### PROSTITUTION (OFFENCES AND SUPPORT) (SCOTLAND) BILL

### FINANCIAL MEMORANDUM

#### INTRODUCTION

1. As required under Rule 9.3.2 of the Parliament's Standing Orders, this Financial Memorandum is published to accompany the Prostitution (Offences and Support) (Scotland) Bill, introduced in the Scottish Parliament on 20 May 2025.

2. The following other accompanying documents are published separately:

- Explanatory Notes (SP Bill 69–EN);
- a Policy Memorandum (SP Bill 69–PM);
- a Delegated Powers Memorandum (SP Bill 69–DPM);
- statements on legislative competence made by the Presiding Officer and the Member in charge of the Bill (SP Bill 69–LC).

3. This Financial Memorandum has been prepared by Ash Regan MSP, the Member who introduced the Bill, to set out the costs associated with the measures introduced by the Bill. It does not form part of the Bill and has not been endorsed by the Parliament.

#### BACKGROUND

#### **Provisions of the Bill**

4. The aim of the Prostitution (Offences and Support) (Scotland) Bill is to reduce the amount of prostitution in Scotland because of the evidence of exploitation and the harms that it is causing. The Bill introduces a new criminal offence of paying for sexual acts, repeals section 46 of the Civic Government (Scotland) Act 1982 (the offence of soliciting for the purposes of prostitution in a public place) and quashes historic convictions under section 46 (sections 1-5).

5. The Bill also provides that people in prostitution have a legal right to support if they are or ever have been involved in prostitution and places a corresponding duty on the Scottish Ministers to ensure the provision of appropriate assistance and support for individuals to leave prostitution, including by provision of accommodation, financial and other material assistance and healthcare (section 6). This also includes support to leave prostitution. The Bill confers on the Scottish Ministers the power to make provision for that assistance and support in regulations.

#### Data on prostitution

6. It is difficult to estimate the number of people involved in or affected by prostitution and there are no definitive estimates or data of the numbers of people involved in prostitution in Scotland available.<sup>1</sup> However, by 2021, it was widely believed that across the UK there were 105,000 individuals involved in prostitution, of whom 96% were estimated to be female.<sup>2</sup> This represents an increase from the 2016 figures of 72,000 but with research showing that the number of men who have paid for sexual acts at least once has more than doubled in the last 35 years,<sup>3</sup> and with men's demand fuelling the sex trade, this increase seems likely. Based on Scotland's share of the population, this suggests that between 6000 and 8000 individuals may be involved in prostitution in Scotland.<sup>4</sup>

7. As the harms of prostitution are widespread and long-lasting, an estimated 90% or more of those individuals wish to exit prostitution,<sup>5</sup> but the same vulnerabilities that drive their involvement in prostitution make exiting a difficult and lengthy process requiring support from both mainstream and specialist services.

8. Selling sexual acts is currently criminalised under section 46 of the Civic Government Scotland Act 1982 ("the 1982 Act"). Since it first came into force, 10,459 individuals were convicted of soliciting for the purposes of prostitution.<sup>6</sup> Based on conviction data showing that of 410 individuals convicted under section 46 between 2012/13 and 2021/22 100% of the individuals involved were female, the Member believes that it is reasonable to assume that the overwhelming majority of the individuals convicted for soliciting in Scotland since 1982 are women and girls.<sup>7</sup>

9. Purchasing sexual acts is currently partially criminalised under the Prostitution (Public Places) (Scotland) Act 2007 ("the 2007 Act"), which criminalised kerb-crawling and loitering in public places for the purposes of soliciting sexual acts from a person involved in prostitution. In total, between 2007 and 2021/22, the last year for which data is available, 638 individuals were convicted under this Act. Based on conviction data showing that of 301 individuals convicted under the 2007 Act between 2012/13 and 2021/22 all but one of the individuals involved were male, the Member believes that it is reasonable to assume that the overwhelming majority of the individuals convicted for soliciting sexual acts from a person involved in prostitution since 2007 are men.<sup>8</sup>

<sup>6</sup> https://www.gov.scot/publications/foi-202300344456/.

<sup>&</sup>lt;sup>1</sup> Scottish Government, *Exploring available knowledge and evidence on prostitution in Scotland*, p. 90.

<sup>&</sup>lt;sup>2</sup> Streetlight UK, Annual Report 2021, p. 4, <u>https://www.streetlight.uk.com/wp-content/uploads/2021/02/ANNUAL-REPORT-2021-MASTER.pdf</u>.

<sup>&</sup>lt;sup>3</sup> M Hester et al., The nature and prevalence of prostitution and sex work in England and Wales today, Centre for Gender and Violence Research, University of Bristol, October 2019, p.37f.

<sup>&</sup>lt;sup>4</sup> Such estimates are typically based on extrapolating the numbers of those accessing support services across the whole of the UK. They are therefore likely to exclude groups less likely to access services, such as victims of trafficking, migrants or escorts, and individuals who exchange sexual acts for rent, food or other provisions in lieu of money.

<sup>&</sup>lt;sup>5</sup> M. Farley et al., 'Prostitution and Trafficking in Nine Countries: An Update on Violence and Posttraumatic Stress Disorder', Journal of Trauma Practice, Vol. 2 No.3/4, 2004, pp. 33-74, p. 34.

<sup>&</sup>lt;sup>7</sup> <u>https://www.gov.scot/publications/foi-202300383839/</u>.

<sup>&</sup>lt;sup>8</sup> https://www.gov.scot/publications/foi-202300383839/.

10. In total, between 2003/04 and 2022/23, Police Scotland recorded 7489 crimes under section 46 of the Civic Government Scotland Act 1982 and 1504 crimes under the 2007 Act between 2007/8 and 2022/23.

11. The Member notes that from 2019/20 until 2022/23, the last year for which figures have been published, the Covid epidemic and subsequent lockdowns have had an impact on the policing and prosecuting of both offences, which can be seen in the data. There is also still a backlog of cases moving through the courts. The Member believes that the data for these years is not representative of the overall figures for these offences and has therefore excluded the Covid years from the calculations that follow.

#### Methodology

12. To estimate the costs of the provisions of the Bill, the Member first analysed the available data on convictions under section 46 and the 2007 Act. The Member further researched the record retention policies of Police Scotland and the Scottish Courts and Tribunal Service (SCTS) to establish the number of convictions under section 46 that are still on record to estimate how many individuals would seek confirmation of the quashing.

13. Requests for data and information was sought from Police Scotland, SCTS, the National Records Archive of Scotland, published answers to Freedom of Information requests and Scottish Government publications on the Equally Safe fund as well as the Victim Centred Approach Fund. Relevant financial data was also obtained from submissions to the Member's Consultation on the Bill. Information on graded pay scales for Scottish Government employees and costings for marketing campaigns and other public awareness raising strategies were derived from sources published by the Scottish Government or businesses providing relevant services.

