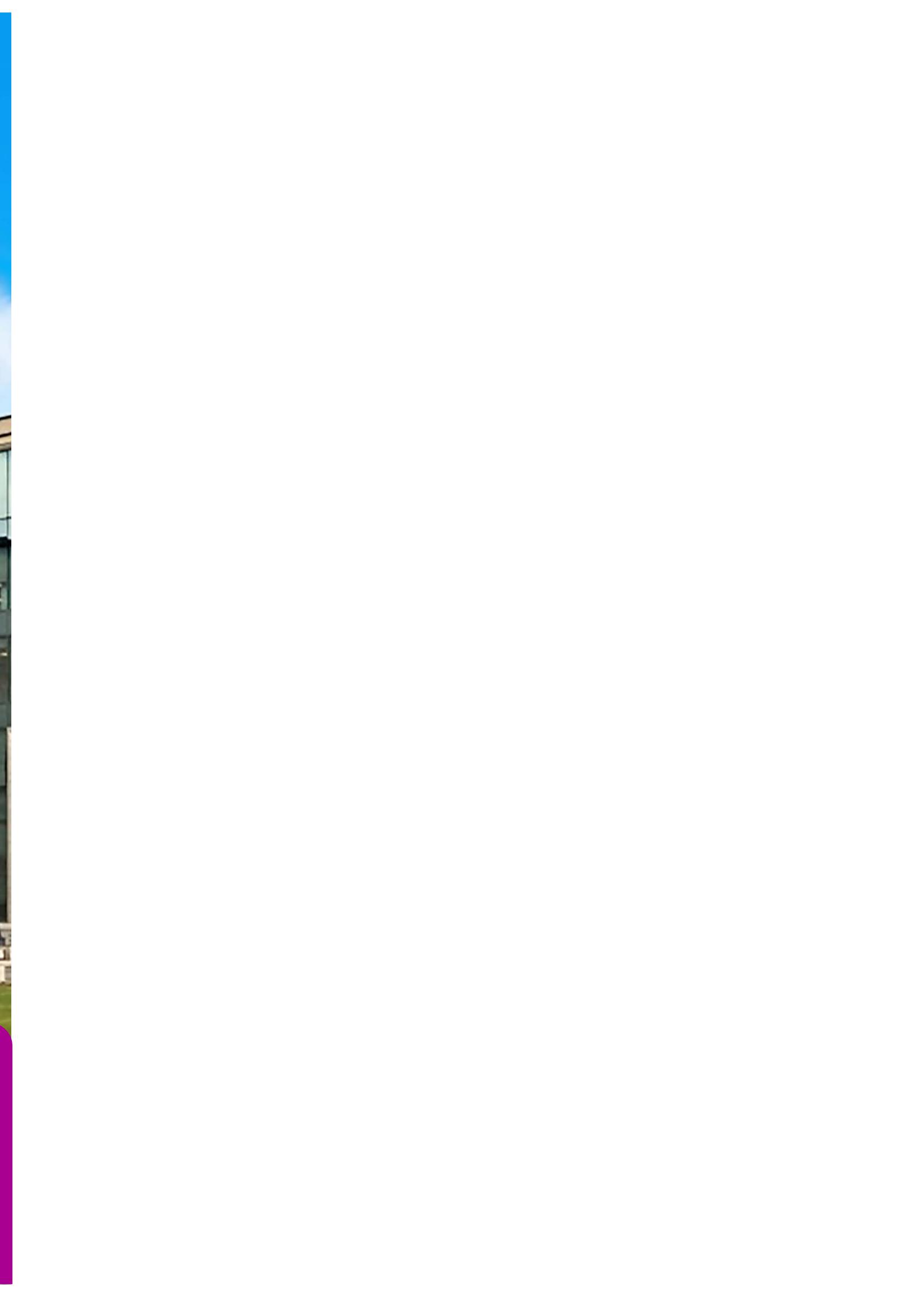




Government Legal Department Annual Report and Accounts 2021-22

HC 188



Government Legal Department

Annual Report and Accounts 2021-22

For the year ended 31 March 2022

Accounts presented to the House of Commons pursuant to section 7 of the
Government Resources and Accounts Act 2000

Annual Report presented to the House of Commons by Command of Her Majesty

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Preface

About this Annual Report and Accounts

This document integrates performance and financial data to help readers gain a better understanding of the work of the Government Legal Department (GLD). It covers the activities of GLD from 1 April 2021 to 31 March 2022 and is split into 3 main sections:

The **Performance Report** includes a summary of the department's purpose, Strategy and activities (the Performance Overview) followed by a review of progress against our performance measures and key priorities (the Performance Analysis).

The **Accountability Report** is further split into 3 sub sections and includes:

- a **Corporate Governance Report**, which includes the Directors' Report, the Statement of Accounting Officer's responsibilities, and a Governance Statement;
- a **Remuneration and Staff Report**, which includes pay and benefits received by Executive and Non-executive Board members and details of staff numbers and costs; and
- a **Parliamentary Accountability and Audit Report**, which includes a copy of the Audit Certificate and Report made to the House of Commons by the Comptroller and Auditor General setting out his opinion on the financial statements and other information in the Annual Report.

The **Financial Statements** show GLD's income and expenditure for the financial year, the financial position of GLD as at 31 March 2022, and additional information designed to help readers understand these results.

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Chief Executive's Report



I am pleased to share the Government Legal Department's Annual Report and Accounts for 2021-22.

This has been a year of extraordinary achievement and challenge alike for the Government Legal Department. Good government relies on the highest quality legal support and the contribution of every member of the Department has a direct impact on making the lives of citizens in the UK, and at times more widely around the world, better. I am immensely proud of how the Department has balanced the demands of COVID-19 on our individual lives with a sustained commitment to delivering an outstanding legal service and to enhance the experience of working in GLD.

2021 was another demanding year, seeing GLD squarely at the heart of government business, with significant pace, scale and complexity of legal input expected from our world class lawyers. We have remained at the forefront of the Government's response to COVID-19, while helping to lay the groundwork to level up the UK by building back better and fairer. We have played a central role in advising on EU Exit and its domestic implementation, helped to deliver a wide range of legislation including the Climate Change Act 2021, and helped to keep our citizens safe through a wide range of national security work and supporting the vision for Global Britain through international trade. It has reminded me why our core purpose – to help the government to govern well, within the rule of law – is truly at the centre of everything we do.

A particular highlight has been our contribution to the COP26 conference. GLD's team, drawn from across a range of disciplines and specialisms, were embedded in the UK Presidency delegation in Glasgow, advising on negotiation procedure to the text of the Glasgow Climate Pact itself. The decisions that GLD lawyers helped to shape, will be translated into actions, policies, and laws – around the world. GLD lawyers also worked around the clock, with colleagues right across Government during Operation Pitting and to help establish the Afghan Citizens Resettlement Scheme. And latterly, as part of the United Kingdom's steadfast support for Ukraine against Russia, GLD has again risen to the task in ensuring the Government has been able to launch an unprecedented sanctions regime. Our client satisfaction score of 96% is a testament to the contribution GLD has made across Government over the last 12 months.

But this has also been a year of change in GLD as I have built a new Executive Team to drive forward our Strategy and ensure GLD plays a full role not just in Government but across the wider legal sector. Senior portfolios have been restructured and successfully launched to align more effectively with the Government's priorities. Through our Business Transformation Programme we have taken steps to strengthen our focus on delivery through the development of a more effective corporate planning process and so that GLD continues to reflect the Modern Civil Service. We can reflect proudly on our achievements

and the actions we have taken to become an ever more inclusive employer. We have opened up new legal and paralegal training opportunities, as well as apprenticeships, to support social mobility in the department and seen our footprint grow in our offices around the UK, particularly Leeds. We have also taken steps to diversify the membership of our Talent and Succession Committee with the introduction of independent membership drawn from under-represented groups in the Civil Service.

Delivering legal excellence for Government also requires strong partnerships outside of Government. We are building collaborative relationships with our new Legal Services Panels and continue to work with a range of high-quality Counsel to support us and have continued to achieve Lexcel accreditation, the Law Society's legal practice quality mark for practice management and client care.

These achievements are a testament to the hard work and professionalism of our staff. I am in awe at how well we have adapted quickly and effectively to a range of extraordinary and evolving situations, and I pass on my heartfelt gratitude to everyone within GLD who helped to make this all possible.



Susanna McGibbon
Treasury Solicitor

Performance Report

Performance Report

Performance Overview

Who we are

The Government Legal Department (GLD) is a non-ministerial government department and executive agency providing legal services to the majority of government departments and other publicly funded bodies in England and Wales.

We are currently one of the largest legal organisations in the country, with around 3,000 staff, of whom the majority (c 2,200) are lawyers and paralegals based in more than 20 locations.

Our responsibilities include:

- advising ministers and policymakers on domestic, public and private law, trade policy, international law and human rights
- providing litigation services to government departments and public bodies, covering public and private law issues
- drafting statutory instruments and other subordinate legislation
- preparing instructions for bills to be drafted by Parliamentary Counsel and advising ministers and policymakers during the passage of bills through Parliament
- providing legal services to support public inquiries
- advising the Cabinet Office (CO) and Her Majesty's Treasury (HMT) on cross-Civil Service wide employment issues and policies, as well as dealing with individual employment issues, including in the Employment Tribunal
- supporting complex government procurement transactions and dispute resolution
- collecting, managing and disposing of bona vacantia (ownerless personal and corporate property and other assets) on behalf of the Crown's Nominee

GLD also provides support to the Attorney General's Office (AGO), which provides legal and policy advice to the Attorney General and the Solicitor General (the Law Officers), and HM Crown Prosecution Service Inspectorate (HMCPSI), the independent inspectorate of the Crown Prosecution Service.

The financial statements at pages 60 to 74 relate to activity carried out by GLD in the year 2021-22 and are prepared under a direction issued by HMT, in accordance with Section 7(2) of the Government Resources and Accounts Act 2000.



Case Study: The Dissolution and Calling of Parliament Bill



The Fixed-term Parliaments Act 2011 (the FTPA) was passed following the coalition agreement in 2010 which included a commitment to establish 5 year fixed-term Parliaments. There has only been one full 5 year parliamentary term under the FTPA (from 2010 to 2015). Early parliamentary general elections were called in 2017 and 2019 and, at the 2019 election, it was both a Conservative and a Labour manifesto commitment to repeal the FTPA.

Prior to the FTPA, the Prime Minister was generally free to decide when to call a general election within a maximum 5 year parliamentary term. The system was based on the exercise of the Sovereign's prerogative powers to dissolve and call Parliament.

The GLD legal division, Cabinet Office Legal Advisers (COLA) worked with policy officials and Parliamentary Counsel on a Bill to reinstate the pre-2011 system for calling elections. The Bill gave rise to a number of challenging legal issues requiring careful legal analysis, including the revival of the prerogative powers to dissolve and call Parliament, and provision to confirm and preserve the non-justiciability of those prerogative powers. These issues sparked a good deal of debate throughout the parliamentary stages of the Bill and before parliamentary committees, including the Joint Committee on the FTPA, the Public Administration and Constitutional Affairs Committee and the Lords' Constitution Committee.

COLA worked closely with policy officials to brief ministers throughout the process, including on the purpose and effect of amendments as they were tabled by parliamentarians. The Bill has now received Royal Assent and become the Dissolution and Calling of Parliament Act 2022, and the prerogative powers to dissolve and call Parliament have been revived.

Core purpose and vision

We help the government to govern well, within the rule of law.

Our vision is to be:

- An outstanding legal organisation, committed to the highest standards of service and professionalism; and
- A brilliant place to work, where we can all thrive and fulfil our potential.

Achieving this vision means:

- Everyone, whatever their role, taking pride in what we do and performing to the highest possible standards;
- Demonstrating and building on our unique range of legal knowledge, expertise and understanding of government;
- Delivering value for money legal services to clients;
- Working together to achieve the best results;
- Investing in the high-quality skills, tools and infrastructure we need; and
- Continually seeking opportunities to improve and innovate, including through new technology and smarter ways of working.

For our people in particular it also means:

- Giving clear leadership and direction, continually developing the skills of leadership and management across the organisation;
- Providing unrivalled opportunities for interesting, varied, high-quality, challenging work and careers in a professional environment;
- Being an inclusive, engaging and motivating employer, valuing the diversity of our people and the range of talent and experience they bring;
- Listening to our people and giving everyone the opportunity to challenge and contribute their ideas;
- Ensuring our people are fairly rewarded for the work they do; and
- Proudly celebrating and rewarding our successes and achievements.



Case Study: Kabul Evacuation



During Operation PITTING, the emergency evacuation of Kabul in August 2021, the GLD legal division, Home Office Legal Advisers (HOLA) worked with lawyers across government to support Her Majesty's Government (HMG) in safely and lawfully airlifting thousands of people to safety, before deadline for the withdrawal of foreign troops on 31 August 2021. Media coverage of the chaotic scenes at Kabul airport, including footage of individuals clinging to the underside of aircraft, demonstrated how difficult and desperate the situation was. We supported operational and policy colleagues who were working round the clock to evacuate as many people as possible. Remote working was key to enabling the right legal support to be provided at the times needed.

Following the evacuation, HOLA, the Foreign, Commonwealth and Development Office (FCDO), the Ministry of Defence, the Department for Levelling Up, Housing and Communities, Her Majesty's Revenue and Customs (HMRC), Department for Work and Pensions, Department for Education and the GLD Litigation Group have continued to work in a truly collaborative way. Operation Warm Welcome was set up in a fraction of the time it would usually take, due in no small part to the highly effective cross-Whitehall working within GLD, providing accommodation, access to benefits, jobs, language support and school places for the new arrivals. Sadly, many were not able to be evacuated and we continue to work together on litigation from a range of people seeking resettlement in the UK. New Immigration Rules reflect cross-Whitehall policies on the future of resettlement for those who have worked for or alongside HMG in Afghanistan as interpreters and/or to further HMG's military and national security objectives. The Afghan Citizens Resettlement Scheme is also now up and running, thanks to the combined efforts of legal teams across government.

Our Strategy

Our 5 year Strategy for the period 2019-2024 describes how we will achieve our purpose - to help the government to govern well, within the rule of law, and how we intend to attain our vision - of being an outstanding legal organisation, committed to the highest standards of service and professionalism, and a brilliant place to work, where we can all thrive and fulfil our potential. GLD's Strategy is also closely aligned with the vision for a Modern Civil Service – skilled, innovative, and ambitious – as set out in the Declaration on Government Reform.

Within GLD, this means a culture of:

- everyone taking pride in what we do and performing to the highest standards;
- working together to achieve the best results;
- investing in the high-quality skills, tools and infrastructure we need; and
- continually seeking opportunities to improve and innovate, including through new technology and smarter ways of working.

Meanwhile, our commitments to our client departments include:

- high quality, timely and flexible advice provided by suitably skilled legal staff, that enables clients to make effective, risk-based decisions across the full range of their work;
- a good knowledge and understanding by legal staff of clients' business and policy context;
- legal horizon scanning and effective advice on the potential impact of legal developments;
- fast and efficient ancillary services, for example statutory instrument processing; and
- clear, concise, value for money advice.

At the centre of our work are those areas where GLD provides a unique perspective and expertise – because of our trusted role at the heart of government, our strategic insights, and our strong relationships with clients, based on a shared perspective, as civil servants, to support the government of the day.

The GLD Board reviewed and agreed its strategic priorities for 2021-22 against GLD's strategic outcomes. These were set out in GLD's Business Plan 2021-2022. This was set against a backdrop of COVID-19 and work completed by our Future Ways of Working Task and Finish Group, which was set up to capture our learning and experience from the pandemic, how it has affected the way we operate and the opportunities it creates for longer term reform in our working practices and to maximise the opportunities to attract the best talent to exciting and stretching careers.

Our work on our strategic priorities, particularly in the progress we have made in increasing our presence outside of London and offering increased flexible working opportunities to colleagues, are consistent with the principles of the government's Places for Growth, Beyond Whitehall, One Place programme and Careers Without Barriers initiatives. These are all focused on encouraging the movement and creation of jobs outside of London, and the development of meaningful career opportunities for all, irrespective of location. They also align to the emerging themes of the Civil Service's "Shaping our Future" reform, and wider modernisation initiatives.

What we do

Our principal activities are delivered as follows:

Advisory - GLD has expert advisory teams specialising in the work of their client department, providing risk-based and solution-focused legal advice. GLD lawyers are crucial throughout the lifecycle of government policy. They advise on and draft legislation and work to take it through Parliament; advising departments and ministers on the legal implications of government policy, and ensuring it stands up to Parliamentary scrutiny.

Litigation - GLD's Litigation Group is comprised of 3 divisions: Defence and Security, Home Office and Immigration, and Justice and Development. Litigation lawyers handle high profile public and private law litigation for central government departments, security agencies, and other public bodies; including UK military and security bodies. The divisions also undertake inquest, inquiry and injunctive work for GLD's clients. Our litigation teams are currently handling approximately 22,000 pieces of litigation.

Employment - As one of the largest employment law practices in the country, GLD's Employment Group advise on complex and fast-moving legal areas including: claims for unfair dismissal and relating to discrimination; pay issues; contractual issues and terms and conditions; and whistleblowing claims. The TUPE (Transfer of Undertakings Protection of Employment) and Transactional Hub provides specialist advice on employment and pensions issues to help manage employment-related risks, while the Industrial Hub advises on trade union matters and industrial action. The National Security Hub manages advice work and litigation claims requiring a knowledge of security vetting or the management of protected material.

