priorities of the next Scottish Government Budget will recognise the urgent need for justice re-investment and the core role played by the third sector in system transformation aspirations. As one of our members observed: *“third sector partners are powerless to implement the change that is needed, without a resource base to do so.”*

CJVSF recommends that the Criminal Justice Committee calls on the Scottish Government to:

- **Implement fair funding for the third sector, including long-term, flexible and sustainable funding arrangements.**
- **Ensure that funding for the third sector reflects the true costs of service delivery, including core operating costs; increased eNIC costs and responses to emergency and/or early release programmes.**
- **Prioritise investment in early intervention and prevention-based initiatives to address the drivers of crime.**
- **Use a strengthened human rights budgeting approach as articulated by the Scottish Human Rights Commission,²⁶ including carefully assessing the wider impacts of retrogressive budgetary decisions.**
- **Prioritise cross-portfolio funding arrangements that enable whole systems approaches and are clearly linked to national indicators and outcomes.**
- **Provide quarterly updates to the Criminal Justice Committee on the resourcing, delivery and outcomes of actions specified in the Programme for Government to support a sustainable reduction in the prison population.**
- **Ensure active, accessible and meaningful engagement of lived experience in policy development and that investment is allocated to support and enable this.**

²³ Ministry of Justice (2025) *Independent Review of Prison Capacity*. p. 6.

²⁴ Ministry of Justice (2025) *Independent Sentencing Review: Final report and proposals for reform*. London: Ministry of Justice. Available at: <https://www.gov.uk/government/publications/independent-sentencing-review-final-report> (Accessed: 23 May 2025).

²⁵ Scottish Government (2025) *Sentencing and Penal Policy Commission*. Available at: <https://www.gov.scot/groups/sentencing-and-penal-policy-commission/> (Accessed: 9 September 2025).

²⁶ Scottish Human Rights Commission *Human Rights Budgeting*. Available at: <https://www.scottishhumanrights.com/resources/human-rights-budgeting/> (Accessed: 9 September 2025).