14. In estimating costs, the Member also drew on exchanges with frontline workers, submissions to the consultation and several relevant financial memorandums published by the Scottish Government. A detailed explanation of how the costs of each provision were estimated is given in the relevant section of this document.

#### **COSTS OF PROSTITUTION**

15. The member believes that addressing prostitution through public policy is not only an ethical obligation but also a financial necessity. Evidence from studies and case reports demonstrates that ignoring prostitution imposes substantial costs on society, individuals, and public resources.

#### Individual costs

16. The Nordic Model Now report, "Social and Economic Costs of Prostitution and Other Forms of Sexual Exploitation",<sup>9</sup> presents case studies based on the lived experiences of Sarah and Arlene. These cases illustrate the financial toll prostitution inflicts on individuals, including:

<sup>&</sup>lt;sup>9</sup> <u>https://nordicmodelnow.org/wp-content/uploads/2025/02/Social-and-Economic-Costs-of-Prostitution-and-other-forms-of-sexual-exploitation.pdf</u>.

- NHS costs for physical and mental health treatments.
- Benefits and policing costs for social support and justice measures.
- Personal costs, including therapy and financial instability.

17. While these are individual case studies, they are typical of the experiences of women in prostitution and highlight the considerable strain on public resources, with lifetime costs exceeding £350,000 for each individual impacted.

#### Societal costs

18. The French report, "ProstCost: An Estimate of the Economic and Social Cost of Prostitution in France",<sup>10</sup> estimates that prostitution cost French society  $\in 1.6$  billion annually before the adoption of the Nordic Model. The findings encompass:

- Medical, social, and law enforcement costs.
- Tax evasion amounting to €853 million annually, as the €3.2 billion turnover of prostitution largely escaped the tax system.
- Human costs, including higher rates of physical violence, psychological trauma, rape, and suicide among those in prostitution.

19. The report highlights the minimal funding allocated to prevention and support efforts at the time of publication in 2016, at just  $\notin 2.4$  million per year—a mere  $\notin 65$  per person per year, compared to the estimated  $\notin 311$  million in human costs borne by women engaged in prostitution themselves.

20. The Member believes that ignoring prostitution perpetuates these financial and human burdens, and that investment in prevention, support, and measures to reduce demand will not only alleviate societal costs but also offer a pathway for individuals to exit exploitation.

### COSTS OF THE PROVISIONS OF THE BILL

21. As this Bill seeks to repeal section 46 of the 1982 Act and criminalise the purchase of sexual acts in all locations, the Member expects that there will be small savings associated with decriminalising sellers of sexual acts. No assumptions have been made as to the exact savings, as Police Scotland as well as the Crown Office and Procurator Fiscal Service (COPFS) now consider prostituted women and girls to be victims of commercial sexual exploitation rather than criminals which has been reflected in a steady decline in arrests, charges and convictions.

22. The Member expects that there will be costs associated with criminalising buyers of sexual acts, for Police Scotland, the Crown Office and Procurator Fiscal Service, the Scottish Courts and Tribunals Service, the Scottish Prison Service and local authorities.

<sup>&</sup>lt;sup>10</sup> <u>https://prostitutionresearch.com/wp-content/uploads/2016/03/Estimate-of-the-Economic-and-Social-Cost-of-Prostitution.pdf</u>.

23. The Member also expects one-off costs associated with the quashing historic convictions under section 46 as well as small costs associated with raising public awareness of the new law. The Member believes that costs associated with services that support women and girls in prostitution should be met under the existing Delivering Equally Safe Fund, to which the Scottish Government allocated £21.6 million for the year 2025/26, and the Victim Centred Approach Fund to which the Scottish Government allocated £48 million between 2022 and 2025. This is discussed in further detail in the relevant section below.

24. The Member also estimates modest costs for a campaign to inform the public about the provisions of this Bill.

25. Costs associated with each section of the Bill are set out in detail below.

#### COSTS OF THE NEW OFFENCE OF PURCHASING SEXUAL ACTS

26. Subsection (1) of section 1 makes it an offence for a person (A) to obtain for themselves the performance of a sexual act by another person (B) by paying or promising to pay B or a third person for the performance of that act. It also makes it an offence for A to intentionally obtain for themselves the performance of a sexual act by B by where a person other than A (for example, an acquaintance of A) pays or promises to pay B or a third person for the performance of that act, so long as A knows that another person has made or promised that payment before obtaining performance of that act.

27. Subsection (2) details the penalties for those convicted: (a) on summary conviction, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum or both and (b) on conviction on indictment, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum or both.

#### Costs on the Scottish Administration

#### Costs on Police Scotland

28. The exact increase in costs associated with policing the new offence will depend on the number of additional cases recorded and proceeded with under section 1 of this Bill. The 2007 Act already criminalises buyers of sexual acts, albeit in relation to public places, with most cases arising from on-street prostitution. The Member expects that this Bill will not merely extend the locations where buying sexual acts is criminalised, but that it will also become an important tool for Police Scotland in tackling brothel-keeping and procuration offences and curbing the crime of human trafficking. The Member therefore expects that in addition to the cases typically brought under the 2007 Act, this Bill will lead to an increase in the number of recorded crimes and proceedings.

29. Between 2012/13 and 2019/20, there was an average of 90 recorded crimes for buying sexual acts under the 2007 Act, an average of 50 charges and an average of 40 convictions annually. As the Bill criminalises the purchase of sexual acts in any setting, not just in public places, it is reasonable to assume that there will be an increase in the numbers of recorded crimes and court proceedings. As it is difficult to predict future numbers, the Member is estimating costs by using a range: a low, medium and high increase of 50%, 100% and 150% respectively. Thus,

the Member is basing total cost estimates on 45, 90 and 135 additional recorded crimes and 25, 50 and 75 additional charges brought to court.

30. Although most prostitution in Scotland now occurs indoors, on-street prostitution remains more visible, has a greater impact on surrounding communities, and is less time-consuming to police. Based on Police Scotland's recently published national approach to prostitution-which includes a stronger focus on enforcing the 2007 Act-the Member believes it is reasonable to expect that any additional cases will be roughly evenly split between on-street and indoor prostitution.<sup>11</sup> The Member estimates that an average on-street prostitution case requires approximately three hours of police time prior to an arrest. Police already play a significant role in policing on-street prostitution, and enforcement of the new offence will, in part, resemble the current procedures under the 2007 Act. However, in 2024, Police Scotland presented to the Cross-Party Group on Commercial Sexual Exploitation with information highlighting investigations into off-street locations. Based on this, the Member anticipates additional policing costs related to indoor prostitution, such as time spent tracking online advertisements and identifying locations and buyers. Accordingly, the Member estimates that an indoor prostitution case requires, on average, three times the police time of an on-street case. Given the expected even split between on-street and indoor cases, this translates to an average of six hours of police time prior to an arrest for each additional case.