Commercial - The Commercial Law Group (CLGp) provides expert advice on transactional, litigation, property and advisory commercial legal matters. Transactional and advisory teams advise government departments on their commercial work, ensuring value for money in the purchase of goods and services for the public sector. The litigation and dispute resolution team supports the government in high profile legal claims, and saves taxpayer money by pursuing alternative forums (mediation, adjudication). The GLD Property Hub provides strategic commercial property advice, and supports government departments and agencies via training on property issues.

Statutory Instrument Hub - The Statutory Instrument (SI) Hub is the GLD's specialist statutory instrument drafting service and Centre of Excellence for secondary legislation, with 30 lawyers drafting secondary legislation for all of GLD's client departments. The SI Hub Centre of Excellence makes a major contribution to helping lawyers across GLD improve the quality of their drafting, through its structured SI training programme, the annual SI conference and drafting guidance.


The Finance, Operations and Digital, and Strategy, People and Culture Divisions are responsible for developing the department's strategy and plans and leading and co-ordinating programmes of activity across the department to deliver cost effective legal and support services that address the needs of our clients and staff. This includes the provision of corporate services covering governance and strategy, communications and engagement, finance, planning and performance, human resources, procurement, facilities management, security, information and communications technology (ICT), business assurance and resilience, and library and records management services.

Bona Vacantia Division, on behalf of the Crown's Nominee, administers the estates of people who die intestate and without relatives entitled to inherit, and collects the assets of dissolved companies and failed trusts in England, Wales and Northern Ireland, except in the Duchies of Cornwall and Lancaster. The costs of the Division are recovered from the estates and assets it administers. The proceeds of bona vacantia are accounted for in the Crown's Nominee Accounts and separately notified to Parliament as prescribed in the Treasury Solicitor (Crown's Nominee) Rules 1997 (SI.1997/2870).

The Knowledge, Capability and Innovation Division lead on developing the department's integrated Legal Knowledge, Capability and Innovation Strategy, working with legal divisions to professionalise legal knowledge and learning activity and to develop innovative and flexible approaches to meeting client needs.

GLD also has 15 Centres of Excellence; formal networks of lawyers who have recognised expertise in an area of law or legal practice that has relevance across a number of GLD divisions and teams.

Case Study: Legal Services Panel

In December 2021 the new Legal Services Panel was successfully awarded. The Panel is a strategically important part of delivering quality and value for money legal services to central government departments and other public sector bodies over a 4 year period with a total value of £430m, split across 12 suppliers on Lot 1: general legal services and 7 suppliers on Lot 2: finance and complex legal services. 

The procurement process was undertaken via a successful collaborative process between GLD and the Crown Commercial Service (CCS), with vital input and engagement from the wider Government Legal Profession and Government Commercial Function. Commercial Law Group and Treasury Legal Advisers led on the respective Lots, and numerous GLD colleagues volunteered their invaluable time and expertise, as corporate contributions, in order to assist with the design of the Panel (including drafting the Specification, Finance Model and evaluation criteria) as well as assisting with the procurement process itself (in particular evaluating written bids and interviewing the shortlisted bidders).

The project faced a number of challenges including being put 'on hold' for 10 months due to the COVID-19 pandemic, changes in Senior Responsible Officer (SRO) and Project Team members following the project's resurrection and a procurement challenge raised and resolved during the standstill period. The Commercial Law Group provided significant support throughout including advising CCS throughout (as the Contracting Authority) and drafted the suite of contract documents. The new Panel is vital to GLD's ability to help the government to govern well, within the rule of law.





Case Study: COVID-19 International Travel and Operator Liability Regulations



A key feature of the government's response to controlling the spread of COVID-19 was the imposition of unprecedented restrictions on people entering the UK. These included passenger information obligations, testing requirements, self-isolation, hotel quarantine, differing requirements for vaccinated and unvaccinated passengers, and obligations on operators.

In May 2021, the regime which had been in place since 2020 was replaced by a new "traffic light" system which applied different restrictions to different countries, depending on whether they were regarded as "red", "amber" or "green" risk. This was contained in new, lengthy (91 pages) and highly complex legislation – the International Travel and Operator Liability Regulations 2021 (SI 2021/582) – drafted by GLD's legislative drafting team, the SI Hub, in close partnership with lawyers in the Department for Transport (DfT) and Department of Health and Social Care (DHSC).

The Regulations were frequently updated throughout the year, to repeatedly demanding time frames, in response to changing circumstances in the UK and worldwide. In total, the Regulations were amended 29 times (a further 225 pages of legislation) to deal with, among other things, changes to risk assessments in different countries, vaccine rollouts domestically and overseas, developments in testing technology, new variants, and specific arrangements for key workers and for important events such as COP26. They were revoked in March 2022.

We achieved this through the fantastic work of many lawyers in the SI Hub and the legal teams at DHSC and DfT, working at speed, communicating efficiently and professionally, and co-ordinating additional legal contributions from other departments including FCDO, the Department for International Trade (DIT), Home Office and Department for Culture, Media and Sport. The Regulations reflect some very difficult decisions balancing public health issues with the economic and social consequences of restrictions, and the team collaborated on solution-focused legal risk advice on a wide range of issues to inform the legislative changes. Each person in this highly flexible team was conscious of their role in delivery, and respected the expertise of their colleagues. The exceptional teamwork, personal support for each other, good humour and resilience displayed by the team across the year were critical to the success in delivering this project.

Overall, at least 32 GLD lawyers worked in the core legal team over the year (7 from the SI Hub, 11 from DfT Legal Advisers (DfTLA) and 14 from DHSC Legal Advisers (DHSCLA)), supported by additional lawyers with specialist expertise on different modes of transport in DfTLA, other DHSCLA lawyers working on COVID-19 measures, and lawyers across government.

How we are funded

We are funded almost entirely through the fees we charge clients for legal services. Approval to make capital investment and spend the income generated each year is obtained through the Parliamentary Supply process and allocated in the HM Procurator General and Treasury Solicitor Main Estimate. The following table provides a more detailed analysis of how we fund our work. As agreed with HM Treasury, we do not seek to make a surplus, although accidental surpluses may arise. The charging regime for 2021-22 reflects the mutual relationship we have with our clients.

Group/Divison	Funding
Advisory	Fixed fees. A small proportion of work is charged at hourly rates
Litigation	Primarily hourly rates to client departments. A small proportion of general public interest work is funded from the Parliamentary Estimate
Employment	A mix of fixed fees and hourly rates, depending on the nature of the work
Commercial	A mix of fixed fees and hourly rates, depending on the nature of the work
Bona Vacantia	Costs are funded from the proceeds of bona vacantia
Corporate Services*	Recovered by the charges for our legal service to our clients

*Corporate Services includes Finance, Operations and Digital, Strategy, People and Culture and the Knowledge, Capability and Innovation Divisions

Risk management

GLD risks are aligned with the risk categories in HM Treasury's risk management guidance – "The Orange Book". The risks were agreed by the GLD Board in July 2020. We believe that our Primary Risk is that: "We cannot demonstrate the added value that GLD brings as a legal service for the benefit of government".

GLD's strategic risks are:

- We do not have an optimised performance and assurance system to monitor the implementation of our Strategy and supporting sub-strategies.
- We do not prepare for significant external events which have the potential to have an adverse impact on the delivery of legal services to our clients or achieving full cost recovery.
- We damage the confidence and trust of our clients and/or the judiciary, by not meeting their expectations or delivering on commitments given to them.
- We do not generate sufficient income to achieve full cost recovery and/or we breach one of our HM Treasury Control Totals.
- We do not attract, recruit and retain sufficient people to deliver the breadth and quality of legal services required by our clients.
- We have insufficient leadership capability to inspire and empower our people to deliver the required levels of service and/or our strategic aims.
- We do not make the most effective tools consistently available to our people across the whole department which are necessary to deliver the required standards of service to our clients.
- We do not keep pace with emerging threats, or there is a failure of compliance, which results in harm, or sanctions, or has an adverse impact on our ability to deliver legal services to our clients.

Our plans and mitigations in respect of these strategic risks are set out in the Governance Statement on page 39.



Case Study: Elan Cane vs Secretary of State for the Home Office



In December 2021 the Supreme Court delivered its judgment in this important matter engaging the rights of non-binary individuals. GLD acted for the Government throughout the preceding litigation in the High Court and Court of Appeal, which began in 2017. The Appellant challenged HM Passport Office's policy of requiring applicants for passports to declare their sex as either male or female, and that the passport bear either an "M" or "F" marker. It was argued by the Appellant that this breached their Article 8 (respect for private life and family) and 14 (non-discrimination) rights under the European Convention on Human Rights.

The Supreme Court upheld the Government's position, finding that there is no positive obligation under the Human Rights Act to issue a passport with an "X" marker. The Court was required to conduct a balancing exercise between the rights of the Appellant and the wider public interest. This included considering the extent to which an important facet of the Appellant's identity was at stake; the potential detrimental impact on security and the introduction of significant costs to the state; how recognition of a non-gendered category of individuals in the context of passports only would undermine the coherence of the wider UK legal and administrative system; and the extent to which there is consensus on this issue among the member states of the Council of Europe. The Court ultimately concluded that the government should be permitted a wide margin of appreciation to strike the right balance between these competing interests.

Looking to the future

In 2022-23 we will further establish GLD as a collaborative, innovative department, an outstanding legal organisation and a brilliant place to work. We will continue to build on our relationship with the Attorney General's Office and the wider Government Legal Profession. We will explore the opportunities we have to raise our profile, attract talent and learn from the wider profession. Alongside this, our Business Transformation Programme is aimed at modernising GLD's work and processes (particularly through investment in technology), enhancing our client relationships and supporting the Government in their priorities.

GLD's Strategy is also closely aligned with the vision for A Modern Civil Service – skilled, innovative, and ambitious – as set out in the Declaration on Government Reform.

To enable us to realise our vision to deliver outstanding legal service and ensure GLD goes from strength to strength as a department we have identified 6 strategic priorities. We will deliver these in a way that supports the priorities of the Government and modernises our organisation, to ensure we provide the highest standard of legal services to our clients. Further details about these plans will be set out in GLD's 2022-23 Business Plan. We will:

Leadership

- Further embed leadership behaviours to enable inspiring, confident and accountable leadership at all levels of GLD.
- Ensure open and visible leadership that enables the delivery of high quality legal services across government; maximising the benefits of our regional offices and hybrid working.

Be Recognised

- Continue to invest in our diversity and inclusion initiatives, refreshing our strategies and ways of working to ensure we are building a strong culture of inclusion for all, and an environment where everyone feels supported and able to thrive.

Improved Offer

- Improve our pay and benefits offer to staff.
- Improve our resourcing capacity and capability, including through the use of significantly increased numbers of secondments.
- Review early talent approaches, outreach activity, and routes to qualification, to reach a bigger and more diverse pool of candidates.
- Further develop our ambition to become a national organisation, enabling employees to have rewarding and stretching career opportunities irrespective of the GLD location they are based in.
- Continue to ensure that we respond effectively to the needs of our people.

Connected

- Maximise our delivery of services to clients, and the quality of experience for our colleagues, by aligning with the Government's interoperability agenda.
- Ensure that we are capitalising on the opportunities of new technology to ensure delivery of a seamless, connected service.
- Implement our Accommodation and Location Strategy, in line with cross-government initiatives (Places for Growth and A Modern Civil Service) and our clients' estate plans.
- Embed our Greening Government Commitments around sustainability into our decision making.

Capability

- Improve how we create and share expertise.
- Enhance the way we deliver legal services to our clients, including where appropriate further engagement with the private sector.

Professionalise

- Legal Quality Assurance: Ensure that consistent and professional systems are in place across GLD to assure the legal quality of the services we provide.
- Develop a renewed Corporate Services approach, ensuring that our legal colleagues are well supported by professionals from other functions, in all GLD locations.
- Governance, Performance and Risk Management Review: develop systems and governance to ensure effective decision making for GLD.
- Set out a renewed vision for the Government Legal Profession (GLP), demonstrating the excellent work that we do together on behalf of our fellow citizens and in support of government priorities.
- Collaborate to raise our profile across the Civil Service and throughout the legal sector.



Case Study: The Environment Act 2021



The Environment Act 2021 provides for legally-binding targets to deliver environmental improvements in England, integrates environmental principles within policy-making across government and establishes a new environmental regulator to hold public authorities to account on their compliance with their environmental obligations. The Act also contains measures on air quality, the protection and enhancement of our landscapes, wildlife and habitats, more efficient handling of resources and waste, and better management of our surface, ground, and wastewater.

The passage of the Bill saw many major challenges following publication of a draft Bill in 2018, re-introduction following the 2019 general election and a lengthy stop-start process through Parliament as a result of the first COVID-19 lockdown and subsequent restrictions. This necessitated the establishment of entirely new ways of working, pushing the boundaries of available technology and finding innovative ways to support ministers in Parliament. While GLD lawyers who are based at the Department for Environment, Food and Rural Affairs (Defra) provided the core support, legal teams from across GLD and the Devolved Governments were closely involved throughout development of the Bill given its wide scope and the application of many of its measures throughout the UK.

The Environment Act 2021 was the first Bill in a generation to introduce major, cross-cutting changes to environmental law across the UK, setting the stage for the development of our own domestic environmental agenda. GLD lawyers were there, in person and working remotely from their homes, to support the passage of the Bill at every stage.

Case Study: COP26



GLD's lawyers have been pivotal in delivering the COP26 agenda and combating climate change. The Climate Change and Clean Energy Team worked with lawyers across GLD and the wider Government Legal Profession to provide the necessary legal frameworks to enable COP26 to take place in the UK. GLD lawyers led the negotiations with the UN on the Host Country Agreement, arranged commercial contracts for the event, helped deliver a COVID-19 vaccine rollout programme for COP26 attendees, and amended legislation to create a bespoke regime of international travel exemptions for attendees. The conclusion of these complex arrangements delivered an inclusive, accessible and safe event and enabled tens of thousands of people from almost 200 nations to attend COP26.

Climate lawyers also supported the UK Presidency to deliver its key objectives in the lead up to and at COP26. During the 2 week conference the climate legal team were embedded in the UK Presidency delegation in Glasgow, advising on everything from negotiation procedure to the text of the Glasgow Climate Pact itself. Some of the key decisions concerned finance, completing the technical rules to operationalise the Paris Agreement, and ramping up ambition for countries to increase their emission reduction ambitions for 2030 and beyond. The decisions that GLD lawyers helped to shape will be translated into actions, policies and laws around the world.

Performance Analysis

Performance measures

Our performance measures reflect our continued commitment to high professional standards as well as delivering client satisfaction, whilst recovering our operating costs in full by the year end.

Client Satisfaction

To improve our client satisfaction rating(s)

Client satisfaction rating(s)	2021-22	2020-21
Percentage receiving Good or Excellent rating	96%	96%
Average score (Excellent: 10, Good: 5, Acceptable: 0, Poor: -5, Unacceptable: -10)	8.06	8.07

Our aim is to improve our ratings in our annual survey of client satisfaction. Overall our average score remained broadly flat and we achieved a marginal improvement in the percentage of Good or Excellent 96.2% (95.7% last year). Given the challenging operational context over the past year, achieving an improvement in the satisfaction rating, is a positive outcome, and testament to the hard work and professionalism of our staff. Our clients rated us highly for the quality of our individual relationships with them, however, our speed of response was an area where we need to do more. These results have fed into our Client Care Plan for 2022-23, the objectives of which are to strengthen client relationships, improve client capability, and share best practice in client care.

Lexcel

To maintain Lexcel accreditation

Lexcel is the Law Society's legal practice quality mark for practice management and client care.

2021-22	Achieved
2020-21	Achieved

Our litigators across Litigation, Employment and Commercial Law Groups again successfully met the Lexcel standard, achieving the highest level of accreditation. The Lexcel assessor concluded that "this continues to be extremely noteworthy given the current context – both internal and external. It continues to more than amply demonstrate the inherent robustness of internal process and system. In Lexcel terms, GLD continues to very clearly constitute a 'Centre of Excellence', and continues to demonstrate an exceptionally high degree of compliance against the Lexcel standard."

Recovery of operating costs

To recover from clients the full operating cost of chargeable services

2021-22	Achieved
2020-21	Achieved

We are primarily funded from the fees charged to clients for our legal services. Our fee rates are set in accordance with HMT publication - Managing Public Money - and are designed to recover the costs incurred by the department. Financial performance is monitored throughout the year, and on a quarterly basis, we undertake a formal exercise to forecast the financial outturn for the year. Our commitment to our clients is to ensure that they benefit from better than budgeted financial performance and if the forecasting exercise at the end of quarter two predicts a significant surplus, we evaluate the underlying reasons, consider the financial risks for the remainder of the year and assess whether a fee reduction should be made in-year.

Full cost recovery was achieved and after rebates of £3.8m (2020-21 £5.8m), a surplus of £12m was generated (2020-21: £3.5m). In 2021-22, there was a particularly high level of inherent uncertainty in the quarter two forecasting exercise due to the ongoing impact of Covid on the demand for our legal work. The higher than normal level of surplus, reflects that legal demand and therefore the associated staff and external support costs for the second half of 2021-22 were at the lower end of our expectations.

Delivery of our key priorities

Leadership

Improve our leadership at all levels by developing and embedding a leadership framework with clear standards linked to progression and retention, with a shared expectation, confidence and accountability.