31. The Financial Memorandum accompanying the Prostitution (Public Places) (Scotland) Bill previously estimated that preparing a report for COPFS and providing court evidence requires around six hours of police time per case, costing approximately £150 per case at the 2006/07 rate of £25 per hour. Adjusted for inflation, this equates to £236.90 per case or £39.50 per hour in 2024/25 prices. More recently, the Financial Memorandum for the Dogs (Protection of Livestock) (Amendment) (Scotland) Bill in 2020 cited Police Scotland's estimate of police constable costs at £60 per hour. As of April 2024, Police Scotland has revised this figure to £79.50 per hour.<sup>12</sup> Using this most recent rate, the Member calculates that each additional recorded crime will require an average of 6 hours of police time, costing approximately £477 per case.

32. Assuming each case that proceeds to charge requires on average an additional six hours of police work at a cost of  $\pounds$ 477 per case, the Member's estimate of the increase in recorded crimes and prosecutions is as follows:

Additional cases	Recorded crimes	Proceedings	Total
Low estimate	45 at a cost of £21,465	25 at a cost of £11,925	£33,390
Medium estimate	90 at a cost of £42,930	50 at a cost of £23,850	£66,780
High estimate	135 at a cost of £64,395	75 at a cost of £35,775	£100,170

Table 1 – Estimated Police Scotland costs  $(2024/25)^{13}$ 

<sup>11</sup> Police Scotland, Op Begonia – New national approach to prostitution, 30 April 2025, <u>https://www.scotland.police.uk/what-s-happening/news/2025/april/op-begonia-new-national-approach-to-prostitution/#:~:text=Officers%20will%20focus%20on%20areas,anyone%20attempting%20to%20purchase%20sex.</u> <sup>12</sup> <u>https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.scotland.police.uk%2Fspa-media%2Fyuppibtn%2Fcost-of-services-2024.docx.</u>

<sup>&</sup>lt;sup>13</sup> The costs here are expressed at 2024/25 prices but are expected to recur annually.

33. There will also be one-off training costs for Police Scotland to prepare for the introduction of the new offence. The estimated cost of delivering a two-hour training session to all approximately 17,000 Police Scotland officers, assuming the training is conducted in-house during normal working hours, is approximately £17,000 to £85,000. This range reflects primarily the indirect costs associated with preparation time, internal trainers' time, administrative coordination, and the production of training materials. Since the training would take place within existing police facilities using available resources, there would be no additional costs for venue hire or equipment. Moreover, as officers would attend during their standard duty hours, no overtime or backfill costs are anticipated. The lower end of the estimate assumes minimal preparation and resource use, while the higher end allows for more substantial internal coordination and material development. This approach significantly reduces direct financial outlay, with the main consideration being the temporary diversion of officers from frontline duties during the training period.

34. The Member acknowledges that while it is unlikely that all Police Scotland officers would receive this training, and it is possible that those directly involved in policing sexual offences may require more than two hours of instruction, the Member's estimate has nonetheless been based on the assumption that all officers receive a two-hour training session. This assumption is intended to provide a reasonable and balanced basis for cost estimation, recognising that while not wholly reflective of operational reality, it allows for a consistent and pragmatic approach to calculating potential resource implications.

#### Costs on the Scottish Courts and Tribunals Service

35. To estimate the costs of the additional cases proceeded with, the Member made use of Table 2 of the Scottish Government document, 'Cost of the criminal justice system in Scotland dataset'.<sup>14</sup> This is the most recent document to set out estimates of the unit expenditure of criminal procedures for 2016-17. It contains costs for proceedings in each type of court, High Court, Sheriff Court (solemn and summary procedure) and Justice of the Peace Court as well as the average cost of prosecuting each case and the average cost of legal assistance. These costs are as follows:

Court	Prosecution	Court costs	Legal assistance
High Court	£67,568	£16,650	£16,080
Sheriff Court (Solemn)	£4,363	£2,190	£1,622
Sheriff Court (Summary)	£444	£430	£604
Justice of the Peace Court	£444	£243	£321

Table 2 – Scottish courts costs (2016/17)

<sup>&</sup>lt;sup>14</sup> <u>https://www.gov.scot/publications/costs-of-the-criminal-justice-system-in-scotland-dataset-2016-17-published-december-2019/</u>.

36. Updating those figures to account for inflation<sup>15</sup>, expressed at 2024-25 prices, they are:

Court	Prosecution	Court costs	Legal assistance	Total
High Court	£88,409	£21,786	£21,040	£131,235
Sheriff Court (Solemn)	£5,709	£2,866	£2,122	£10,697
Sheriff Court (Summary)	£581	£563	£790	£1,934
Justice of the Peace Court	£581	£318	£420	£1,319

Table 3 – Estimated Scottish courts costs  $(2024/25)^{16}$ 

37. To estimate the costs of additional proceedings for the new offence for each scenario (low, medium or high estimate), this Memorandum uses the total in column 5 in Table 3 to estimate the average cost of a case under section 1 of this Bill being considered in court.

38. Under the provisions of the 2007 Act and section 46 of the 1982 Act, cases are to be considered under summary procedure. The Member expects that the majority of additional cases resulting from this Bill will continue to be tried as summary cases. While the Bill allows for cases involving the purchase of sexual acts to be prosecuted in any of the courts outlined in Tables 2 and 3, it is highly unlikely that such a case—where this is the sole charge—would be heard in the High Court.

39. It is possible that a charge under section 1 of this Bill may be tried in the High Court as part of a broader case involving more serious offenses, such as human trafficking or organized crime. However, the Member considers the likelihood of a case involving a single charge for the purchase of sexual acts being considered in the High Court to be negligible, with such cases expected to remain within the jurisdiction of the Sheriff Court or the Justice of the Peace Court to ensure proportionality and judicial efficiency.

40. As outlined in paragraph 29, the Member estimates the potential costs of the new offence by assuming that the Bill could result in 25, 50, or 75 additional prosecutions each year. Compared to serious crimes such as murder, organised crime, drug trafficking and arson, this offence is considered lower level and would typically be prosecuted in the lower courts. The Financial Memorandum accompanying the Prostitution (Public Places) (Scotland) Bill assumed that all cases against purchasers would be considered by the lowest court.

41. In the interest of providing a reasonable estimate and as the new offence carries a higher maximum penalty, the Member assumes that while around 50% of the additional cases resulting from this Bill will still be considered by the lowest court, about 35% may be considered under summary procedure at the Sheriff Court with the remaining cases of about 15% considered under solemn procedure at the Sheriff Court.

<sup>&</sup>lt;sup>15</sup> Using the SPICe real terms calculator – Available at: <u>Real terms calculator – SPICe Spotlight | Solas air SPICe</u> (accessed April 2025).

<sup>&</sup>lt;sup>16</sup> The costs here are expressed at 2024/25 prices but are expected to recur annually.

42. For the purposes of the assumptions made in this Memorandum, this would mean that, if the Bill results in 25 to 75 additional proceedings brought to the courts, 12 to 38 would be in the Justice of the Peace Court, 8 to 26 under summary procedure in the Sheriff Court and 5 to 11 would be in the Sheriff Court under solemn procedure.

43. According to the inflation-adjusted figures in Table 3, the "cost per case" figures used to estimate the total costs of the low, medium and high scenarios are £1,319 for the Justice of the Peace Court, £1,934 for a summary procedure in the Sheriff Court and £10,697 for a solemn procedure in the Sheriff Court.

44. Table 4 details the total cost of additional cases being brought as a result of this Bill according to the low, medium and high estimates:

Court	Cost of 25 new cases (broken down by court)	Cost of 50 new cases (broken down by court)	Cost of 75 new cases (broken down by court)	Range of costs
Sheriff Court (Solemn) (ca 15%)	5 cases £53, 485	8 cases £85,576	11 cases £117,667	£53,485 to £117,667
Sheriff Court (Summary) (ca 35%)	8 cases £15,472	17 cases £32,878	26 cases £50,284	£15,472 to £50,284
Justice of the Peace Court (ca 50%)	12 cases £15,828	25 cases £32,975	38 cases £50,122	£15,828 to £50,122
Total	£84,785	£151,429	£218,073	£84,785 to £218,073

Table 4 – Cost of additional cases being brought<sup>17</sup>

45. This Memorandum therefore projects that the likely additional costs, at 2024/25 prices, of bringing additional prosecutions for the purchase of sexual acts under this Bill (over and above those currently prosecuted under the 2007 Act) will be in the range of £84,785 to £218,073 per annum.

<sup>&</sup>lt;sup>17</sup> Figures in Table 3 have been rounded up or down to the nearest pound.

#### Costs on the Scottish Prison Service

46. Further costs may arise from the new offence under section 1 of this Bill on the Scottish Prison Service.

47. The Bill provides for a person convicted of purchasing sexual acts to be punished by a sentence in prison of up to 6 months on summary conviction; up to one year on indictment, and/or the maximum fine level available to the court that the case is considered in.

48. The Member recognises that sentencing is a matter for the courts, and furthermore that there will be variables depending on the nature of each case. There is however a presumption against sentences being handed down of 12 months or less,<sup>18</sup> and the Member believes it is therefore reasonable to assume that very few, if any, of these cases will result in prison sentences.

49. According to Appendix 9 of the Scottish Prison Service's Annual Report for 2023/24, the annual cost per prisoner in that year was  $\pounds 47,140.^{19}$  Adjusting for inflation, this means that the annual cost per prisoner in 2024/25 is projected to be  $\pounds 48,931.^{20}$ 

50. With an estimate of between 5 and 11 of the additional cases arising from this Bill to be prosecuted under solemn procedure, the Member assumes that no more than 10% will result in imprisonment for the maximum 12 months.

51. It is of course for the Parole Board of Scotland to decide how much of that sentence is served in prison. However, for the purposes of this Memorandum, it is assumed that a person handed a 12-month sentence will serve no more than six months in prison. The cost of a six-month sentence would be  $\pounds 24,466$ . (If the maximum sentence is not given, this may be an overestimate). At an assumed 10% of cases (rounded up) this would mean 2 cases at most involving prison sentences, giving a range of  $\pounds 24,466$  to  $\pounds 48,931$ .

52. The Member further assumes that the presumption against sentences of 12 months or less will result in sentences under summary procedure to result in alternative community sentences being handed down instead. Again, assuming that there will be no more than 10% of cases that result in such sentences, rounded up this means that an estimated one to three convictions will result in a community sentence.

53. These orders do not involve the Scottish Prison Service but are supervised by local authorities instead. They are listed here merely to detail sentencing assumptions and will be accounted for in the section on costs on local authorities.

54. The Member therefore estimates that the annual cost on the Scottish Prison Service will be no more that **£48,931** per year.

<sup>&</sup>lt;sup>18</sup> <u>https://www.gov.scot/news/presumption-against-short-sentences-extended/</u>.

<sup>&</sup>lt;sup>19</sup> <u>Scottish Prison Service Annual Report and Accounts 2023-24 | Scottish Prison Service.</u>

<sup>&</sup>lt;sup>20</sup> <u>Real terms calculator - SPICe Spotlight | Solas air SPICe</u> (accessed: April 2025).

#### Costs on local authorities

55. As detailed above, the Member assumes that around 10% of cases may result in community payback orders being handed down. The average cost of an offender undertaking a community payback order in 2020/21 was  $\pounds1,894$ .<sup>21</sup> Adjusting for inflation, the average cost in 2024/25 would be  $\pounds2,215$ . Taking the low, medium and high estimate into account, the cost of community payback orders for summary proceedings would therefore range from  $\pounds2,215$  to  $\pounds6,645$ .

#### Costs on other bodies, individuals, and businesses

56. There will be no new costs falling on other bodies, individuals and businesses as a consequence of this section.

#### COSTS OF THE REPEAL OF SECTION 46 AND QUASHING OF CONVICTIONS

57. Section 2 of this Bill provides for a repeal of section 46 of the 1982 Act while section 4 of the Bill provides for the quashing of historic convictions under section 46.

#### Costs on the Scottish Administration

58. All convictions under section 46 of the 1982 Act are to be quashed automatically. Because section 46 relates to a single, specific offence, there will be no review necessary of individual cases to establish relevance with this Bill. Due to the sensitive nature of this offence, the Bill does not contain provisions putting a duty on the Scottish Government to identify and notify those convicted under section 46. Anyone with a conviction under section 46 should consider their conviction quashed.

59. Under the Disclosure (Scotland) Act 2020, which came into force on 1 April 2020, spent convictions under section 46 do not have to be disclosed on a Level 1 or Level 2 check. The Management of Offenders (Scotland) Act 2019 changed how long it takes for a section 46 conviction to be spent, which is one year for adults and 6 months for under 18s.

60. However, because there are differences in how the convictions for soliciting are treated in England and Wales and because it is likely that women with a section 46 conviction may be unaware of these changes, especially if their convictions predate these Acts coming into force, the Member expects that a number of women with this conviction will seek reassurance that their conviction has been quashed.