Action	Progress
Improve the capability of our staff through ongoing investment in training, including 'Leadership the GLD way'	<p>We developed our leadership framework, 'Leadership the GLD Way', which embeds the Civil Service leadership behaviours in our own leadership training and practices. This was rapidly amended to enable virtual delivery through periods of working from home. Over 400 GLD employees undertook more than 40 Leadership the GLD Way training sessions.</p> <p>GLD supported Beyond Boundaries, a cross-government talent programme for grades AA-SEO, and the Civil Service Future Leaders (17 participants) and Senior Leaders Schemes (1 participant). GLD set aside funded places for Beyond Boundaries which were taken up by ethnic minority and disabled colleagues, and colleagues from low socio-economic status backgrounds. Ten colleagues entered the first cohort.</p>
By 31 March 2022, improve our staff survey score for Leadership and Managing Change, to at least 62%.	While we did not meet our target of 62%, our score for Leadership and Managing Change remained positive at 56% in a year of unprecedented change, as we continued to deliver the outstanding legal services to government which are the hallmark of GLD.

Case study: Diversity in decision making

The Diversity in Decision Making review was one of the actions included in the 'Top Ten Actions on Race' published in 2020, following the death of George Floyd. It was originally intended to be a short term review over the summer looking specifically at diversity on GLD's Board and committees. However, following GLD wide consultation it was quickly identified that there are a range of areas throughout the department that would benefit from the review. In the spirit of what it was intended to achieve, a diverse group of colleagues from across GLD worked together to make recommendations and decisions on positive changes to bring to GLD.

Led by the Strategy and Governance Team the review saw immediate improvements, such as changes to governance processes and procedures to confirm the engagement of diverse groups before a paper was taken to the Board.

2021-2022 has seen the work expand even further with some exciting changes. There has been the appointment of an independent member to the Talent and Succession Committee, the committee that deals with recruitment, retention and promotion. Membership of the committees has been expanded from Directors to a seat open to colleagues of all grades and the relaunch of a group of colleagues within GLD who provide a 'safe space' under the new name of Culture and Behaviour Champions. Work on improvements to impact the day-to-day decision making of leaders in GLD will shortly be presented to the Executive Committee. The next steps following this will be a 'one year on' exercise to measure the impact of the changes across the department.

Be Recognised

Be recognised across the Civil Service, and externally, as a leading employer in relation to diversity and inclusion and wellbeing.

Action	Progress
<p>Continue to implement our Diversity and Inclusion Delivery Plan, to further enhance inclusion within GLD, including our Top Ten Actions on Race.</p>	<p>GLD has built on its Top Ten Actions on Race, holding conversations and staff events across the department. The Board received diversity and inclusion training and our Executive Team published diversity and inclusion objectives.</p> <ul style="list-style-type: none"> • GLD's gender pay gap is nearly zero and the median bonus gap improved from 27% in 2020 to 5% in 2021. • Our inclusion score in the 2021 People Survey has increased by 2% to 85%. <p>Members of under-represented groups have been invited to and joined GLD's Committees, with work ongoing to ensure we reflect a diversity of thought and experience in our decision making.</p> <p>The Talent and Succession Committee reviewed various talent schemes (Stepping into Leadership, Future Leaders Scheme and Senior Leaders Scheme) available to our colleagues, and provided oversight to ensure we took advantage of these schemes to further our ambition for GLD to be a truly inclusive employer.</p> <ul style="list-style-type: none"> • Our Culture and Behaviour Champions rolled-out "Call It Out" training, empowering colleagues to deal with bullying and inappropriate behaviour. • We trained 50 'Inclusion in Action' facilitators, and developed training on 'Constructive Conversations.' <p>We undertook substantial work considering our response to the changes to the Solicitors Qualifying Examination (SQE) and paralegal roles across GLD, discussing shared challenges, risks and opportunities and aligning our approaches across the Government Legal Profession.</p> <p>GLD will implement a more coherent, consistent approach to paralegal roles in 2022-23, alongside the development of Paralegal Career Pathways. As part of our ongoing Early Talent work, GLD worked in partnership with Aspiring Solicitors, Bridging the Bar, the Law Society Diversity Access Scheme and Social Mobility Foundation to welcome almost 200 undergraduate students through the Government Legal Diversity Summer Scheme. We took part in the Life at the Employed Bar session at the Bar Council's Pupillage Fair 2021.</p> <p>We undertook the third year review of our Diversity and Inclusion Strategy, engaging with Diversity Champions, Diversity Network Chairs, local Diversity and Inclusion Representatives and Trade Union Representatives from across GLD. This will inform our refresh of the Strategy which will be published in mid-2022.</p> <p>The GLD Health and Wellbeing Action Plan was refreshed for 2021-22 as we supported colleagues during the challenges of the COVID-19 pandemic. We developed a comprehensive suite of guidance and training covering a wide range of support, including on resilience and managing stress, and continued to promote such initiatives as our network of Mental Health First Aiders to ensure support was available to colleagues who might need it.</p>
<p>By 31 March 2022, to have made further progress on our aim that ethnic minority staff will account for 25% of our Senior Civil Service workforce, and disabled staff 19%.</p>	<p>As at March 2022 14% of GLD's Senior Civil Servants (SCS) are ethnic minorities, while 9% of our SCS are declared as disabled. These are both significantly higher than the Civil Service averages (8% and 6% respectively).</p> <p>However, more progress is needed, and GLD is committed to refreshing its Diversity and Inclusion Strategy to ensure it reflects the progress we've made but also widening areas of focus.</p>
<p>Implement the recommendations of GLD's first Sustainability Action Plan 2021-22 by 31 March 2022.</p>	<p>Good progress has been made on the implementation of the Sustainability Action Plan, including: exceeding our Greening Government Commitments; there is a Green Champion at Board level; over 330 members of staff have subscribed to the Greener GLD Network; a sustainability audit to help inform the environmental impacts of return to the office was conducted in February 2022; and we have established a climate change and environmental law strand to GLD's training offer and are promoting other means to share knowledge like the Centres of Excellence.</p>

Case study: Government Legal Profession Race to the Top Network

It has been almost a year since the Government Legal Profession Race to the Top Network (the GLP branch of the Civil Service Race to the Top Network) was established, and that year has been an industrious and engaging one. With a current membership of approximately 250 members, the Network's overarching aim is to assist G6/G7 lawyers from ethnic minority backgrounds to thrive and progress, helping to address underrepresentation in the SCS.

Prior to its launch event on 18 May 2021, it conducted a detailed survey of government lawyers from ethnic minority backgrounds to understand the barriers to career progression experienced. Over 100 responses were received from across the GLP, including GLD, and analysis of them was presented at the launch event.

The Network has a practical focus on career progression and over the year has heard from prominent GLP figures who shared their career stories with members and gave advice on how to succeed. The Network has close links with other GLD networks, including the Race Network and African and Caribbean Connections Network, collaborating to organise and host a panel session on how to successfully navigate the GLD Grade 6 Senior Lawyer Campaign.

Following focus group sessions with members in October 2021, over the course of 2022 the Network plans to roll-out 4 priority projects, including workshops on drafting excellent applications and acing promotion interviews, as part of its theme of the year: "Climbing the GLP Promotion Ladder".

Improved Offer

Put in place an improved offer to attract, retain, reward and develop the talented people we need to be an outstanding organisation.

Action	Progress
Review how we can improve our offer, profile and recruitment processes (including by looking at options and opportunities to raise GLD's external presence) to meet the resourcing challenges that we face in an increasingly flexible and competitive legal market.	<p>A wider pay strategy is being developed to support a refreshed business case for a more substantive, long term improvement in pay for all. The GLD Executive Committee approved changes to our approach to claiming overtime and the selling of annual leave.</p> <p>Recruiting sufficient lawyers to meet the demands of GLD's clients across government has continued to be a challenge. An external review of our resourcing approach and processes was undertaken, with findings to be implemented in 2022-23, alongside an internal review of outreach activity to inform a new GLD Outreach Strategy. In 2021 we doubled the number of targeted campaigns from 2020, and implemented diverse interview panels as part of our recruitment process.</p>
Provide increased opportunities, enhanced leadership and better career development for our staff.	<p>In 2021 we implemented GLD's new approach to talent management and succession planning, Development for All, supporting colleagues to build a breadth and depth of skills and knowledge, and ensuring that we enable people who have the ambition and skills to progress to our most senior roles.</p> <p>In addition to enhancements for non-legal professionals in GLD we are also developing professional offerings for corporate personnel, including our Business Management community (who work directly with our legal teams). We have recently delivered a programme providing a clearer pathway for their careers and through the greater application of cross-Civil Service functional standards and development opportunities.</p>
Improve our access to larger and more diverse talent pools by increasing the number of roles based outside London to 250 or 11% by 31 March 2022.	<p>In September 2021 we relocated our Leeds office to a new modern building at Wellington Place to target the growth of our footprint in the city. After a successful pilot which saw 7% of our roles being based outside London, we have continued to make progress in our regionalisation, in order to access talent pools outside of London. We increased the number of roles based outside London to 207 by 31 March 2022.</p>

Connected

Increase our numbers outside London whilst operating as a fully integrated department, connected across our many sites within and outside London and exploiting the opportunities technology provides to enhance the working experience of our staff and the quality of our service for clients.

Action	Progress
Increase our regional presence including the further development of our Leeds and Bristol offices, and by raising our profile in areas outside of London.	<p>Our Accommodation and Location Strategy originally set a target of 40% of roles (900) based outside central London by 2024. Given significant external constraints, such as the reduced availability of government office space offered by the Government Property Agency, we have had to scale back our initial ambition. However, in September 2021, we relocated our Leeds office to a brand-new development in Wellington Place with space for up to 300 staff. We have also expanded our current Bristol office in Rivergate from 6 to 36 desks.</p> <p>Our revised target is to fully populate the regional accommodation we have secured to date, by March 2024. At a hybrid working ratio of 40%, this equates to a target of 500 roles in Leeds, Bristol and Croydon (against the current 207).</p>
Align with the Government's Levelling-Up agenda and associated plans to move jobs out of London.	<p>We continued to offer flexible ways of working in line with business needs, and provided the necessary equipment and training to enable staff to work at home for part of the week where possible.</p> <p>All GLD staff requiring the ability to work remotely now have access to GLD systems, from home or other remote locations. We are continuing to refine the experience and have begun the migration to Microsoft 365 and Teams.</p>

Case Study: Future Ways of Working Project

In 2021, Susanna McGibbon commissioned GLD's Flexible Working Champions Jane Hill and Anne McGaughrin to lead a task and finish group to support the Board in setting direction for GLD's future ways of working. Informed by engagement across the business the group looked strategically at how the series of important decisions GLD faced in relation to accommodation location technology and working patterns could be set against a clear vision of our future business model, embracing learning from the pandemic and taking on board the wider changes in the modern Civil Service.

Focusing on 3 "strands" – the needs of our business, our clients and our people – the group conducted an extensive survey of our people's preferences and views, engaged with clients and others in the legal community and challenged assumptions about our working models.

Diversity and inclusion considerations were incorporated within every aspect of the group's work, and the group proactively sought to integrate and learn from other GLD workstreams, including Reimagining the Workplace and the Diversity in Decision Making Task and Finish Group.

GLD's Executive Committee accepted the group's recommendations, under which the direction is set that our people should come together regularly in GLD offices and hubs to work collaboratively with a 'critical mass' of people with a mixed range of experience and expertise; that GLD develop a national career offer whereby nearly all our roles can be filled from any GLD base; that GLD should continue to promote location neutrality, expanding outside of London with a limited number of GLD bases supporting the full range of expert services; and that the client-facing team model should remain a cornerstone of our business. Achieving this long-term vision will take some time but we are now actively moving in this direction.

Case Study: Move to Wellington Place

In line with the Government's Levelling Up and Places for Growth agendas and GLD's strategic Connected outcome, Accommodation undertook an office relocation from Leeds Lateral to a new multi-occupancy HMRC Hub at Wellington Place, cementing our presence in the north of England.

By increasing the size of the office floorplate, the provision of desks were doubled allowing up to 300 staff to be pointed to the building – allowing us to more than double office capacity from Lateral numbers, enabling the available roles outside of London to be expanded.

Being a brand new building, the environment has been specifically designed to facilitate new working styles and subsequently supports GLD's Future Ways of Working recommendations of hybrid working and utilising the office for increased collaboration. The facilities are modern with a range of formal and collaborative areas and include a dedicated conferencing centre. There are also a range of wellbeing and environmental features included, ranging from beekeeping, extensive cycle-to-work provisions and urban gardens.

Capability

Enhance the capability and capacity of our staff through the operation of a fully integrated digital knowledge management system accessible to all throughout GLD, an enhanced training offer through the use of digital delivery platforms alongside traditional techniques and the further development of gld.digital.

Action	Progress
Improve our capacity and capability through ongoing investment in the skills of our people and the further development and deployment of technology.	<p>We continued to plot an ambitious future path for the enhancement of GLD's capability, informed by our experience and learning through the COVID-19 pandemic, and further developing our specialist knowledge, learning and innovation capability.</p> <p>We established the Knowledge, Capability and Innovation Group and reviewed and strengthened core resources, including induction for lawyers, Being an Effective Government Lawyer and Introductory Course for Government Lawyers, as well as our Centres of Excellence and knowledge and learning networks.</p> <p>We have put in place a GLD innovation blueprint and an innovation programme to begin to make a desired step change in this area.</p>
By 31 March 2022, our eKM (knowledge management system) will be readily accessible by all our lawyers wherever they are located.	Just under 1,500 lawyers had access to and were using our eKM knowledge sharing system by March 2022. By the time the roll-out is complete in June 2022, there will be over 1,800 users.

Case Study: eKM

eKM is GLD's online legal knowledge sharing system. It is a key element of the Capability strand of GLD's 2019-2024 Strategy. It gives our lawyers a single location to access legal knowledge from teams across GLD which enhances collaboration and work efficiency. It also enables new joiners to get up to speed more quickly.

A multidisciplinary project team from GLD's Knowledge, Capability and Innovation Group, Digital, Data and Technology profession (DDaT) and Change have partnered with individual teams' knowledge management leads to roll-out eKM throughout 2021. After trial roll-outs with selected early adopter teams, eKM was launched to around 350 lawyers in our Litigation Group in July 2021. After a short review period over the summer, the roll-out pace increased rapidly. By the end of March 2022, 12 Divisions and 6 Centres of Excellence had access – around 1,500 colleagues.

User feedback has been incredibly positive with comments describing eKM as intuitive and easy to use. Colleagues have also found the rollout process to be 'really efficient' praising the project team's organisation and helpfulness.

When the initial roll-out concludes in June 2022, around GLD 1,800 colleagues will have access to over 2,500 knowledge items. eKM will then be managed and further developed as part of GLD's knowledge and learning systems roadmap.

Professionalise

Professionalise and modernise all aspects of our service, both corporate and legal services, using a 'fail fast/learn quickly' approach to encourage innovation.

Action	Progress
Continue to improve the legal service we provide to our clients (including reviewing the legal risk framework and its use by ministers, officials and lawyers), support the Attorney General in their role as the principal legal adviser to government and sponsor of the Government Legal Department, and improve our relationship and support of the wider Government Legal Profession. Continue to provide high quality and value for money legal services to our clients.	<p>We restructured our legal directorates into 3 areas, designing them to reflect government priorities and the context in which we are delivering the Strategy. Each legal directorate is headed by a Director General (DG) and are known as Litigation with Justice and Security, Commercial with Trade and International and Employment with Economic Recovery and UK Governance.</p> <p>We established a Ministerial Strategic Board, chaired by the Attorney General, which met in July 2021 and January 2022.</p> <p>We developed plans to review our approach to legal risk.</p> <p>We set out our plans for engaging with the Government Legal Profession and wider legal profession.</p> <p>A strategic project on Business Management support provided to legal teams was undertaken, to create a new and improved structure and career path for the profession.</p> <ul style="list-style-type: none"> The first phase of the project has been successfully implemented, and implementation of the second phase has commenced. This has allowed colleagues to work more flexibly and share skills and good practice across the whole department. We created a new Head of Profession for Business Management.
Provide effective and timely legal advice, which supports our clients' Outcome Delivery Plans (ODPs).	<p>GLD lawyers and the wider Government Legal Profession continued to provide high quality legal advice to government: not only to support the delivery of their ODPs, but also to provide rapid, high calibre, responsive support to ministers and officials.</p> <p>We provided key support in the Government's most high profile areas: the COVID-19 response and establishment of the Inquiry, Northern Ireland Protocol negotiations, Small Boats/migration, and energy and supply chain resilience, as well as COP26.</p> <p>We implemented a new time recording system for our advisory, including commercial advisory, legal teams.</p>
Undertake Non-Executive Director (NED) led reviews of our relationship and service delivery to clients.	<p>We have NED led deep dives in train. Three deep dives were conducted in the 2021-22 financial year, covering: the Legal Advisers to the Department for Levelling Up, Housing and Communities, the Department for International Trade and Department for Work and Pensions. Findings were presented to the Legal Delivery Committee.</p>
Aim for an overall client satisfaction score of 95%.	<p>Our latest client satisfaction score was 96% (this is the number of clients who found our service Excellent or Good). We intend to make changes to the GLD client satisfaction survey to take in Ministerial feedback and to align with Cabinet Office reporting requirements on functional efficiency.</p>
Development of the Outline Business Case for what the Business Transformation Programme (BTP) will aim to deliver by 31 March 2022.	<p>GLD has established the BTP to drive the modernisation of our systems, technology and processes. The aims of the BTP have been identified as:</p> <ul style="list-style-type: none"> to invest in all of GLD's people and its culture, ensuring we all have the skills and career opportunities in an ever more inclusive environment to modernise how we do things at GLD, through improved corporate processes and through innovation, technology and knowledge sharing to continue to enhance how we work alongside our departmental and ministerial clients and provide them with outstanding, resilient legal services at enhanced value for money. <p>Following the early mobilisation stages of the programme and initial conclusions, the GLD Board chose to focus the initial stages of the programme on finalising the delivery of an Overall Plan which would provide the system and tools to underpin an enhanced delivery and portfolio management approach within GLD, including for programmes and projects being delivered under the auspices of BTP. The Board also chose to focus the programme on GLD's future technology requirements, including the introduction at pace of enhanced capability through Microsoft 365 to enhance collaboration and connectivity across GLD. As a result the Board judged that there was no requirement for an overall Outline Business Case and that the BTP would continue to provide the platform and catalyst through which individual projects and programmes (including those which may individually require business cases) would be run to help achieve the BTP's aims and GLD's wider strategic outcomes. The programme is continuing with strong progress on near term technology enhancements in GLD and on delivery of GLD's Overall Plan.</p>

Financial performance

Income

Total operating income (excluding disbursement income) for the year was £251.3m (2020-21: £232.9m), an increase of 8%. Our income from legal fees and charges to clients increased this year to reflect demand for our services. Our other income includes income from secondments, subscriptions for the Legal Information Online Network (LION) and the recovery of the costs of Bona Vacantia from the Crown's Nominee.