61. There have been 10,459 convictions under section 46 between 1982 and 2023/24.<sup>22</sup>. Over the last 20 years, from 2005/06, there were a total of 1,893 such convictions. The Member believes that those with a conviction within the last twenty years from when this Bill comes into force would be most likely to seek confirmation of the quashing.

<sup>&</sup>lt;sup>21</sup> <u>https://www.parliament.scot/-/media/files/legislation/bills/s5-bills/dogs-protection-of-livestock-amendment-scotland-bill.pdf</u>.

 $<sup>^{22}</sup>$  2023/24 is the last year for which detailed conviction data on prostitution related offences is available to the Member. There were no convictions under section 46 between 2020/21 and 2023/24.

62. From exchanges with survivors of prostitution and public statements of other survivors, the Member is aware that prostituted women typically received several convictions under section 46. One survivor, for instance, who was trafficked into prostitution aged 15, has stated that she had 39 convictions for soliciting by the time she was 17.<sup>23</sup> The Member expects therefore that these 1,893 convictions do not equate to 1,893 individuals seeking reassurance but that the true number of women contacting the Scottish Government will be far lower and has produced an estimate of costs based on 500, 1000 and 1500 letters being requested.

63. The Member therefore estimates that small administrative costs will fall on the Scottish Government in drafting and posting a standard confirmation letter that will be issued on the request of a woman with a section 46 conviction. As there is to be no review of individual cases, the Member estimates that it will take an  $A3^{24}$  member of staff approximately one hour to draft a confirmation letter template and approximately 30 minutes to add personal details, print and post each individual letter.

64. The average hourly cost of an A3 member of staff in the Scottish Government is approximately £18.49 per hour.<sup>25</sup> The cost of drafting a standard pro-forma letter (1 hour) is £18.49, and the cost of posting individual letters (30 minutes per letter) varies depending on the number of letters sent.

65. The average hourly cost of an A4 member of staff in the Scottish Government is approximately  $\pounds 21.31$  per hour.<sup>26</sup> The A4 employee is expected to review the drafted letter, requiring 30 minutes, which amounts to  $\pounds 10.66$  in costs.

66. Using these hourly rates, the total costs based on different volumes of letters are:

Letters sent	A3 Drafting 1hr	A4 Review (30 mins)	A3 Posting (30 mins per letter)	Total Cost
500	£18.49	£10.66	£4,620.00	£4,649.15
1000	£18.49	£10.66	£9,240.00	£9,269.15
1500	£18.49	£10.66	£13,860.00	£13,889.15

 Table 5 – Cost of confirmation letters

#### Costs on Police Scotland

67. The Member expects that small additional costs may arise for Police Scotland as a result of the quashing of convictions. The crime code associated with section 46 in the Scottish Criminal History System (SCH System) is 18/010. Police Scotland would be expected to identify all records

<sup>&</sup>lt;sup>23</sup> <u>https://www.centreforwomensjustice.org.uk/hope</u>.

<sup>&</sup>lt;sup>24</sup> A3 employees typically handle administrative tasks, including drafting standard letters. They may follow templates or guidelines provided by higher-grade staff.

 $<sup>^{25}</sup>$  As of April 2024, A3 employees receive a salary between £25,235 and £28,131 per year, with a midpoint salary of £26,683 selected for illustrative purposes. Accounting for employer costs such as pensions and National Insurance, total salary costs are approximately £35,577, leading to an hourly cost of £18.49 per hour.

 $<sup>^{26}</sup>$  A4 employees receive a salary between £28,744 and £32,779 per year, with a midpoint salary of £30,762 used for calculations. With employer costs included, total salary costs rise to £41,016, resulting in an hourly cost of £21.31.

associated with this crime code and mark all convictions with this crime code as quashed. As the records are fully digitised, this is expected to be a minor adjustment. Based on current workload estimations, it is anticipated that this task would require approximately one day of administrative staff time. With an A4 employee's hourly cost of £21.31 (including employer costs), this would result in an estimated cost of £170.48 for the adjustment process (based on an 8-hour working day).

#### Costs on the Scottish Courts and Tribunals Service

68. The Scottish Courts and Tribunals Service have not been able to confirm how many paper records they retain that are older than ten years for these convictions, and they also hold digital records. They have informed the Member that there will be considerable costs in identifying and amending the paper records they hold. They have estimated that if they hold records of all 10,459 convictions, the upper cost of amending all of them to reflect the quashing would be £210,000.<sup>27</sup>

69. SCTS also provided an estimate for amending its digital records to reflect the quashing of these convictions at **£35,000**.

#### Costs on National Records of Scotland

70. National Records of Scotland (NRS) have confirmed that they hold records of summary cases on criminal and quasi-criminal roll books, which are Sheriff Court records. NRS believe that they hold some paper records of convictions under section 46, but do not at this point know how many. They note that not all roll books would record outcomes of cases and that from the 1990s onwards, court records were stored on computer databases. Referring to the implementation of the Historical Sexual Offences (Pardons and Disregards) Scotland Act, NRS highlight that they do not themselves amend the records they hold, instead this is done by SCTS employees who would attend NRS premises to do so. The Member therefore estimates that minimal costs would fall on NRS, mainly associated with their staff locating relevant roll books and supervising SCTS staff should any roll books need to be amended.

#### **Costs on local authorities**

71. There will be no new costs falling on local authorities as a consequence of this section.

#### Costs on other bodies, individuals, and businesses

72. There will be no new costs falling on other bodies, individuals and businesses as a consequence of this section.

#### COSTS OF INTRODUCING A STATUTORY RIGHT TO SUPPORT

73. Sections 6 and 7 of the Bill contain provisions for a right to support to all those who are or have been involved in prostitution. The individuals meeting the criteria set out in the law have a legally guaranteed entitlement to assistance from the Scottish Government. This provision ensures

<sup>&</sup>lt;sup>27</sup> The estimate was provided to the Member in May 2025, therefore no inflation adjustment is necessary.

that support is not discretionary but mandatory, meaning Ministers must ensure that qualifying individuals receive assistance.

74. Under this Bill, the right to support applies to anyone currently or previously involved in prostitution, regardless of when their involvement occurred. This is significant because it recognises the long-term effects of prostitution and ensures that support is available even if someone has since exited prostitution. The assistance provided cannot be conditional on cooperating in criminal investigations and can only be offered with the person's consent, ensuring their autonomy in accessing services.