Expenditure

Our administration costs (excluding disbursements) this year were £235.9m (2020-21: £226.7m), an increase of 4%.

Staff costs represent 87% of non-disbursement expenditure (2020-21: 87%) and have increased by £6.5m in line with the increased demand for our legal services with a 6% increase in staff numbers. The ratio of staff costs to legal fees and charges income is 84% (2020-21: 88%).

We continue to employ agency and contract staff where there is a need for specialist skills, such as within Information Communications Technology (ICT), where for practical business reasons the Board has agreed there should be a mixed economy of permanent and contract staff to provide some flexibility to cope with changes in demand. We also employ agency staff in lieu of recruitment, to support our resourcing where we have not been able to attract as many permanent staff as required to deliver our work. Spend this year was £19.9m (2020-21: £16.9m). Agency staff accounted for 12% of average staff count for the year (2020-21: 11%).

Non-staff costs (excluding operational disbursements) have increased by 9% to £31.8m (2020-21: £29.1m). This increase mainly relates to increased rental costs and investment in software.

Expenditure on legal disbursements varies from year to year depending on the number, type and complexity of cases. The majority of this expenditure is passed on directly to clients.

Net operating income

The net operating income for the year was £12.0m (2020-21: £4.0m). The surplus reflects lower than anticipated resources costs for our fixed fee work and lower than expected costs for the departmental change programme.

Capital expenditure

Capital investment was £1.6m (2020-21: £0.8m) mainly relating to the annual cycle of investment in ICT equipment.

Financial position

Taxpayers' equity is £15.7m at 31 March 2022 comprising total assets of £78.6m (non-current assets of £5.8m, trade and other receivables of £45.7m, and cash of £27.0m); and current and non-current liabilities of £62.9m (trade and other payables and provisions). Further details are in the Notes to the Accounts. Cash flow and debtors are both closely monitored throughout the year to ensure that we have sufficient cash to meet our liabilities and pay our creditors promptly; we rely on receipts from our clients for the bulk of our cash flow. We ended the year with cash of £27.0m (2020-21: £1.7m) and a trade receivables balance of £23.5m (2020-21: £24.1m).

The financial statements and notes are set out on pages 60 to 74.

Community and social matters

Our Pro Bono and Volunteering Network has continued to support and encourage pro bono and volunteering activity within GLD, including awareness of GLD's policy of allowing staff to spend 6 days a year undertaking volunteering activity (subject to business need).

We continued our regular support for Pro Bono Week. Our week, which opened with a message of support from the Solicitor General, included virtual events focussing on the role of pro bono in the wider legal profession and the different ways that lawyers can volunteer throughout their careers; the role of 2 legal advice centres and the experience of being a trustee.

And GLD members have continued to engage in a wide range of volunteering activities either individually or with their GLD colleagues. This has included helping with the Supreme Court debate days, supporting advice lines and advice centres, and tidying up allotments as well as acting as school governors and charity trustees and undertaking many other very worthwhile charitable activities.

It's clear that GLD's support for volunteering and pro bono work has a positive impact on staff engagement and wellbeing, in addition to the benefits to society that it also brings.

Sustainability

All departments are required to report their performance against the Greening Government Commitments (GGC). GLD's sustainability performance can be found at Annex A (page 75).

Susanna McGibbon

Accounting Officer

27 May 2022

Accountability Report

Performance Report

Accountability Report

Financial Statements

Accountability Report

The Accountability Report includes a corporate governance report, a remuneration and staff report and a parliamentary accountability and audit report. These sections reflect financial reporting and parliamentary accountability reporting requirements.

Corporate Governance Report

Directors' Report

Directors

The Governance Statement includes the composition of the GLD Board on page 36.

Register of interests

No directorships or other significant interests, which may have caused a conflict with their management responsibilities, were held by any Board members. Note 15 to the Accounts confirms that no members of the Board, including Non-Executive Directors, has any related party interests.

Personal data related incidents

All government departments are required to publish information about any serious personal data related incidents, which have to be reported to the Information Commissioner. There were no personal data incidents requiring notification to the Information Commissioner's Office.

Statement on Information Risk

Assurance on information handling is provided by the Senior Information Risk Owner, Nick Price CBE, Operations Director & Senior Security Advisor, supported by the Security Team and the work of the Security Advisory Group. GLD Directors provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by the Audit and Risk Assurance Committee.

GLD holds personal data relating to GLD employees and keeps data owned by other government departments in relation to its role as the principal legal adviser to government. It continues to work with delivery partners and third parties to manage effectively the risk of any loss of personal data held by these other bodies.

During 2021-22, the framework for handling data and to provide assurance over the management of information held within GLD has included but not limited to:

- maintaining oversight of data handling practices in accordance with current departmental policies,
- reviewing current guidance and awareness updates, promoting best practice within GLD, including the mandatory completion by all staff of the Civil Service Learning – 'Responsible for Information and Data Protection' course and 2 newly revised General Data Protection Regulations (GDPR) related e-learning courses; - ongoing review of information assets and their associated risks, including assessments of the third party delivery chain, and the incorporation of information risks within the risk management policy and processes; and
- maintaining certification against the ISO 27001:2013 information security standard.

The department also adheres to Cabinet Office Minimum Security Standards relating to cyber security, personnel security, physical security and incident management. We have also maintained our Cyber Essentials Plus certification, in support of the current Lexcel standard.

Audit

GLD's Accounts are audited by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General. The NAO also audit the Crown's Nominee Accounts administered by the department's Bona Vacantia Division. The auditors provide no further assurance or other advisory services.

Remuneration to auditors for non-audit work

We did not pay any remuneration to the NAO for non-audit work. The notional audit fee for the GLD audit was £72k (2020-21: £71k).

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HMT has directed GLD to prepare for each financial year a Statement of Accounts in the form and on the basis set out in the Accounts Direction.

The Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of GLD and of its income and expenditure, statement of financial position and cash flows for the financial year.

In preparing the Accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual, and in particular to:

- observe the Accounts Direction issued by HMT, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the Accounts;
- prepare the Accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable

HMT has appointed the Treasury Solicitor and Chief Executive as Accounting Officer of GLD. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the department's assets, are set out in Managing Public Money, published by HMT.

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

Governance Statement

The Office of the Solicitor for the affairs of Her Majesty's Treasury (the Treasury Solicitor) was incorporated as a corporation sole by the Treasury Solicitor Act 1876.

The Government Legal Department (GLD) is a non-ministerial department and was established as an Executive Agency on 1 April 1996. Ministerial oversight and accountability to Parliament lies with the Attorney General. HM Procurator General and Treasury Solicitor leads the department, in the roles of Permanent Secretary and Chief Executive.

The Treasury Solicitor is accountable to the Attorney General for the running of GLD; and as Chief Legal Adviser to Government, the Attorney has a close interest in the legal advice and legal services being provided to government by GLD and the wider Government Legal Profession. An interim Framework Agreement governs the relationship between GLD and the Law Officers and the Attorney General's Office.

Ministers

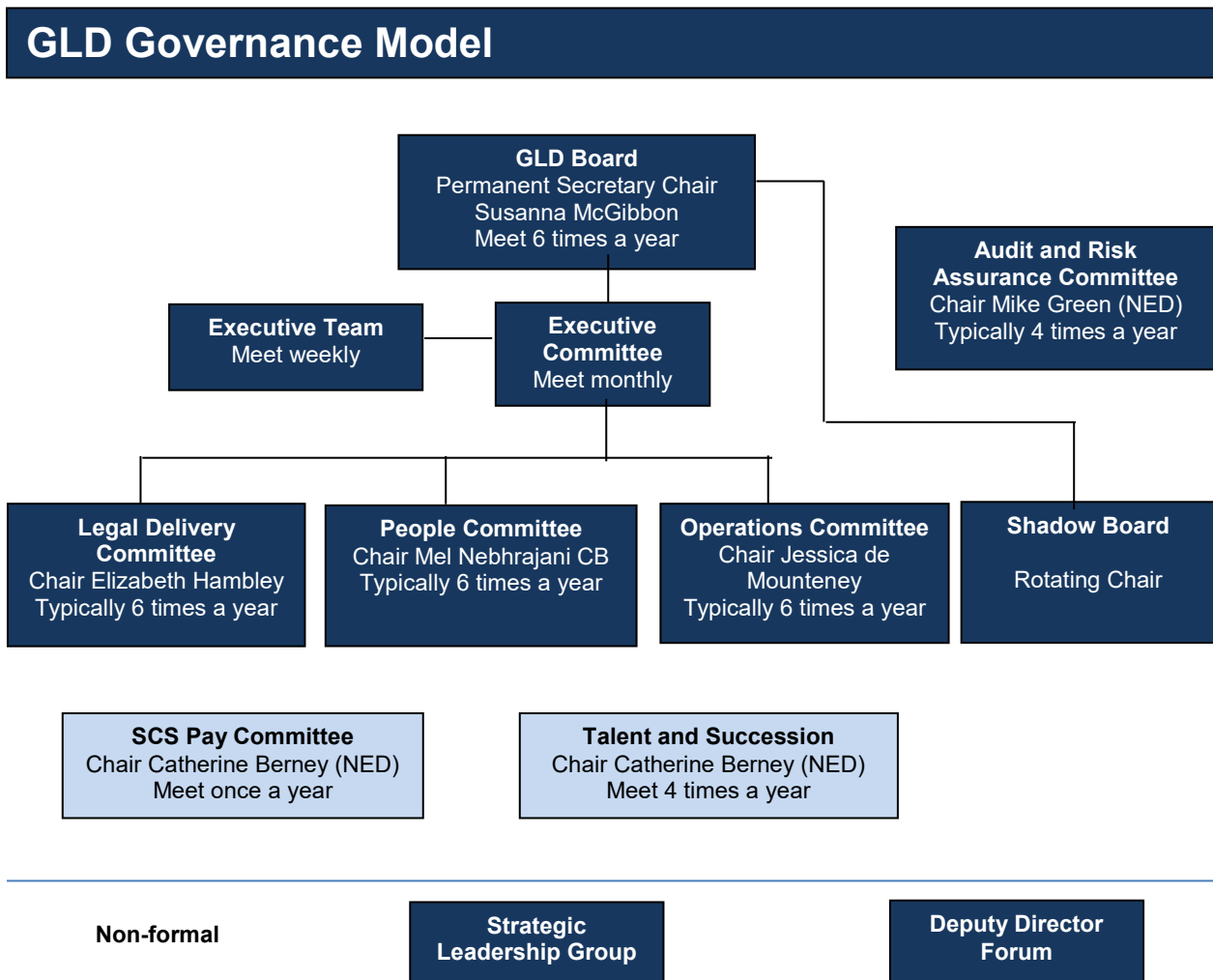
The ministers who had responsibility for the department during the year were:

- **The Rt Hon Suella Braverman QC**, MP, Attorney General from 10 September 2021 (maternity leave from 26 February 2021 to 10 September 2021)
- **The Rt Hon Michael Ellis QC**, MP, Attorney General until 10 September 2021, and Solicitor General from 10 September 2021 to 15 September 2021
- **The Rt Hon Lucy Frazer QC**, MP, Solicitor General until 10 September 2021
- **Alex Chalk QC**, MP, Solicitor General from 16 September 2021

In 2021-22, a Ministerial Strategic Board was established, chaired by the Attorney General, which met in July 2021 and January 2022.

Board and Sub Committees

The Governance structure is set out below:



GLD Board

Chair: Susanna McGibbon

The Board focuses on strategic matters for the department. It supports the Treasury Solicitor in providing leadership of GLD. It sets GLD's vision and strategic direction.

Shadow Board

Chair: Rotating Chair

The Shadow Board is an advisory staff forum, comprised of representatives from a range of divisions/groups, grades and professions, to scrutinise and contribute to strategic decisions in order to deliver GLD's Strategy. Its specific focus is on ensuring that the GLD strategic outcomes are incorporated into the decisions being made by the Board. It meets every 2 months before each Board meeting to discuss and provide opinions on the same papers that the Board see.

Executive Committee

Chair: Susanna McGibbon

The Executive Committee reports to the Board and consists of Executive Board Members. It oversees the operational management of all aspects of the department. The Executive Committee has 3 sub committees which provide assurance, challenge and support to the strategic outcomes and key priorities for GLD:

Legal Delivery Committee

Chair: Elizabeth Hambley, Legal Director General, Commercial with Trade and International

The Legal Delivery Committee provides oversight and assurance in relation to the quality and efficiency of legal work undertaken by GLD and oversees client relationships. It also oversees arrangements for the delivery of external legal services and relationships with the legal professional bodies. It supports the development of strategic priorities for activities in these areas.

The Committee met bi-monthly during the financial year 2021-22, with additional meetings to refine and review the bi-annual reports provided to it.

The Committee has fulfilled its oversight and assurance role through regular reporting and by specific discussion and scrutiny of areas, including:

- **Legal Delivery Excellence:** Reviewing the work of GLD's Centres of Excellence for primary and secondary legislation. Overseeing progress on other key elements of GLD's Knowledge, Capability and Innovation Strategy. Assuring the re-procurement of GLD's largest law firm panels.
- **Client Relationships:** Reviewing the key outcomes of the client care initiatives achieved through the GLD Client Action Plan 2020-21 and the Client Services Forum. Approving the GLD Client Action Plan 2021-22. Reviewing future ways of working for the GLD Client Services Forum and agreeing its recommendations to take forward the development of an overarching client approach.

The Committee has provided a strategic steer on key elements of legal delivery within its terms of reference and supported the development of GLD's strategic priorities in these areas, including:

- **Legal Delivery Excellence:** Endorsing proposals to develop a GLD legal learning framework and to review GLD's use of third party legal information services. Steering GLD's development of specialist roles including knowledge development lawyers. Reviewing recommendations on and progress to put in place an enhanced model and processes for legal quality assurance. Reviewing and refining GLD's current approach to assuring the work of external panel counsel and law firms.
- **Client Relationships:** Commissioning and undertaking a review of how GLD reports and captures risks in relation to client relationships. Reviewing key findings from individual department 'deep dives' led by GLD's Non-Executive Directors and guiding the development of an improved deep dive process.

Operations Committee

Chair: Jessica de Mounteney, Legal Director General, Litigation with Justice and Security (previously Stephen Braviner Roman, Legal Director General, Litigation with Justice and Security)

The Committee provides oversight and assurance in relation to the delivery of non-legal priorities, including Corporate Services and Bona Vacantia, by monitoring performance and supporting the development of strategic priorities within its remit, including the Accommodation and Location Strategy, the Digital and Technology Strategy, and the Management Information Strategy.

The Operations Committee met 5 times during 2021-22. It has also dealt with a large number of papers by correspondence throughout the year.

The Committee has endorsed recommendations to relocate staff in Bristol and Leeds to more suitable offices to accommodate increasing numbers. This is in line with the GLD Strategy of providing increased opportunities for the attraction, recruitment and retention of staff. The Committee has endorsed various ICT plans to ensure that GLD is transitioning to a converged and integrated IT system which contributes to the GLD strategic outcome of being more connected as well as aligning to contemporary standards across government.

The Committee has been considering proposals to reduce GLD's footprint in 102 Petty France as part of GLD's ambition to be a "location – neutral" employer.

The Committee endorsed 2 project closure reports, for the Time Recording System and the Digital Office Solutions, which are essential for GLD to be a modern legal organisation. It has continued its programme of deep dives into the corporate functions, covering elements of HR, Finance and the Business Management function, enhancing its capability to make more informed decisions.

During 2021-22, the Committee regularly reviewed the performance of Corporate Services through Operations Performance Reports, to provide assurance to the Board.