#### Costs on the Scottish Administration

75. While the introduction of a statutory right to support for people who are or have been involved in prostitution may not require the creation of entirely new funding streams, the Member believes it will increase pressure on existing services. Many organisations that provide support services already receive funding through Delivering Equally Safe, the Scottish Government's core mechanism for addressing male violence against women and girls The fund, which has recently increased to £21.6 million,<sup>28</sup> ensures that essential services such as housing, healthcare, and emotional support remain accessible to those affected. More than 100 organisations across Scotland benefit from this funding, supporting both preventative measures and direct assistance for survivors.

76. The Member considers that the Scottish Government has a legal obligation under the Istanbul Convention to ensure that specialist services are accessible to all victims of violence against women and girls, including those affected by commercial sexual exploitation. Article 22 of the Convention requires that support services be "adequately resourced" and that they respond to the "specific needs of victims in a gender-sensitive manner."<sup>29</sup> In the Member's view, the implementation of a statutory right to support creates an opportunity for the Scottish Government to review whether current levels of investment and distribution of resources are sufficient to meet these obligations, particularly for women and girls who are or have been involved in prostitution.

77. The strategic review<sup>30</sup> of Delivering Equally Safe (DES) recognised the need for specialised support for women affected by commercial sexual exploitation and recommended continued funding for organisations providing direct assistance, outreach, and policy development in this area. The review also suggested that future funding models may explore more targeted investment in CSE-specific services to ensure that women affected by prostitution and exploitation receive specialized, trauma-informed care tailored to their circumstances. The Member is of the opinion that the Review's findings are directly relevant to the aims of this Bill. The review further emphasised "that there is a significant gap between the current funding and the funding which will be required to provide our minimum core services to all who need them. If we are truly committed to living up to the necessary demands on governments of the Istanbul Convention, UNCRC, CEDAW, ICESRC, and other human rights instruments, and to act meaningfully to eradicate

<sup>&</sup>lt;sup>28</sup> <u>https://www.gov.scot/news/funding-boost-to-tackle-gender-based-violence/</u>.

<sup>&</sup>lt;sup>29</sup> Council of Europe, Convention on Preventing and Combating Violence Against Women and Domestic Violence (adopted 11 May 2011, entered into force 1 August 2014) CETS No 210, art 22.

<sup>&</sup>lt;sup>30</sup> Independent Strategic Review of Funding and Commissioning of Violence Against Women and Girls Services, published 6 June 2023, <u>https://www.gov.scot/publications/violence-against-women-girls-independent-strategic-review-funding-commissioning-services-report/documents/</u>.

VAWG, that gap will need to be filled." It concluded that "an immediate review of funding allocations and an uplift in public resources allocated to VAWG" was needed.<sup>31</sup>

78. While it is challenging to predict the exact amount of additional funding that should be allocated from the DES fund as a consequence of this bill, responses to the Member's consultation from local authorities and frontline services, including both mainstream Violence Against Women and Girls (VAWG) services and specialist Commercial Sexual Exploitation (CSE) services, have highlighted concerns regarding the current availability of funding. The Member takes the view that implementation of the statutory right to support will require careful review of how DES funds are allocated and whether additional resources are required to meet the Bill's aims in line with Scotland's obligations under the Istanbul Convention.

79. Consultation submissions from stakeholders echoed these findings and consistently pointed out the limited availability of specialist services and the impact of insecure, short-term, and localised funding on services supporting women and girls who are or have been involved in prostitution. The Member believes that these funding challenges risk undermining the effective delivery of trauma-informed, specialist care. For example, the Women's Support Project noted that "there has been under-investment of CSE over the decades and recent funding has been inadequate. Substantial additional resources are therefore needed to raise awareness, public education, training, resources and information, participation, and consultation with women."<sup>32</sup>

80. According to Glasgow City Council, "to implement the model of service delivered in Glasgow by Routes Out<sup>33</sup> requires £400,000 of local authority funding. To replicate this service across Scotland would require public sector funding to deliver the required support services."<sup>34</sup> The Glasgow model offers a practical example of the level of resource required to deliver meaningful support at a local level. The Member considers that replicating such provision across Scotland would require coordinated investment and oversight to ensure that all women and girls entitled to support under the Bill can access high-quality, specialist services, regardless of where they live. This reinforces the strategic review's conclusion that targeted, sustained funding is essential if Scotland is to meet its human rights obligations and eradicate violence against women and girls in all its forms.

81. The Member's estimate of national funding requirements is based on the model of service provision currently delivered in Glasgow. To estimate the total funding required to support individuals currently or previously involved in prostitution across Scotland, the Member used available conviction data as a proxy for the scale of need.<sup>35</sup> Specifically, the Member analysed prostitution-related convictions from 2013 to 2017, using these figures to determine Glasgow's share relative to the national total. Over this five-year period, Scotland recorded an average of approximately 907 convictions annually for offences related to prostitution. Of these, an average of around 634 occurred in Glasgow each year.

<sup>&</sup>lt;sup>31</sup> Independent Strategic Review, p. 79.

<sup>&</sup>lt;sup>32</sup> Summary of Consultation Responses, p. 81.

<sup>&</sup>lt;sup>33</sup> Routes Out is a specialist service in Glasgow offering comprehensive support to women in prostitution, including counselling, one-to-one support, exiting support, outreach programmes and medical services.

<sup>&</sup>lt;sup>34</sup> Summary of Consultation Responses, p. 81.

<sup>&</sup>lt;sup>35</sup> <u>https://www.gov.scot/publications/foi-202300383839/</u>, Table 2.

82. This means that Glasgow accounted for roughly 69.9% of prostitution-related convictions across Scotland during that period. The Member believes that although conviction numbers cannot capture the full extent of involvement in prostitution, they can provide a reasonable indicator for estimating the proportional distribution of need between local authorities.

83. Based on this proportional approach, and using Glasgow's annual funding provision of  $\pounds400,000$  as a baseline, the remaining 30.1% of need across Scotland would require approximately  $\pounds172,389$ . This results in an estimated total national funding requirement of  $\pounds572,389$  per year to support the consistent delivery of services for women and girls who are or have been involved in prostitution across all local authorities.

84. To reflect geographic disparities in service delivery, the Member has applied a low rural uplift of  $10\%^{36}$  and a high rural uplift of  $30\%^{37}$  to the funding requirement outside of Glasgow. The rural uplift brings the total to between £589,628 and £624,106.

85. In line with HM Treasury's *Green Book*<sup>38</sup> guidance on policy appraisal, further adjustments have been made to reflect the likely increase in demand resulting from the Bill's creation of a statutory right to support. The *Green Book* advises that when a policy removes barriers such as stigma, complexity, or lack of awareness, demand forecasts should be increased to reflect previously unmet or latent need. The Member considers that the Bill—by reducing stigma and creating a legal entitlement to support—will significantly improve access for women and girls who are or have been involved in prostitution. Accordingly, a demand uplift has been applied in the range of 50% to 100%, which results in a total estimated annual funding requirement of £884,442 to £1,248,212 for specialist support services across Scotland.