People Committee

Chair: Mel Nebhrajani CB, Legal Director General, Employment with Economic Recovery and UK Governance (previously Wendy Hardaker CB, Interim Legal Director General, Directorate B)

The People Committee exercises strategic oversight of the People Strategy and the underpinning strategies within its remit, including the Diversity and Inclusion Strategy. The Committee reviews GLD's key workforce risks and the action being taken to address them, particularly around legal resourcing, capacity and capability and pay and reward. Members also have an assurance role ensuring that GLD promotes health and wellbeing activities; supports

activities to build leadership amongst staff; actively reviews the skills and capabilities needed to deliver outstanding legal and corporate services; and drives improvements in response to the People Survey.

The People Committee met 7 times in the financial year 2021-22. Over the past year, the Committee has overseen an array of work including: work to improve recruitment and retention; the implementation of a new Performance Management Framework; the Annual People Survey results (commissioning work accordingly); the further development and implementation of 'Leadership the GLD Way' (with a focus on how we hold each other to account for our leadership behaviours); the development of early talent (including Paralegal Career Pathways) and additional routes to legal qualification; and the modification of GLD's Overseas Working Policy and other workforce policies and processes in response to COVID-19. Members also considered the effectiveness of the ranges of GLD's resourcing approaches, and progress of the pay business case, on a regular basis.

The People Committee considers the bi-annual Health and Wellbeing Report to monitor and identify any risks related to activities within the Committee's remit.

Audit and Risk Assurance Committee

Chair: Mike Green, Non-Executive Director (previously Tom Taylor, Non-Executive Director and Erica Handling, Non-Executive Director)

The Audit and Risk Assurance Committee (ARAC) reports directly to the Board. It supports the Accounting Officer by monitoring and reviewing the department's risk, control and governance processes, and the associated assurance processes, including external and internal audit. The membership of the Committee includes one Non-Executive Director, in addition to the Chair, and an additional independent member, Jenny Rowe, the former Chief Executive of the Supreme Court.

The ARAC met 5 times in 2021-22. It considered the Annual Report and Accounts for 2020-21, and the External Auditors' opinion. The Committee was satisfied with the quality of the external auditors' work and their approach to their responsibilities.

The Committee also considered the findings contained in management letters and reports prepared by the Head of Internal Audit based on an Internal Audit Plan agreed in advance by the Committee and monitored the implementation of internal audit recommendations.

The ARAC was satisfied that assurances provided by the various internal audit reports met the requirements of the Board and the Accounting Officer.

The Committee also considered the GLD position on fraud, risk management and security.

Committee Membership

Membership of each Committee is drawn from GLD's Strategic Leadership Group and each has one of the Non-Executive Directors as a member (Mike Green – Operations Committee, Catherine Berney – People Committee, and Erica Handling – Legal Delivery Committee).

Board Members

Membership of the Board as at 31 March 2022 was as follows:

Executive Members:

- **Susanna McGibbon** - Permanent Secretary and Chief Executive
- **Jessica de Mounteney** - Legal Director General, Litigation with Justice and Security
- **Elizabeth Hambley** - Legal Director General, Commercial with Trade and International
- **Mel Nebhrajani CB** - Legal Director General, Employment with Economic Recovery and UK Governance
- **Damian Paterson** - Strategy, People and Culture Director

Jon Fundrey joined the Board as Finance, Operations and Digital Director on 3 May 2022.

Ex-officio Member:

- **Douglas Wilson OBE** - Director General, AGO

Co-opted Board Member:

- **Lee John-Charles CBE** - Deputy Legal Director, Litigation Group

Non-Executive Members:

Catherine Berney took up her appointment as Strategy, People and Culture lead Non-Executive Director (NED) on 15 October 2018 and is Chair of both the SCS Pay and Talent and Succession Committees. Catherine is a qualified organisational psychologist and solicitor, with a background in private practice and international finance. She has held a previous NED role for Arts Inform, an organisation that seeks to build links between the creative and cultural industries and the London schools system, in addition to chairing a local community association. Catherine leads a consultancy firm and brings considerable experience to GLD in leadership, strategic direction, communications and talent development.

Erica Handling joined on 29 October 2018, as lead NED for Legal Quality. Erica brings experience and expertise to GLD having worked as head of large legal departments in private practice and in-house. Her previous roles have included General Counsel for Europe at BlackRock and Barclays

Investment Bank and Head of Securities and Structured Finance at Ashurst LLP. Erica combines her role at GLD with working as an executive coach and being a non-executive director on the Board of Petershill Partners plc (a listed company investing in private equity partnerships, managed by Goldman Sachs) and a trustee and chair of charities with a focus on women and/or criminal justice, including Spark Inside, St Giles Trust and Working Chance.

Mike Green joined GLD in January 2022 and is Chair of the Audit and Risk Assurance Committee. Mike is a Fellow of the Institute of Chartered Accountants in England and Wales and a graduate of the London School of Economics. He qualified as a chartered accountant with what is now KPMG and spent 11 years with the audit practice before a 20-year career in commercial television. Currently Mike is a Director, Audit Committee Chair and a member of the Service Quality Committee at Anchor Hanover, a housing association specialising in older people's housing and operating over 100 care homes. Mike also spent 10 years as a non-executive director at an NHS Foundation Trust.

Board attendance

The Board met 9 times between April 2021 and March 2022, with attendance as follows:

Executive Members	Eligible to attend	Attended (to end March)
Susanna McGibbon	9	9
Stephen Braviner Roman (to November 2021)	7	7
Jessica de Mounteney (from March 2022)	1	1
Elizabeth Hambley	9	9
Wendy Hardaker CB (to September 2021)	5	5
Mel Nebhrajani CB (from October 2021)	4	4
Anna Sanders (to June 2021)	3	3
Damian Paterson (from July 2021)	5	5
Nick Payne (to February 2022)	8	8
Ex-Officio Member - Douglas Wilson OBE (from July 2021)	7	6
Co-opted Member - *Lee John-Charles CBE	9	9
Non-Executive Members		
Catherine Berney	9	9
Erica Handling	9	9
Tom Taylor (to July 2021)	4	4
Mike Green (from February 2022)	2	2

These refer to when meetings Members were eligible to attend were held, rather than membership. For example, Tom Taylor was officially a Board member until 24 September 2021, but he attended meetings until July 2021 because that was when the last meeting he was eligible to attend was held. He had left GLD and the Board by the September 2021 Board meeting.

* Lee John-Charles CBE (Deputy Legal Director, Litigation Group) was co-opted onto the Board in response to the increased nationwide and global focus on issues around ethnic minority representation and social justice, occasioned by a number of significant newsworthy events during the course of 2020. His appointment to the Board is an interim measure, pending a final decision on the approach GLD will take to the issue of ethnic minority representation at the highest levels of the department.

The Board's work covers the 5 main areas expected by the Corporate Governance in Central Government Departments: Code of Good Practice:

- **Strategy** – setting the vision;
- **Commercial focus** – scrutinising the allocation of resources to achieve plans; ensuring controls are in place to manage risk;
- **Talented people** – the Board has a People Strategy to help ensure that GLD has the capability to deliver and to meet current and future needs;
- **Results focus** – the Board agrees the annual business plan and monitors and manages performance against the plan; and
- **Management information** – the Board receives a bi-monthly dashboard containing clear, consistent and comparable performance information.

The Board's performance

GLD adheres to centrally set standards of good governance practice for government departmental boards and follows the Board Effectiveness Evaluation process, recommended in guidance produced by the Cabinet Office.

We have continued to review what kind of effectiveness evaluation would best suit the needs of GLD throughout 2021-22, given the significant changes at Board level. During this time, we recruited a new Non-Executive Director (carrying a vacancy between September 2021 and January 2022) and made 3 new appointments to our Board. Planning work has begun to conduct a comprehensive effectiveness review in 2022.

Compliance with the Corporate Governance in Central Government Departments: Code of Good Practice

The "Corporate Governance in Central Government Departments: Code of Good Practice" applies primarily to ministerial departments. This means that the key provisions relating to the composition of boards do not apply to

GLD; specifically the involvement of ministers and the requirement to have roughly equal numbers of ministers, senior civil servants, and Non-Executive Directors.

Management of interests and Business Appointments

GLD has a policy, published in our Staff Handbook, on outside activities and employment. The general principles are that official time must not be spent on any outside activity without the approval of the Head of Division. Individuals must not engage in any outside activity, which would in any way tend to impair their effectiveness in their official duties or be inconsistent with their position as civil servants, or as members of GLD.

No member of staff may carry out private legal work except, and subject to permission of the Treasury Solicitor, in relation to non-contentious family matters, or pro bono work.

Individuals must seek permission from the Head of HR, via a senior manager in their business area to ensure there is no risk in respect of conflict of interest with, or potential damage to the credibility of, the Government Legal Department before:

- taking any job or position, which might affect their official work directly or indirectly; or
- undertaking any outside work involving official information; or
- undertaking any work involving payment by another government department or agency on their own account.

Where permission is granted the relevant documentation is filed in the individual's personnel folder.

There are strict rules in place for those responsible for procurement or management of contracts and on an annual basis all Directors are asked to complete a Declaration of Related Party Interests.

We have a policy on business interests and shareholdings, also published in our Staff Handbook. This states that there is no objection to civil servants investing in shareholdings unless the nature of their work is such as to require constraints on this. Individuals must not be involved in any work, which could affect the value of their private investments, or the value of those on which they give advice to others; nor must staff use information acquired in the course of their work to advance their private financial interests or those of others.

Individuals must declare to the Finance, Operations and Digital Director any business interests or shareholdings (including directorships) which they or members of their immediate family (spouse/partner and children) hold - to the extent to which they are aware of them - which they would be able to further as a result of their official position.

They must comply with any subsequent instructions from the Finance, Operations and Digital Director regarding the retention, disposal or management of such holdings.

In line with Cabinet Office guidance, GLD will ensure that:

- All senior civil servants declare any relevant interests to the Permanent Secretary on at least an annual basis. This will include providing a 'nil return' should they have no relevant outside interests.
- Senior civil servants continue to declare any outside interests on appointment, or if their circumstances change, in real time.
- Returns are scrutinised within GLD by the Audit and Risk Assurance Committee, with assurance of this process set out in the Annual Report and Accounts, and an annual return is provided to the Cabinet Office, providing assurance that all outside interests are being managed appropriately.
- As part of or alongside our Annual Report and Accounts we will publish a register of relevant interests for all Members of the Departmental Board, including senior civil servants.
- When a civil servant is appointed, as part of the recruitment process the hiring manager is satisfied they can comply with the requirements of the Civil Service Code. The individual must ensure that any interests they do have are compliant with their obligations as a civil servant. If their employer considers there is any real or perceived conflict from their outside interests, the individual must resolve that conflict - for example, by giving up any outside employment.
- After a civil servant is appointed, they declare relevant private interests in real time to their line manager and, if necessary, senior management. They will be required to comply with any instructions from GLD relating to those interests. They will also be required to seek permission before taking up any outside engagement which might affect their work.

Business Appointments

The Audit and Risk Assurance Committee monitor compliance with the Business Appointment Rules, receiving an Annual Report from Human Resources.

In compliance with Business Appointment Rules, the department is transparent in the advice given to individual applications for senior staff, including special advisers. A summary of advice given is published at: <https://www.gov.uk/government/publications/ago-gld-and-hmcpai-business-appointment-rules>

Risk management

Risk management is carried out in accordance with HM Treasury risk management guidance – "The Orange Book". Our strategic risks are also aligned to the risk categories in the Orange Book.

The ARAC provides a challenge function to the department's risk management arrangements, including deep dive reviews, internal audit reviews and the assurance of processes.

Risk management is embedded at every level in the department by encouraging empowerment and delegation so that risks can be managed proactively by those with the local knowledge and experience, and who are held accountable for the effective management of those risks.

The process is to identify and evaluate a risk, determine an appropriate response, and actively manage the response to ensure that GLD's exposure is limited to an acceptable level.

Strategic risks are agreed by the GLD Board and monitored by the ARAC, and each key strategic risk is owned by a Board Member. The risks and actions to mitigate them are reported monthly to the Executive Committee, and bi-monthly to the Board. The strategic risks and the actions to mitigate them are detailed in the GLD business plan.

Risk profile

For GLD, COVID-19 has continued to add major challenges in terms of meeting the intense demands for legal services related to the outbreak, whilst managing the impact of the virus on our workforce, as we adapted to hybrid working and the use of new technology, while supporting the health and wellbeing of our people. The potential impact of these challenges, which also impacted on GLD's ability to deliver business as usual, were recognised in GLD's key strategic risks and mitigating actions, which are:

Risk Category	Risk Description	Plans and Mitigations
Strategy	We do not have an optimised performance and assurance system to monitor the implementation of our Strategy and supporting sub-strategies.	An overarching Strategic Plan is in place with updates provided to the Executive Committee on a monthly basis. Sub-strategies have been developed and responsibilities have been assigned for agreed actions. The Committees monitor progress on relevant sub-strategies and actions.
Strategy	We do not prepare for significant external events which have the potential to have an adverse impact on the delivery of legal services to our clients or achieving full cost recovery.	We have a highly developed Business Continuity Plan which includes plans for critical systems and operations at a local divisional level. The plans include an ICT Disaster Recovery Plan and are supported by an Incident Management Team and our remote working capability. In addition we have succession plans for critical roles to ensure our legal service is maintained.
Reputation	We damage the confidence and trust of our clients and/or the judiciary, by not meeting their expectations or delivering on commitments given to them.	We use a multi-aspect approach to managing this risk by ensuring the capability of our staff through appropriate training programmes, the development of general and specialist legal skills, utilisation of legal technologies and have appropriate legal quality assurance processes. In addition we have worked closely with the Attorney General's Office to update the approach to advising on legal risk in Government and we have an overall client approach supported by local client care plans to help build and maintain the trust and confidence of clients. To manage demand for our services we have procured external panel firms and panel counsel.
Financial	We do not generate sufficient income to achieve full cost recovery and/or we breach one of our HM Treasury Control Totals.	Each year we undertake a comprehensive planning and budgeting process to determine the fee rates we need to charge to clients. The income, expenditure and activity trends are monitored throughout the year and this enables prompt action to be taken to bring spending in line with HM Treasury Control Totals.
People	We do not attract, recruit and retain diverse and sufficient people to deliver the breadth and quality of legal services required by our clients.	<p>We are working to enhance our workforce planning process including regular meetings with senior management to ensure effective deployment of staff.</p> <p>There is ongoing resourcing activity to improve our recruitment processes and the candidate experience, and we have commissioned an external review of our resourcing approach. We continue to explore the creation of alternative routes to legal qualification via apprenticeships.</p> <p>We are working on the following initiatives to enhance attraction and improve retention: explore ways to improve pay and conditions; leadership work to ensure that managers engage their employees so that they see GLD as a great place to work; ensuring that staff have access to a range of Learning and Development opportunities; and implementing our Diversity and Inclusion Delivery Plan, Health and Wellbeing Action Plan and our Talent and Succession Framework.</p> <p>We are continuing to ensure access to external expertise via external counsel and panel firms.</p>
People	We have insufficient leadership capability to inspire and empower our people to deliver the required levels of service and/or our strategic aims.	Our Leadership Framework, supported by a programme of learning and development, sets out clear leadership expectations. All managers have leadership objectives and are held to account through the Performance Management Framework. Our recruitment and promotion processes have been reviewed and updated to ensure we create a diverse leadership cadre.
Technology	We do not make the most effective tools consistently available to our people across the whole department which are necessary to deliver the required standards of service to our clients.	We are developing a Digital and Technology Strategy and are implementing the findings of the Legal Work Activity Analysis, which has informed the technology aspects of our Legal Knowledge, Capability and Innovation Strategy. These strategies are being developed in conjunction with the technology strands of our Business Transformation Programme. We are strengthening our innovation capability and culture and will adhere to our business case approval process to ensure appropriate prioritisation and value for money.
Security	We do not keep pace with emerging threats, or there is a failure of compliance, which results in harm, or sanctions, or has an adverse impact on our ability to deliver legal services to our clients.	We comply with the requirements of our Information Security Management System and meet minimum government security standards. We ensure all staff are appropriately security cleared and communicate securely with counsel and other third parties. In addition all staff complete mandatory annual information security and related training, and assurance is obtained through maintaining various ICT related certifications and accreditations.

Security and business continuity

Client information security remains critical and is assured by GLD's adherence to Cabinet Office Minimum Security Standards (GovS 007), maintaining ISO 27001 certification, and Cyber Essentials Plus certification. Cyber resilience is maintained through comprehensive penetration testing, vulnerability management and protective monitoring policies, with all of our IT services on, or connected to the GLD network being monitored by the Security Incident Event Management (SIEM) appliance.

GLD continues to contribute to work carried out by the Cabinet Office on the wider security transformation agenda and is actively contributing to the government-wide security governance reviews in relation to National Security Vetting and the Document Classification System. We are additionally working with the National Cyber Security Centre to improve cyber security resilience. All staff have completed mandatory Information Security and GDPR training courses to ensure that they are fully aware of their responsibility to keep information secure.

GLD enjoys a high level of client satisfaction and it is essential that it is able to maintain its high quality service in all circumstances. Business continuity is assured through the maintenance of an ISO22301 aligned business continuity management system and a comprehensive suite of recovery plans. Incident management exercises are carried out and GLD's disaster recovery facilities are tested on a regular basis. The GLD disaster recovery site has significant remote access capacity, resilience and security, which reduces the risk of service disruption should the GLD head office be unavailable. A complementary plan, based on and tested against a flu pandemic, was reviewed and updated at the start of the year, to assist the department's crisis response to and subsequent management of operations during the COVID-19 pandemic. This was supported by divisional staff succession plans, again reviewed and updated in early 2022, the aims of which are to ensure all critical posts are adequately covered during periods of excess staff absence.