86. In addition to the funding required for local specialist support services, the Member anticipates increased pressure on national services that provide support to victims of sexual exploitation, particularly trafficking. The Trafficking Awareness Raising Alliance (TARA) currently receives approximately £622,000 annually from the Victim-Centred Approach Fund to deliver national support for adult women trafficked for the purposes of commercial sexual exploitation.

87. If the Bill is enacted, the Member expects that the creation of a statutory right to support and the criminalisation of the purchase of sex are likely to improve identification of trafficking victims through greater police engagement and disruption of exploitative networks resulting in improved identification of victims who may previously have remained hidden. Additionally, the Member notes that the removal of criminal penalties for those selling sex will likely reduce fear of prosecution among trafficked women and girls, encouraging more to come forward for help.

<sup>&</sup>lt;sup>36</sup> This reflects Scottish Government research which shows that delivering public services, particularly in health and social care, in rural and island communities typically incurs additional costs of around 10% due to travel, staffing, and infrastructure limitations. See: Scottish Government, Delivering for Remote and Rural Healthcare, 2018. <sup>37</sup> Scottish Government analysis shows minimum living costs are up to 32% higher in island communities and 27% higher in remote mainland areas. Although these figures relate to household budgets, they reflect broader structural and logistical challenges that also affect the delivery of frontline services. See: Scottish Government, The Cost of Remoteness: Reflecting Higher Living Costs in Remote Rural Scotland When Measuring Fuel Poverty, 2023. <sup>38</sup> HM Treasury, The Green Book: Central Government Guidance on Appraisal and Evaluation, 2022, p. 48.

88. Based on the Green Book's standard policy planning assumptions of a 50% to 100% increase in demand following a reduction in barriers to accessing services, TARA's funding requirement could rise to between £933,000 and £1.24 million per year. This represents an uplift of £311,000 to £622,000 annually and would provide for the required additional staffing, legal and advocacy capacity, and expanded outreach to meet the anticipated increase in referrals. The Member recommends that additional funds be allocated from the Victim Centred Approach Fund to meet this additional demand.

Category	Low Estimate	High Estimate
Glasgow (baseline)	£400,000	£400,000
Rest of Scotland (with 10–30% rural uplift)	£189,628	£224,106
Subtotal (before demand uplift)	£589,628	£624,106
Green Book demand uplift (50–100%)	£294,814	£624,106
Total local support services	£884,442	£1,248,212
TARA (uplift only: 50–100% of baseline)	£311,000	£622,000
<b>Total Support Services Cost</b>	£1,195,442	£1,870,212

Table 6 – Support services: Estimated annual costs

#### Costs on local authorities

89. The Bill creates new legislative requirements for the delivery of support services to women and girls involved in prostitution. Local authorities already provide support to women involved in and exiting prostitution through a variety of in-house and commissioned services. These include social work, health and social Care Partnerships, housing, homelessness, addiction services, and Independent Living programs.

90. While these services provide an existing foundation, the creation of a statutory right to support is expected by the Member to increase demand or require service adaptation in some areas. The Member considers that any additional costs arising from these duties should be met through targeted investment from the Scottish Government, using the funding allocation identified above. Local authorities will be responsible for delivering the required support services. It is likely that all or part of the additional funding identified above will need to be directed by the Scottish Government to local authorities to create or commission services with the expertise to provide immediate support and protection to the individuals affected.

#### Costs on other bodies, individuals, and businesses

91. There will be no direct additional costs falling on third sector organisations as a consequence of this section of the Bill. However, it is likely that all or part of the additional funding identified above will be directed by the Scottish Government through relevant third sector organisations with the expertise to provide immediate support and protection to individuals.

### COSTS OF THE PUBLIC AWARENESS CAMPAIGN

#### Costs on the Scottish Administration

#### Communicating the new offence of buying sexual acts

92. The new offence criminalising the purchase of sexual acts in any location represents a critical step towards addressing the exploitation inherent in prostitution. The Member believes that to ensure the public is informed of this legal change, a comprehensive communication strategy must be implemented.

93. Public service announcements (PSAs) will be central to this strategy, with short video and audio messages produced and broadcast on television, radio, and online platforms. These PSAs will highlight the offence, its rationale, and the consequences for non-compliance. The Member notes that costs for producing and broadcasting PSAs are estimated to range between £10,000 and £15,000, based on previous Scottish Government campaigns such as the Home Energy Scotland initiative.<sup>39</sup>

94. The Member believes that social media campaigns will play an important complementary role in disseminating this information. These campaigns will leverage platforms such as Facebook, Instagram, and Twitter to target demographics most likely to engage in or encounter prostitution. The Member notes that these campaigns will include content creation, audience targeting, and analytics, with anticipated costs of £5,000 to £7,000, drawing on spending benchmarks from other Scottish Government initiatives.<sup>40</sup> Submissions to the consultation on the proposal for the Bill suggested social media campaigns as a cost-effective and impactful communication channel, reinforcing the rationale for their inclusion in this strategy.

95. Additionally, the Member notes that digital advertising could be utilised to ensure visibility across a broad audience, with banner ads placed on popular websites and apps. The Member believes this component will further amplify the campaign's reach, with costs projected at  $\pounds$ 5,000 to  $\pounds$ 8,000, informed by expenditure on digital marketing campaigns like Net Zero Nation.<sup>41</sup> Submissions to the consultation indicated strong support for diverse digital advertising methods to maximize engagement. Together, these initiatives will ensure widespread dissemination of the legal change and its implications, with total costs estimated at  $\pounds$ 20,000– $\pounds$ 30,000.

#### Communicating the repeal of section 46, quashing of convictions and the right to support

96. The repeal of section 46, the quashing of convictions under section 46 and the introduction of a statutory right to support necessitates a targeted information campaign to ensure affected individuals are aware of their rights and available support.

97. The Member believes that informational leaflets will be crucial in reaching this audience, distributed to Violence Against Women and Girls (VAWG) services and other public services used by women in prostitution. These leaflets will provide a clear overview of the repeal, the quashing of convictions and details of the statutory right to support. The Member notes that professional

<sup>&</sup>lt;sup>39</sup> <u>https://www.gov.scot/collections/marketing-spend/</u>.

<sup>&</sup>lt;sup>40</sup> See previous footnote.

<sup>&</sup>lt;sup>41</sup> <u>https://www.gov.scot/publications/foi-202400442234/</u>.

design and printing costs are anticipated to be  $\pounds 2,000-\pounds 3,000$ , with logistics for direct distribution adding  $\pounds 500-\pounds 1,000$ . The combined costs for the leaflets are estimated at  $\pounds 2,500-\pounds 4,000$ .