Whistleblowing

Responsibility for the operation of an effective whistleblowing policy and process within GLD is vested at Board level in the Director of Strategy, People and Culture (SPC) Damian Paterson. He is supported in this role by 3 SCS Nominated Officers, who act as a point of contact for GLD staff, outside their line management chain, for raising concerns. They also offer impartial support and advice to anyone raising a whistleblowing concern.

Assurance of GLD's whistleblowing policy and processes is provided by the GLD's ARAC who review whistleblowing cases, identifying the lessons to be learned from them. The ARAC has considered quarterly reports on whistleblowing throughout 2021-22, with the Board receiving a verbal

report from the Director of SPC in March 2021. In 2021-22 one case potentially covered by GLD's whistleblowing policies and procedures was raised and is under investigation.

GLD is absolutely committed to nurturing an environment where staff are aware of how to raise concerns about something they see or experience at work. This includes ensuring they feel able and supported in expressing grievances through the channels available to them, including where an issue may be classed as whistleblowing. The 2021 People Survey scores show that inclusion rates have increased 2% to 85%. 77% of respondents stated that they feel encouraged to speak up in the event they have serious concerns at work, 72% able to challenge inappropriate behaviour and 76% were confident that concerns raised under the Civil Service Code would be investigated properly.

The department will continue to explore ways to improve these results as part of its wider investment in our leadership, culture and staff awareness, building on our activities as part of Civil Service 'Speak Up' week in September 2021. This saw blogs signpost colleagues to relevant whistleblowing information pages on GLD's intranet and highlighted contacts for the department's Nominated Officers. The routes to raise a concern have also been highlighted during other activities and engagement events, including since the publication of the Gray update.

Effectiveness of the risk management and governance framework

Assurance is obtained from a range of sources, including the work of the Internal Auditors. In their Annual Assurance Report, which offers an opinion on the adequacy and effectiveness of risk management, control and governance, the Head of Internal Audit gave a moderate level of assurance. In his opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control; plans are in place to take these recommendations forward.

Assurance on information handling is provided by the Senior Information Risk Owner, Nick Price CBE, Operations Director and Senior Security Advisor, supported by the Security Team.

GLD Directors provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by the ARAC. As part of the business planning process, the Permanent Secretary/Chief Executive holds Panel Reviews with all Executive Team Members to challenge their bids for resources.

At the end of each quarter, GLD conducts a formal forecasting exercise. GLD Directors are asked to review their resourcing priorities and relevant income and

expenditure against budget, and to forecast their year-end position. This information enables the Executive Committee and the Board to identify areas of concern and, if necessary, to review and consider the allocation of resources in meeting GLD objectives. From quarter 2, it also enables consideration of potential in-year fee reductions and rebates/refunds, where a surplus is forecast, or increases if a deficit is forecast.

External assurance of GLD's litigation activities is provided by the Law Society against the Lexcel Standard, and GLD's information systems are assured against the Lloyd's Register Quality Assurance Ltd standard ISO27001.

These processes highlighted no issues of significance to the corporate health or operations of GLD in 2021-22.

Remuneration and staff report

Remuneration Report

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this Report hold appointments, which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at: <https://civilservicecommission.independent.gov.uk/>

Remuneration policy

The Prime Minister, following independent advice from the Senior Salaries Review Body, sets the remuneration of senior civil servants. The Review Body also advises the Prime Minister, from time to time, on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- regional/local variations in labour markets and their effects on the recruitment and retention of staff
- government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services
- the funds available to departments as set out in the government's departmental expenditure limits; and
- the government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at: <https://www.gov.uk/government/organisations/office-of-manpower-economics>

Permanent Secretaries are paid within the Permanent Secretaries pay range. The exact position on the pay range is set individually for each Permanent Secretary by the government on the recommendation of the Permanent Secretaries Remuneration Committee (which the government normally expects to accept). The Committee comprises members of the Senior Salaries Review Body (SSRB), the Head of the Home Civil Service and the Permanent Secretary of HMT.

Senior Civil Service (SCS) Pay Committee

The function of the SCS Pay Committee is to determine the department's SCS pay strategy and after performance appraisals have been completed, to assess the relative contribution of the department's SCS members in achieving the department's strategic outcomes and key priorities, before determining non-consolidated performance related pay awards, and to make final pay decisions.

The SCS Pay Committee at the relevant time (September 2021) comprised: Catherine Berney – Non-Executive Director and Chair, Susanna McGibbon, Stephen Braviner Roman, Wendy Hardaker, Elizabeth Hambley and Shehzad Charania, AGO Director General, with Frances Mills, HR Director.

Consolidated awards (salary increase)

Due to the Public Sector pay pause there were no consolidated pay awards or changes to pay ranges for the SCS in 2021-22.

Non-consolidated performance related pay awards

An end of year non-consolidated amount was available for jobholders who were assessed as top performers in the 2020-21 performance year.

In-year non-consolidated awards for performance during 2021-22 were made for a maximum of 40% of the SCS cadre, using the overall budget for non-consolidated SCS payments. The criteria used to award these were:

- Exceptional demonstration of departmental values and collaborative approaches taken to contribute to 'One organisation';
- Outstanding contribution to the delivery of a key priority objective;
- Outstanding demonstration of a high quality service to clients;
- Achieving significant cost-effectiveness improvements in specific areas, for example, in terms of advisory or digital delivery; and
- Showing innovation in the way work is delivered or suggesting new ways of working to add value, reduce cost and improve/maintain quality.

Note: SCS jobholders who were awarded both an in-year payment and end of year payment had their total non-consolidated payments for the year capped at the amount for the annual performance award.

Remuneration (including salary) and pension entitlements

This information has been subject to audit. The following sections provide details of the remuneration and pension interests of the senior management (i.e. Board Members) of the department.

Single total figure of remuneration

Officials	Salary £000		Bonus Payments £000		Pension Benefits to nearest £1,000 ¹		Total £000	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Sir Jonathan Jones KCB QC (Hon) Permanent Secretary until 9 November 2020	-	185-190	-	-	-	44,000	-	230-235
Peter Fish CB Permanent Secretary from 9 November 2020 to 5 March 2021	-	140-145	-	5-10	-	114,000	-	260-265
Susanna McGibbon Permanent Secretary from 8 March 2021	160-165	130-135	5-10	5-10	227,000	86,000	395-400	225-230
Stephen Braviner Roman Legal Director General until 26 January 2022	105-100	125-130	5-10	5-10	22,000	71,000	135-140	210-215
Wendy Hardaker CB Legal Director General from 17 March 2021 to 30 September 2021	60-65	0-5	5-10	-	18,000	2,000	85-90	5-10
Elizabeth Hambley Legal Director General from 7 December 2020	120-125	35-40	-	5-10	119,000	60,000	235-240	105-110
Mel Nebhrajani CB Legal Director General from 1 October 2021	65-70	-	-	-	68,000	-	135-140	-
Jessica de Mounteney Legal Director General from 7 February 2022	25-30	-	-	-	-	-	25-30	-
Anna Sanders Director of Strategy, People and Culture to 30 June 2021	20-25	100-105	5-10	5-10	7,000	43,000	40-45	150-155
Damian Paterson Director of Strategy, People and Culture from 26 July 2021	60-65	-	-	-	64,000	-	125-130	-
Nick Payne Finance, Operations and Digital Director to 11 February 2022	115-120	125-130	-	-	19,000	62,000	135-140	180-185
Lee John-Charles CBE Co-opted Board Member from July 2020	100-105	70-75	0-5	-	19,000	43,000	120-125	110-115
Shehzad Charania MBE Ex-Officio Board Member until 31 March 2021	-	60-65	-	-	-	61,000	-	120-125
Douglas Wilson OBE Ex-Officio Board Member from 12 July 2021	100-105	-	-	-	41,000	-	140-145	-

¹ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to transfer of pension rights. Where prior year pension figures have changed this is due to updated information.

2021-22 notes:

Stephen Braviner Roman - full year equivalent salary was £130k-£135k

Wendy Hardaker - full year equivalent salary was £120k-£125k

Mel Nebhrajani - full year equivalent salary was £120k-£125k

Jessica de Mounteney - full year equivalent salary was £175k-£180k (one year loan from Office of the Parliamentary Counsel)

Anna Sanders - full year equivalent salary was £95k-£100k

Damian Paterson - full year equivalent salary was £90k-£95k

Nick Payne - full year equivalent salary was £125k-£130k

Douglas Wilson - full year equivalent salary was £140k-£145k

2020-21 notes:

Jonathan Jones - £185-190k for payments made up to his leaving date of 7 December 2020 and includes an annual leave adjustment of £23k and compensation of £44k (3 month's salary). The full year equivalent salary was £170k-175k.

Peter Fish - full year equivalent salary as Treasury Solicitor was £160k-165k, full year equivalent salary as Director General was £125k-£130k, payments made up to leaving date of 30 April 2021.

Susanna McGibbon - full year equivalent salary as Treasury Solicitor was £160k-£165k, full year salary as Director General £130k-£135k

Wendy Hardaker - full year equivalent salary was £120k-£125k (same for 2021-22)

Elizabeth Hambley - full year equivalent salary was £120k-£125k

Lee John-Charles - full year equivalent salary was £95k-£100k

Shehzad Charania - full year equivalent salary was £120k-£125k (same for 2021-22) for the period as Director General at the AGO

The Non-Executive Directors were paid salaries in the following bands

Contract end		Salary £000		Benefits-in-kind to nearest £100		Total £000	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Catherine Berney	October 2023	15-20	15-20	-	-	15-20	15-20
Erica Handling	October 2023	15-20	15-20	-	-	15-20	15-20
Mike Green	January 2025	0-5	-	-	-	0-5	-
Thomas Taylor	September 2021	5-10	15-20	-	-	5-10	15-20

The department's Non-Executive Directors necessarily incur travelling and other expenses to attend departmental meetings. The tax liability arising on their reimbursement by GLD is met by GLD and is shown in the table above as a benefit in kind. Full year equivalents for Thomas Taylor and Mike Green are £15k-£20k for 2021-22 salary.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the department and thus recorded in these Accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. The estimated monetary value of benefits in kind which relate solely to the provision of interest free loans for the purchase of season tickets for home to office travel is not included. The amounts involved are disclosed in the salary, allowances and taxable benefit table.

Bonus Payments

Performance related pay awards (non-consolidated) are based on an individual's performance and are moderated as part of the SCS appraisal process. Bonuses disclosed may relate to performance in the previous financial year.

Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the department in the financial year 2021-22 was £175k-£180k (2020-21: £170-175k). This was:

- 3.4 times (2020-21: 3.3 times) the median remuneration of the workforce, which was £52,042 (2020-21: £52,102).

- 4.0 times (2020-21: 4.0 times) the 25th percentile of pay and benefits which was £43,916 (2020-21: £43,916).

- 2.7 times (2020-21: 2.6 times) the 75th percentile of pay and benefits which was £66,294 (2020-21: £66,289).

The median, 25th and 75th percentiles were salary only; there were no bonuses or benefits.

Due to a pay freeze in place for civil servants on average there was no increase in median employee pay for 2021-22 (a 0.1% decrease). The 2% increase in the pay of the highest-paid director reflects the appointment of a new Director General to the Board, where salary is higher than the highest paid director in 2020-21 (there were no bonuses or benefits for the highest paid director in either year). The median pay ratio is consistent with the pay, reward and progression policies for the department. The average percentage change from the previous financial year in respect of the employees of the entity taken as a whole was a 0.2% decrease.

In 2021-22 no (2020-21: 0) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £22k-£177k (2020-21: £19k-£174k). Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value (CETV) of pensions.

Pension benefits

Officials	Accrued pension at pension age at 31/03/22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/22	CETV at 31/03/21	Real increase in CETV	Employer contribution to partnership pension accounts	Nearest
	£000	£000	£000	£000	£000		£100
Sir Jonathan Jones KCB QC (Hon) Permanent Secretary until 9 November 2020	-	-	-	1,552	-	-	-
Peter Fish CB Permanent Secretary from 9 November 2020 until 5 March 2021	-	-	-	1,145	-	-	-
Susanna McGibbon Permanent Secretary from 8 March 2021	65-70 plus lump sum of 130-135	10-12.5 plus lump sum of 20-22.5	1,214	966	189	-	-
Stephen Braviner Roman Legal Director General until 26 January 2022	50-55 plus lump sum of 100-105	0-2.5 plus lump sum of 0	970	917	6	-	-
Wendy Hardaker CB Legal Director General from 17 March 2021 until 30 September 2021	35-40 plus lump sum of 70-75	0-2.5 plus lump sum of 0	619	586	6	-	-
Elizabeth Hambley Legal Director General from 7 December 2020	45-50 plus lump sum of 90-95	5-7.5 plus lump sum of 7.5-10	877	742	90	-	-
Mel Nebhrajani CB Legal Director General from 1 October 2021	40-45	2.5-5	727	644	53	-	-
Jessica de Mounteney Legal Director General from 7 February 2022	50-55 plus lump sum of 90-95	0-2.5 plus lump sum of 0	873	872	-3	-	-
Anna Sanders Director of Strategy, People and Culture to 30 June 2021	25-30	0-2.5	355	351	2	-	-
Damian Paterson Director of Strategy, People and Culture from 26 July 2021	20-25	2.5-5	298	253	36	-	-
Nick Payne Finance, Operations and Digital Director to 11 February 2022	70-75	0-2.5	1,324	1,256	4	-	-
Lee John-Charles Co-opted Board Member from July 2020	35-40 plus lump sum of 105-110	0-2.5 plus a lump sum of 0	908	848	6	-	-
Shehzad Charania MBE Ex-Officio Board Member to 31 March 2021	-	-	-	366	-	-	-
Douglas Wilson OBE Ex-Officio Board Member from 12 July 2021	40-45	0-2.5	551	504	17	-	-

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has 4 sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the 2 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% of pensionable earnings 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 3 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 their pensionable earnings during their period of scheme membership.

At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the 2 schemes, but note that part of that pension may be payable from different ages.)

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

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement 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 Pensions Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in 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.

Staff Report

Staff costs

This information has been subject to audit.

	Permanently employed staff	Others	2021-22 Total	2020-21 Total
	£000	£000	£000	£000
Wages and salaries	132,887	-	132,887	130,621
Social security costs	15,136	-	15,136	14,303
Other pension costs	35,772	-	35,772	34,021
Historic pension underpayment	-	-	-	1,263
Sub Total	183,795	-	183,795	180,208
Agency and contracted staff	-	19,896	19,896	16,905
Inward Secondments	-	416	416	483
Total	183,795	20,312	204,107	197,596
Less recoveries in respect of outward secondments	(164)	-	(164)	(800)
Total Net Costs	183,631	20,312	203,943	196,796

No staff costs have been charged to capital.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as 'alpha' are unfunded multi-employer defined benefit schemes but GLD is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation: www.civilservicepensionscheme.org.uk

For 2021-22, employers' contributions of £35,504k were payable to the PCSPS (2020-21: £33,660k) at one of 4 rates in the range of 26.6 to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every 4 years following a full scheme valuation. A further £1,200k was also paid to PCSPS in 2020-21 in respect of an historic pension underpayment relating to changes in Statutory Maternity Pay.

The contribution rates are set to meet the cost of the benefits accruing during 2021-22 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £327k (2020-21: £344k) were paid to the appointed stakeholder pension provider. Employer contributions are age-related and range from 8 to 14.75% of pensionable pay. Employers also match employee contributions of up to 3% of pensionable pay. In addition, employer contributions of £13k (2020-21: £14k), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting date were £nil. Contributions prepaid at that date were £nil.

One member of staff retired early on ill health grounds (2020-21: 2); the total additional accrued pension liabilities in the year amounted to £nil (2020-21: £nil).

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows.

	2021-22		2020-21
	Permanent Staff	Others	Total
GLD	2,312	457	2,769

"Others" relates to agency staff and staff employed on a fixed term basis.

This information has been subject to audit.

Reporting of Civil Service and other compensation schemes - exit packages

Exit package cost band	2021-22			2020-21		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-	-	-	-
£10,000 - £25,000	-	-	-	-	-	-
£25,000 - £50,000	-	2	2	-	1	1
£50,000 - £100,000	-	1	1	-	-	-
£100,000- £150,000	-	-	-	-	1	1
£150,000- £200,000	-	-	-	-	-	-
£200,000- £250,000	-	-	-	-	-	-
£250,000- £300,000	-	-	-	-	-	-
Total number of exit packages by type	-	3	3	-	2	2
Total resource cost/£	-	135,147	135,147	-	152,375	152,375

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

This information has been subject to audit.

Staff turnover

The staff turnover percentage for 2021-22 for GLD was 13.0% (2020-21: 9.3%). This has been calculated as the number of leavers within that period divided by the average of staff in post over the period (headcount) in accordance with the definition for 'Departmental Turnover' (staff leaving the Civil Service or a particular department) provided by the Cabinet Office.

SCS by payband

The number of SCS staff by payband in GLD as at 31 March was as follows:

GLD	31 March 2022	31 March 2021
SCS 4	1	1
SCS 3	3	4
SCS 2	28	26
SCS 1 and 1A	176	172
Total	208	203

Staff composition

We continue to promote equality and inclusion for all and in particular, we continue to maintain a strong gender profile and work to improve the representation of ethnic minority and disabled staff at senior civil service (SCS) level and in feeder grades to the SCS.

We are bound by the Civil Service Commission's recruitment principles on fair and open competition and selection on merit. Adjustments for candidates with disabilities are provided at all stages of the recruitment process. All interviewers are trained in GLD's recruitment policy, processes and procedures, which covers, amongst other things, unconscious bias, to ensure the process is fair, objective and inclusive. GLD is a Level 3 Disability Confident Leader and has an active Disability, Mental Health and Wellbeing Network.

The gender breakdown of our headcount as at 31 March was as follows:

	31 March 2022		31 March 2021	
	Male	Female	Male	Female
Officials as disclosed in the Remuneration Report	3	4	5	4
Non-Executive directors	1	2	1	2
SCS (excluding officials disclosed in the Remuneration Report)	82	120	79	115
Employees	848	1,577	815	1,525
Total	934	1,703	900	1,646

The proportion of ethnic minority staff (based on those who have self-declared) at SCS is 13.9% (2020-21: 12.8%). The proportion of all staff is 23.4% (2020-21: 22%). Levels of staff with disabilities (based on those who have self-declared) are 9.1% in the SCS (2020-21: 8.4%) and 7.9% for all staff (2020-21: 7.4%). Individuals are supported by efficient arrangements for assessments and the implementation of workplace adjustments for those who require them.

Sickness absence

Overall sickness absence was an average of 5.2 working days lost per staff year (2020-21: 4 days). This compares favourably with the Civil Service average of 6.3 days lost per staff year for the year ended 30 June 2021 (most recent available figures). 68% of staff had no sickness absences (2020-21: 76%).

Managers are encouraged to actively manage sickness absence in their area, ensuring that people are supported during any illness, and that any underlying causes are identified and addressed, where possible, through workplace adjustments.

Expenditure on consultancy

Expenditure on consultants in 2021-22 has been £342k (2020-21: £111k). The spend mainly relates to work on reviewing GLD's recruitment and resourcing strategy and processes.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation.

Table 1: Relevant Union Officials

Total number of employees who were relevant union officials between 1 April 2021 and 31 March 2022.

	2021-22 No.	2020-21 No.
Employees who were relevant union officials during the relevant period	32	28
Full-time equivalent number	31.6	27.6

Table 2: Percentage of time spent on facility time

For employees who were relevant union officials employed between 1 April 2021 and 31 March 2022, percentage of their working hours spent on facility time.

	2021-22 No.	2020-21 No.
0%	5	3
1% - 50%	26	24
51% - 99%	1	1
100%	-	-

Table 3: Percentage of pay bill spent on facility time

For employees who were relevant union officials employed between 1 April 2021 and 31 March 2022, percentage of pay bill spent on facility time.

	2021-22	2020-21
The total cost of facility time (£k)	126	134
The total annual pay bill for Government Legal Department (£k)	185,435	171,168
The percentage of total pay bill spend on facility time (%)	0.07	0.08

Table 4: Paid trade union activities

For employees who were relevant union officials employed between 1 April 2021 and 31 March 2022, percentage of time spent on paid trade union activities.

	2021-22	2020-21
Time spent on paid trade union activities as a percentage of total paid of facility time hours (%)	-	-

Consultation with employees: 2021 People Survey

The annual People Survey is a key measure of our success in delivering GLD's vision to be the 'best employer for our people'. In the 2021 Survey, we achieved an Engagement Index of 62% (with a response rate of 75%), this represented a 3 point drop on 2020 and is 4 points below the Civil Service average.

Compared to 2020, we saw percentage point increases in the engagement theme related to 'My Team' (now 84%) and a 2 point increase in 'Inclusion and Fair Treatment' (up to 85%) while 'Resources and Workload' stayed the same compared to 2020 on 74%. There were percentage point drops in 'My Work' (now 81%), 'My Manager' (now 74%), 'Learning and Development' (now 63%) and 'Pay and Benefits' (now 13%). 'Organisational Objectives' fell by 2 points to 76% and 'Leadership and Change' dropped 3 points to 56%.

Colleagues reporting experience of discrimination dropped 2% compared to 2020 and is down 4 points compared to 2019. Bullying and harassment dropped 1%, which is also down 4% compared to 2019.

High paid off payroll appointments

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2013, departments must publish information on their high paid and/or senior off-payroll engagements.

For GLD, these engagements are principally made up of 2 categories of individual:

- In the ICT area, the GLD Board has agreed that there should be a mixed economy of permanent and temporary staff for practical business reasons. During 2021-22, GLD continued to manage a number of temporary agency ICT staff to undertake specific IT tasks, in addition to some who have been there for longer periods
- Temporary agency lawyers, via the Contingent Labour contract, who are filling business critical posts and help manage the fluctuation in demand for legal services. During 2021-22, GLD ran a number of external recruitment exercises including the continuous recruitment of Grade 7 lawyers to bring in permanent staff, and to consequentially reduce the dependency on temporary agency legal staff.

Details are as follows:

Table 1: For all off-payroll engagements as of 31 March 2022, for more than £245 per day and that last longer than 6 months

	No.
No. of existing engagements as at 31 March 2022	75
Of which	
No. that have existed for less than one year at time of reporting	28
No. that have existed for between one and two years at time of reporting	9
No. that have existed for between two and three years at time of reporting	10
No. that have existed for between three and four years at time of reporting	19
No. that have existed for four or more years at time of reporting	9

(2020-21: the number of existing engagements as at 31 March 2021 was 93.)

Table 2: For all new off-payroll engagements, or those that reached 6 months in duration, between 1 April 2021 and 31 March 2022 for more than £245 per day and that last longer than 6 months

	No.
No. of new engagements, or those that reached 6 months in duration, between 1 April 2021 and 31 March 2022	37
Of which	
The number of those engagements which were assessed as caught by IR35	29
The number of those engagements which were assessed as NOT caught by IR35	8
The number that were engaged directly (via PSC contracted to department) and are on the departmental payroll	-
The number that were reassessed for consistency/assurance purposes during the year	-
The number that saw a change to IR35 status following the consistency review	-

Only one role outside of ICT was assessed as being not caught by IR35. All other roles were assessed as in scope/caught by IR35, due to their nature. ICT have started a transition of agency workers to move onto permanent contracts either via fair and open competition, or moving them onto fixed term contracts. Therefore all temporary agency workers engaged in roles outside of ICT (unless specified), must be within PAYE with their agency or via an umbrella company. Of the 37 detailed in the table above 29 are assessed as caught by IR35 and are within PAYE with their agency or via an umbrella company.

(2020-21: the number of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021 was 10.)

All Board Members, and/or senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022 were on payroll.

Parliamentary Accountability and Audit Report

This information has been subject to audit.

Fees and charges

An analysis of the department's income and associated costs is shown below. Charges for the provision of legal services and administration services to Bona Vacantia Division are set to recover full costs in accordance with HMT's guidance on fees and charges set out in Managing Public Money. This analysis is not for IFRS 8 purposes.

	2021-22				2020-21			
	Income £000	Vote funding £000	Full Cost £000	Surplus/ (deficit) £000	Income £000	Vote funding £000	Full Cost £000	Surplus/ (deficit) £000
Legal fees and charges to clients	283,180	-	271,551	11,629	260,624	-	257,173	3,451
Bona Vacantia	4,865	-	4,865	-	4,811	-	4,811	-
Other income	3,188	-	3,188	-	3,198	-	3,198	-
Non-chargeable work	-	290	290	-	-	254	254	-
Total	291,233	290	279,894	11,629	268,633	254	265,436	3,451

'Bona Vacantia' relates to income charged for administering bona vacantia (ownerless assets in respect of dissolved companies and intestate estates). 'Other income' is primarily related to recoveries for subscription costs and ICT services provided to other government departments. Vote funding relates to Public Interest legal work. In accordance with HMT's guidance a notional cost of capital charge £676k (2020-21: £792k) is included for setting fees and charges and is also reflected in full cost figures for this analysis. The notional cost of capital is not recognized in the financial statements. The cost of capital charge is calculated at the real rate set by HMT (currently 3.5%) on the average carrying amount of all assets less liabilities, except for cash balances held with the Government Banking Service.

Remote contingent liabilities

The department has no contingent liabilities that need to be disclosed under Parliamentary reporting requirements.

Losses and special payments

HMT's publication - Managing Public Money - requires a statement showing losses and special payments by value and by type to be shown where they exceed £300k in total, and those individually that exceed £300k. There are no significant losses and special payments that need to be reported in accordance with Managing Public Money.

Long term expenditure trends

This information is not subject to audit.

Our planned net expenditure as agreed with HMT is as follows. This covers the costs that are not recovered from our clients, but which are met from the Parliamentary Estimate.

£m	2022-23*	2023-24	2024-25
DEL Resource	2.27	2.09	2.09
DEL Capital	2.85	2.00	2.00

*The 2022-23 figures include budgeting adjustments agreed with HMT relating to IFRS 16 adoption. 2023-24 and 2024-25 figures have not been adjusted for IFRS 16.

The Departmental Expenditure Limit (DEL) Resource funding for 2022-23, 2023-24 and 2024-25 is to cover the costs of public interest casework (Letters of Request and Vesting Orders in Chancery). The DEL Capital funding allows us to invest in improving and developing systems to support our operations and to meet our accommodation requirements.

Susanna McGibbon

Accounting Officer
27 May 2022

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Government Legal Department for the year ended 31 March 2022 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Government Legal Department's:

- Statement of Financial Position as at 31 March 2022;
- Statements of Comprehensive Net Income, Statement of Cash Flows, and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes, including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Government Legal Department's affairs as at 31 March 2022 and its net operating income for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Government Legal Department in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Government Legal Department's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Government Legal Department is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they

provide will continue into the future.

Other information

The other information comprises information included in the Chief Executive's Report, Performance Report, Accountability Report and Annex A: Sustainability Report, but does not include the financial statements and my auditor's report thereafter. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- the information given in the, Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Government Legal Department and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Government Legal Department or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Treasury Solicitor and Chief Executive as Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Treasury Solicitor and Chief Executive as Accounting Officer determines is necessary to enable

- the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- assessing the Government Legal Department'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 the Treasury Solicitor and Chief Executive as Accounting Officer anticipates that the services provided by the Government Legal Department will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

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

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Government Legal Department's accounting policies.
- Inquiring of management, the Government Legal Department's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Government Legal Department's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Government Legal Department's controls relating to the Government Legal Department's compliance with the Government Resources and Accounts Act 2000, Treasury Solicitor Act 1876 and Managing Public Money;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Government Legal Department for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in accruals estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Government Legal Department's framework of authority as well as other legal and regulatory frameworks in which the Government Legal Department operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Government Legal Department. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Treasury Solicitor Act 1876, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, assessing controls over preparation of accruals for unbilled time and disbursements; testing the accuracy and cut-off of unbilled time and disbursements including tracing to post year end invoices and subsequent cash receipts where appropriate; and undertaking procedures to test the recoverability of the unbilled elements.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: 1 June 2022

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Statement of Comprehensive Net Income for the period ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Income from sale of goods and services	5	(284,664)	(262,104)
Other operating income	5	(6,569)	(6,529)
Total operating income		(291,233)	(268,633)
Staff costs	2	204,107	197,596
Purchase of goods and services	3	19,593	17,918
Rentals under operating leases	3	9,256	8,038
Non-cash costs	3	2,914	3,120
Disbursements	4	43,348	37,972
Total operating expenditure		279,218	264,644
Net operating income		(12,015)	(3,989)
Total comprehensive income for the year		(12,015)	(3,989)

All income and expenditure is derived from continuing operations.

The notes on pages 64 to 74 form part of these Accounts.

Statement of Financial Position

as at 31 March 2022

	Note	31 March 2022		31 March 2021	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	6	5,457		6,323	
Intangible assets	7	351		739	
Total non-current assets		5,808		7,062	
Current assets					
Trade and other receivables	9	45,730		46,860	
Cash and cash equivalents	10	27,045		1,678	
Total current assets		72,775		48,538	
Total assets			78,583		55,600
Current liabilities					
Trade and other payables	11	(62,473)		(32,319)	
Provisions	12	-		(103)	
Total current liabilities			(62,473)		(32,422)
Non-current assets plus net current assets			16,110		23,178
Non-current liabilities					
Provisions	12	(388)		(285)	
Total non-current liabilities			(388)		(285)
Total assets less liabilities			15,722		22,893
Taxpayers' equity					
General fund			15,722		22,893
Total Taxpayers' equity			15,722		22,893

The notes on pages 64 to 74 form part of these Accounts.

Susanna McGibbon
Accounting Officer
27 May 2022

Statement of Cash Flows

for the period ended 31 March 2022

		2021-22	2020-21
	Note	£000	£000
Cash flows from operating activities			
Net operating income/(expenditure)		12,015	3,989
Adjustments for non-cash transactions arising in the year	3	2,914	3,120
Decrease/(Increase) in trade and other receivables	9	1,130	(10,258)
Increase/(Decrease) in trade and other payables*	11	4,531	(661)
Net cash (outflow)/inflow from operating activities		20,590	(3,810)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(1,332)	(1,019)
Purchase of intangible assets	7	-	(350)
Net cash outflow from investing activities		(1,332)	(1,369)
Cash flows from financing activities			
Net financing from the Consolidated Fund		6,109	1,185
Contingencies Fund advance (to support working capital)		25,000	25,000
Repayment of Contingencies Fund advance		(25,000)	(25,000)
Net financing		6,109	1,185
Net increase/(decrease) in cash and cash equivalents in the period	10	25,367	(3,994)
Cash and cash equivalents at the beginning of the period	10	1,678	5,672
Cash and cash equivalents at the end of the period	10	27,045	1,678

*The movement on payables excludes movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure such as departmental balances with the Consolidated Fund.

The notes on pages 64 to 74 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the period ended 31 March 2022

	Note	General Fund £000	Total Reserves £000
Balance at 1 April 2020		13,654	13,654
Changes in taxpayers' equity for 2020-21			
Net financing		1,185	1,185
Net parliamentary funding: deemed	10	5,672	5,672
Supply payable adjustment	11	(1,678)	(1,678)
Comprehensive net income for the year		3,989	3,989
Non-cash adjustments:			
Auditors' remuneration	3	71	71
Total recognised income for 2020-21		9,239	9,239
Balance at 31 March 2021		22,893	22,893
Changes in taxpayers' equity for 2021-22			
Net financing		6,109	6,109
Net parliamentary funding: deemed	10	1,678	1,678
Excess cash surrenderable to the Consolidated Fund	11	(27,045)	(27,045)
Comprehensive net income for the year		12,015	12,015
Non-cash adjustments:			
Non-cash charges – auditors' remuneration	3	72	72
Total recognised expenditure for 2021-22		(7,171)	(7,171)
Balance at 31 March 2022		15,722	15,722

The General Fund represents the total assets less liabilities of the entity, to the extent that the total is not represented by other reserves and financing items.

The notes on pages 64 to 74 form part of these Accounts.

Notes to the Accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2021-22 Government Financial Reporting Manual (FRoM) issued by HMT. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Government Legal Department (GLD) for the purpose of giving a true and fair view has been selected. The particular policies adopted by GLD are described below. They have been applied consistently in dealing with items considered material in relation to the Accounts.

In common with other government departments, the future financing of the department's liabilities is to be met by future grants of Supply and the application of future income, both to be approved annually by Parliament. After making enquiries, the Accounting Officer has a reasonable expectation that the department has adequate resources to continue in operational existence for a period of at least 12 months from the date the financial statements are authorised for issue.

The going concern basis of accounting for the department is adopted in consideration of the requirements set out in HM Treasury's Government Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future. For the above reasons it has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.1 Accounting convention

These Accounts have been prepared under the historical cost convention and where material modified to account for the revaluation of property, plant and equipment and intangible assets at their value to the business by reference to their current costs.

1.2 Significant judgments and estimates

The judgments applied to non-current asset balances with regard to asset lives and impairment reviews are set out in the separate accounting policies on these assets.

Most of the larger accruals included in the accounts within the working capital balances are routine and are based on system data rather than being the result of estimates or judgments applied by management. The main exception to this is the accrual included for legal disbursement costs yet to be invoiced to the department. As most of these costs are recharged to the department's clients both an expenditure and income accrual are included in the financial statements (£5.9m and £5.8m respectively), so the overall impact on net operating income is largely neutral. The accrual is based on an estimate of the level of outstanding disbursements costs at the financial year-end using historical transaction data. Actual results may differ from these estimates.

Provision balances are also subject to management estimates on the level of leasehold dilapidations. These balances are not currently significant.

1.3 Income

Income relates directly to the operating activities of the department. It principally comprises fees and charges for legal services provided during the year by GLD to the other central government departments, agencies and arm's length bodies and recovery of disbursements incurred on their behalf. Fees and charges are set in accordance with HMT guidance set out in Managing Public Money.

In addition, it includes other income such as charges for the administration costs of the Bona Vacantia Division, rental income and service charge, recovery of costs for recruitment and training services provided to other government departments.

This income has been recognised as follows in line with IFRS 15 principles:

- Fees for legal services which are charged as a fixed annual fee for the service provided in that year have been

recognised in full for that financial year on the basis that when the year comes to an end the service has been fully provided.

- Fees for legal services which are charged on an hourly basis for provision of advice/casework have been recognised in line with the hours recorded by staff on chargeable work.
- Fees charged to recover costs incurred by GLD where it has been agreed that these will be passed straight onto customers are recognised in line with when those costs have been recognised by GLD.