98. The Member estimates the total costs for raising public awareness about the provisions of the Bill at  $\pounds 22,500$  to  $\pounds 34,000$ .

#### **Costs on local authorities**

99. There will be no new costs falling on local authorities as a consequence of this section.

#### Costs on other bodies, individuals, and businesses

100. There will be no new costs falling on other bodies, individuals and businesses as a consequence of this section.

#### SUMMARY OF COSTS OF THE BILL

101. The Member estimates that the total additional costs incurred by the Prostitution (Offences and Support) (Scotland) Bill are as follows:

Description	Cost Range
Annually recurring costs <sup>43</sup>	
Costs on Police Scotland of additional	£33,390 to £100,700
recorded crimes and cases proceeded with	
Cost on COPFS and SCTS of additional	£84,785 to £218,073
cases being brought	
Costs on the Scottish Prison Service	£48,931
Costs on local authorities of community	£2,215 to £6,645
payback orders	
Subtotal	£169,321 to £374,349
Costs on Scottish Administration of	£884,442 to £1,248,212
specialist support services	
Costs on Scottish Administration of	£311,000 to £622,000
additional support for trafficking victims	
Total annually recurring costs	£1,364,763 and £2,244,561

#### Table 7 - Summary of costs of the Bill

<sup>&</sup>lt;sup>42</sup> Sample costs from a Scottish printing service: <u>https://www.landmark-press.com/leaflet-display-distribution/</u>.

<sup>&</sup>lt;sup>43</sup> Annual costs are presented as static. In practice, they will vary over time in unpredictable patterns (arrests under the 2007 Act between 2012/13 and 2019/20 for instance have ranged from 22 to 139 per year); however, the Member's cost estimating approach is based on averaging available data to improve reliability. Based on experiences from Sweden and other countries with a challenging demand approach, the Member expects the total recurring costs to begin to decrease within five to ten years as the deterrent effect of the new offence of paying for sex takes hold. The Member also anticipates that reduced demand will result in fewer women and girls entering or being trafficked into prostitution, leading to a corresponding reduction in support service costs.

One-off costs	
Cost on Scottish Administration of	£4,649.15 to £13,889.15
confirmation letters	
Costs on SCTS for amending paper records	£210,000
of convictions to reflect their quashing	
Costs on SCTS to amend its digital records	£35,000
and IT system to reflect quashing	
Costs on Police Scotland of training officers	£17,000 to £85,000
on the new offence	
Costs on Scottish Administration of raising	£22,500 to £34,000
public awareness about the new law	
Total one-off costs	£289,149.15 to £377,889.15

102. Note: Recurring costs for policing, COPFS and SCTS, SPS, Community Payback Orders, specialist support services, and support for trafficking victims are expected to rise gradually as more cases progress through the justice system and demand for support services increases.

- Year 1 costs are likely to be at the lower end of estimates due to lead-in time for cases and gradual take-up of support.
- Year 2 costs are expected to be around the midpoint of estimates, reflecting growing case volumes and increasing service demand.
- Years 3–5 are expected to see costs at the higher end of estimates.
- From Year 10 onward, costs are projected to decrease as demand for prostitution reduces—consistent with long-term trends observed in countries that have implemented the Nordic Model (e.g. Sweden, Norway).

#### SAVINGS

103. The Member expects that the Bill will result in a reduction in the level of prostitution in Scotland and an associated reduction in harms to women and girls as well as their families. Although it is difficult to quantify such savings, the Member believes that the Ipswich project is illustrative of the savings that are possible.

104. As outlined at the beginning of this Financial Memorandum on the Costs of Prostitution, international evidence suggests that criminalising the purchase of sex, alongside providing support for individuals exiting prostitution, can lead to significant long-term financial savings for local and national governments. The Ipswich project, which was developed following the murder of five women involved in prostitution in 2006, provides a case study demonstrating the financial benefits of such an approach.

105. After Suffolk Constabulary and Ipswich Borough Council adopted a zero-tolerance policy toward buyers, alongside a holistic exit strategy for women, street prostitution in Ipswich was effectively eradicated over the course of five years. The initiative combined enforcement measures

targeting demand with multi-agency support services, including housing, addiction treatment, and counselling.<sup>44</sup>

106. An independent study<sup>45</sup> by the University of East Anglia found that for every £1 invested, local authorities saved £2—illustrating the economic benefits of this approach. The financial savings resulted from reduced policing costs, lower healthcare expenses, and a decline in social service expenditure associated with supporting vulnerable women in crisis situations.

107. Applying the Ipswich model to this bill, which proposes the criminalisation of buyers, indicates that Scotland could achieve similar long-term savings. By reducing demand, the Bill is expected to lower exploitation, decrease the numbers of women harmed by prostitution, and ultimately reduce costs associated with policing, health services, and social care interventions. The integration of statutory support ensures that women affected by prostitution receive assistance, but this structured support is expected to lead to cost savings in the long term rather than additional burdens on public finances.

108. The Member further estimates that there will be small savings arising from the repeal of section 46 of the 1982 Act and the cessation of policing prostituted women and girls as criminals, but as the recorded cases have been in the single digits since the Covid epidemic, the Member has not included these figures here.

109. The Member expects that most cases will result in fines being imposed on conviction. Section 1 of the Bill provides for fines being issued up to the maximum level of the court in question. The maximum fines that can be handed down are:  $\pounds 2,500$  at the Justice of the Peace Courts,  $\pounds 10,000$  under summary procedure at the Sheriff Courts and unlimited fines under solemn procedure at the Sheriff Courts.

110. Using the average conviction rate of **40 out of 50 proceedings** brought under the 2007 Act per year as a guide, the low estimate of 25 additional proceedings could lead to 10 convictions in the Justice of the Peace Court, potentially resulting in **£25,000 in fines** if the maximum penalty is imposed. Similarly, a further 10 convictions under summary proceedings in the Sheriff Court could generate **£100,000 in fines**, assuming the highest fine is applied.

111. However, just as it is impossible to accurately predict how many cases will be prosecuted at each level of the Scottish courts, it is equally uncertain what fines will be imposed and how much will ultimately be paid. Consequently, the Member refrains from offsetting the projected costs of the Bill's measures with potential fine revenue.

<sup>&</sup>lt;sup>44</sup> <u>https://committees.parliament.uk/writtenevidence/63376/html/</u>.

<sup>&</sup>lt;sup>45</sup> https://ueaeprints.uea.ac.uk/id/eprint/55750/1/EVISSTA\_paper.pdf.

### PROSTITUTION (OFFENCES AND SUPPORT) (SCOTLAND) BILL

### FINANCIAL MEMORANDUM

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