Work in progress is recognised as operating income as incurred. This represents unbilled time charges which are valued at the appropriate rate, for the financial year in which the work was undertaken and the accrued cost of disbursements.

1.4 Property, plant and equipment

Assets are carried at current value in existing use using depreciated historic cost as a proxy. The need for impairment is considered on an annual basis. Expenditure on plant, property and equipment over £5,000 is capitalised on an individual or group basis. On initial recognition they are measured at cost including any costs (such as installation) directly attributable to bringing them into working condition.

1.5 Depreciation

Plant, property and equipment are depreciated at rates calculated to write them down on a straight-line basis over their estimated useful lives. Leasehold improvements are depreciated over the term of the lease.

Assets under construction are not depreciated until they are in use. Once in use they are depreciated over their expected useful life.

Asset lives are normally within the following ranges:

- Leasehold improvements limited to period remaining on lease (up to 10 years)
- Furniture and fittings 3, 5 or 10 years
- ICT network 3 to 5 years

1.6 Intangible assets

Purchased and internally developed software, purchased software licences and website costs are capitalised as intangible assets and are valued at depreciated historic cost as a proxy for fair value. The need for impairment is considered on an annual basis.

Intangible assets under construction are not amortised until they are in use. Once they are in use, they are amortised over the life of the associated project or their expected useful economic life. Asset lives are normally within the following ranges:

- Software development 3 to 5 years
- Software licences 3 to 5 years
- Website costs 5 years

1.7 Debt recovery

All aged debt is regularly reviewed to ascertain the continuing prospect of recovery and that it remains economical to continue to pursue recovery. Where recovery is considered doubtful or uneconomic, the department will provide for or write-off the debt by reducing the value of debtors within the Statement of Financial Position.

1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). This is a multi-employer scheme and it is not possible to separate the assets and liabilities, and is therefore accounted for in the same manner as defined contribution schemes. The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The department recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the department recognises the contributions payable for the year.

1.9 Contingent liabilities

Contingent liabilities are disclosed, where applicable, in the notes to the Accounts in accordance with IAS 37. Remote contingent liabilities that are not required to be disclosed by IAS 37 but are required to be reported to Parliament, where applicable, are included in the Accountability Report.

1.10 Leases

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure in equal amounts over the lease term from the date of occupation. Future payments as disclosed in Note 13 (Commitments under operating leases) are not discounted. The department does not hold any finance leases.

1.11 Taxation

Where VAT is recoverable by the department, amounts are included net of VAT. Irrecoverable VAT is included in operating costs and capital additions. The amount due to or from HM Revenue and Customs in respect of VAT is included within debtors or creditors as appropriate. Operating income is stated net of VAT.

1.12 Third party assets

The department holds various funds on behalf of its clients. These relate to ongoing legal processes. These balances are not recognised in the Statement of Financial Position but are disclosed in Note 16 to these Accounts.

1.13 IFRS issued but not yet effective

IFRS 16 Leases is effective for periods beginning on or after 1 January 2019. The new standard will be implemented from 1 April 2022 for government departments and reflected in the FReM from 2022-23. IFRS 16 Leases supersedes IAS 17 Leases and provides a single lessee accounting model and requires a lessee to recognise assets and liabilities for leases which last over 12 months, largely eliminating the current 'off-balance sheet' treatment of operating leases under IAS 17.

The department has assessed the impact that the application of IFRS 16 will have on the comprehensive net expenditure for the financial year ending 31 March 2023 and on the Statement of Financial Position at that date. The figures below are for existing leases as at 31 March 2022. The standard is expected to increase total expenditure in 2022-23 by approximately £0.3m. The right of use asset is expected to increase assets by approximately £34.3m, whilst the associated lease liability will increase liabilities by approximately £33.5m. We have applied the practical expedient to take forward the previous identification of leases under IAS17 known as "grandfathering". No exemptions have been applied.

	2022-23 £000
SoCNE Impacts IFRS 16:	
Depreciation expected - 2022-23	7,626
Interest expense expected - 2022-23	326
Unwinding of IAS17 prepayment	189
IAS 17 basis rental payments expected - 2022-23	(7,860)
Increased expenditure	281
SoFP Impacts IFRS 16:	
Right to Use Asset – 1 April 2022	34,329
Lease Liability – 1 April 2022	(33,495)

1.14 Operating segments

GLD's income primarily relates to fees and charges for legal services provided during the year to clients from central government departments, agencies and ALBs. Government is treated as a single customer and therefore is treated as a single operating segment for reporting purposes.

2. Staff costs

	Permanently employed staff £000	Others £000	2021-22 Total £000	2020-21 Total £000
Wages and salaries	132,887	-	132,887	130,621
Social security costs	15,136	-	15,136	14,303
Other pension costs	35,772	-	35,772	34,021
Historic pension underpayment*	-	-	-	1,263
Sub Total	183,795	-	183,795	180,208
Agency and contracted staff	-	19,896	19,896	16,905
Inward Secondments	-	416	416	483
Total	183,795	20,312	204,107	197,596

No staff costs have been charged to capital.

*A payment was made to PCSPS in respect of an historic pension underpayment in 2020-21.

3. Other expenditure

	2021-22 £000	2020-21 £000
Rentals under operating leases		
Hire of plant and machinery	127	303
Other operating leases	9,129	7,735
	9,256	8,038
Non-cash items		
Depreciation	2,454	2,667
Amortisation	388	382
External auditors' remuneration*	72	71
	2,914	3,120
Purchase of goods and services		
IT and communications costs	5,740	4,185
Accommodation	4,092	4,485
Library information services	3,309	3,195
Training	1,759	1,471
Recruitment	1,435	1,376
Professional and external HR services	834	945
Consultancy	342	111
Postal services	255	266
Records management	149	136
Welfare supplies and consumables	149	103
Travel and subsistence	88	125
Other	1,441	1,520
	19,593	17,918
Total other expenditure	31,763	29,076

*External auditors' remuneration represents the notional audit fees of £72k (2020-21: £71k) for the Government Legal Department Account. No non-audit services were provided during the financial year.

4. Disbursements

	2021-22	2020-21
	£000	£000
Recoverable from client departments	39,921	35,723
Funded from Supply	474	284
Disbursements recovered from fixed fees	2,953	1,965
Gross expenditure	43,348	37,972

5. Income

	2021-22	2020-21
	£000	£000
Income from sales of goods and services:		
Legal fees and charges to clients	243,259	224,901
Disbursement income	39,921	35,723
LION Subscription	1,484	1,480
	284,664	262,104
Other operating income:		
Recovery of costs Bona Vacantia	4,865	4,811
Recovery of secondments out	164	800
Rental income	127	127
Other income	1,413	791
	6,569	6,529
Total income	291,233	268,633

6. Property, plant and equipment

	Leasehold improvements	ICT Network	Furniture and Fittings	2021-22 Total
	£000	£000	£000	£000
Cost or Valuation				
At 1 April 2021	3,774	6,689	2,087	12,550
Additions	9	1,579	-	1,588
At 31 March 2022	3,783	8,268	2,087	14,138
Depreciation				
At 1 April 2021	1,195	4,478	554	6,227
Charge in year	550	1,550	354	2,454
At 31 March 2022	1,745	6,028	908	8,681
Carrying amount at 31 March 2022	2,038	2,240	1,179	5,457
Asset financing				
Owned	2,038	2,240	1,179	5,457
At 31 March 2022	2,038	2,240	1,179	5,457

	Leasehold improvements	ICT Network	Furniture and Fittings	2020-21 Total
	£000	£000	£000	£000
Cost or Valuation				
At 1 April 2020	4,127	5,859	2,344	12,330
Additions	(124)	830	(257)	449
Disposals	(229)	-	-	(229)
At 31 March 2021	3,774	6,689	2,087	12,550
Depreciation				
At 1 April 2020	872	2,613	304	3,789
Charge in year	552	1,865	250	2,667
Disposals	(229)	-	-	(229)
At 31 March 2021	1,195	4,478	554	6,227
Carrying amount at 31 March 2021	2,579	2,211	1,533	6,323
Asset financing				
Owned	2,579	2,211	1,533	6,323
At 31 March 2021	2,579	2,211	1,533	6,323

	2021-22	2020-21
	£000	£000
Cash flow analysis for property, plant and equipment		
Property, plant and equipment additions	1,588	449
Movement in accruals for property, plant and equipment	(256)	570
Cash flows for property, plant and equipment	1,332	1,019

Additions were negative for some categories at 31 March 2021 due to revisions to cost estimates for assets capitalised in 2019-20 relative to the amounts accrued at 31 March 2020.

7. Intangible assets

	Software licences £000	2021-22 Total £000
Cost or Valuation		
At 1 April 2021	1,602	1,602
Additions	-	-
At 31 March 2022	1,602	1,602
Amortisation		
At 1 April 2021	863	863
Charge in year	388	388
At 31 March 2022	1,251	1,251
Carrying amount at 31 March 2022	351	351

	Software licences £000	2020-21 Total £000
Costs or Valuation		
At 1 April 2020	1,252	1,252
Additions	350	350
At 31 March 2021	1,602	1,602
Amortisation		
At 1 April 2020	481	481
Charge in year	382	382
At 31 March 2021	863	863
Carrying amount at 31 March 2021	739	739

	2021-22 £000	2020-21 £000
Cash flow analysis for intangible assets		
Intangible asset additions	-	350
Movement in accruals for intangible assets	-	-
Cash flows for intangible assets	-	350

8. Financial instruments

As the cash requirements of the department are primarily met from income from clients (other government departments) and a limited amount through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy in non-financial items in line with the department's expected purchase and usage requirements and the department is therefore exposed to little credit, liquidity or market risk.

9. Trade receivables and other current assets

Analysis by type	31 March 2022	31 March 2021
	£000	£000
Amounts falling due within one year:		
Unbilled time	7,659	7,395
Unbilled disbursements	10,433	10,565
Trade receivables	23,513	24,093
Deposits and advances	198	238
Prepayments and accrued income	3,927	4,569
	45,730	46,860

10. Cash and cash equivalents

	2021-22	2020-21
	£000	£000
Balance at 1 April	1,678	5,672
Net change in cash and cash equivalents	25,367	(3,994)
Balance at 31 March	27,045	1,678

All balances were held with the Government Banking Service.

11. Trade payables and other current liabilities

Analysis by type	31 March 2022	31 March 2021
	£000	£000
Amounts falling due within one year:		
VAT	9,826	6,880
Other taxation and social security costs	4,133	3,997
Trade payables and other payables	161	262
Accruals and deferred income	21,308	19,502
	35,428	30,641
Excess cash surrenderable to the Consolidated Fund	27,045	1,678
Total payables and other current liabilities	62,473	32,319

12. Provisions for liabilities and charges

	2021-22 Total £000	2020-21 Total £000
Balance at 1 April	388	388
Provided in the year	-	-
Balance at 31 March	388	388

	2021-22 Total £000	2020-21 Total £000
Analysis of expected timing of cash flows		
Not later than one year	-	103
Later than one year and not later than five years	388	-
Later than five years	-	285
	388	388

Explanatory notes

12.1 Dilapidations

A provision has been made for dilapidations obligations.

13. Commitments under operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	Buildings £000	2021-22 Other £000	Buildings £000	2020-21 Other £000
Obligations under operating leases for the following periods comprise:				
Not later than one year	7,826	-	8,108	140
Later than one year and not later than five years	26,677	-	30,145	-
Later than five years and not later than ten years	-	-	14,405	-
	34,503	-	52,658	140

14. Contingent liabilities

There were no contingent liabilities as at 31 March 2022 (31 March 2021: £nil).

15. Related party transactions

The department has had a significant number of material transactions with other government departments and public agencies since the nature of the department's business is to provide legal services to central government.

The Treasury Solicitor, by virtue of the Treasury Solicitor Act 1876, is also the Crown's Nominee.

None of the Board Members, or key managerial staff has undertaken any material transactions with GLD during the year. Board Members' remuneration is disclosed in the Remuneration Report.

The former Solicitor General, Lucy Frazer QC MP is married to the Chief Executive of Alexander Mann Solutions Ltd (AMS). AMS are contracted under a Crown Commercial Service framework arrangement to source contractors and temporary workers. In the current financial year GLD paid £14.3m to AMS. The majority of this cost relates to payments to agency staff but an element of this cost covers the services provided by AMS to source these temporary workers.

16. Third party assets: client monies

Funds are required in advance from clients to enable settlement of awards for damages and contributions toward the cost of court proceedings. The department places these funds on deposit until the final costs of a case have been calculated and settled. These are not departmental assets, as the funds are held on behalf of third parties and as a consequence do not appear in these Accounts. As at 31 March 2022, these amounted in total to £14,654k (31 March 2021: £12,183k). An analysis of the movements on these funds is shown in the below:

	2021-22	2020-21
	£000	£000
Opening balance at 1 April	12,183	18,610
Gross inflows	163,274	117,415
Gross outflows	(160,803)	(123,842)
Closing balance at 31 March	14,654	12,183

These balances are held with the Government Banking Service.

17. Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There are none to report.

Annex A: Sustainability Report for the year ended 31 March 2022

Approach to Sustainability and Climate Change Adaptation; working towards Net Zero by 2050

GLD's strategy for sustainability is to improve our performance against the Greening Government Commitments (GGC) 2021-25, and more broadly to play our part in the wider civil service initiatives that contribute to meeting the UK's carbon neutral targets by 2050.

In April 2021, we launched a Sustainability Action Plan that committed us to a number of actions at both organisational and staff level. In addition to exceeding our Greening Government Commitments, our key achievements in 2021-22 have been to:

- Launch a 'Greener GLD' staff pledge which is designed to inspire staff to make individual changes to promote sustainability;
- The 'Greener GLD' network has worked with the GLD training team to establish a climate change and environmental law strand to GLD's training offer and are promoting other means to share knowledge like the Centres of Excellence;
- The senior leadership team continues to provide visible support for our network and Elizabeth Hambley, the GLD Board member who acts as Green Champion, continues to champion the 'Greener GLD' network and its aims at Board level; and
- A sustainability audit to help inform the environmental impacts of return to the office was conducted in February 2022.

GLD is currently mid-way through its 5 year Strategy 2019-2024, and the next step for sustainability is for GLD to develop and adopt a comprehensive and evidence-based long-term sustainability strategy, to be included in the next iteration of GLD's Strategy in 2024. In 2022-23 the 'Greener GLD' network will work with senior leadership and the GLD Operations Team to highlight key actions needed over the course of the next financial year to enable a sustainability strategy to be adopted in line with these timetables.

Performance reported is in line with the minimum reporting requirements for Greening Government Commitments (data for previous 3 years plus the 2017-18 baseline). Where a GGC measure is not applicable to GLD, this has been stated.

GLD is a minor tenant in all buildings occupied and therefore is not the key decision maker with regard to most areas covered by the Greening Government Commitments. However, as in previous years, in excess of minimum reporting requirements, we have attempted to report data for GLD's share of occupied buildings where that data is available.

Most data included is only available at a building level as there is not separate meterage in place for sub-tenants, so the GLD share has been apportioned based on our occupation percentage. The only data included which is based on GLD actuals rather than an apportionment, is in respect of Scope 3 Emissions (expenditure on business travel) and paper consumption where records from our internal print room have been used.

The data reported covers occupancy at the GLD central London Head Office 102 Petty France and the GLD site at Southern House in Croydon. Data hasn't been included for the GLD conference centre at Queen Anne's Gate, the GLD office space in Bristol, or our occupancy at Wellington Place in Leeds. GLD is a minor tenant in these buildings and therefore the major occupier/leaseholder should report data for these sites.

Overall Greening Government Commitment Performance

GLD sustainability figures are significantly below the 2017-18 baseline in respect of all GGC measures. During the COVID-19 pandemic our sites operated at a reduced capacity. Whilst some changes have been made to business processes and ways of working since the start of the pandemic, an increase in some measures is expected in future years relative to 2021-22 as staff attend the office more frequently.

The following reporting areas set out in the minimum reporting requirements are not applicable to the department:

- Nature Recovery and Biodiversity action planning - no significant natural capital or landholdings are held.
- Sustainable Construction - no construction or refurbishment projects have been undertaken during the reporting period.
- Scope 1 Emissions (Direct) – GLD occupies shared buildings so energy usage is indirect under Scope 2.
- Travel Car Fleet – GLD does not own, hire or lease car fleets.

Waste minimisation and management		Baseline 2017-18	2018-19	2019-20	2020-21	2021-22
Non-Financial Indicators (tonnes)	Total recycled	105	88	163	35	6
	Total incinerated with energy recovery	25	25	36	6	1
	Total incinerated without energy recovery	-	-	-	-	2
	Total waste	130	113	200	41	9
Financial Indicators (£)	Total disposal cost*	28,606	24,877	28,742	6,560	4,399

*Disposal costs were only incurred directly for Southern House and have been estimated for 102 Petty France based on the total waste figures.

Performance commentary:

The GGC waste target is to reduce the overall amount of waste generated by 15% from the 2017-18 baseline.

Overall waste has been lower for 2021-22 primarily due to the reduced occupancy at our sites. Most waste is either recycled or sent for energy recovery.

Single Use Plastics: GLD does not run any catering establishments or consumer venues selling products which may include single use plastics; however, staff are able to use catering facilities provided in shared buildings. Recycling facilities are provided in GLD buildings.

Reducing Environmental Impacts from ICT and Digital: GLD ICT is in the process of letting a 2 year contract for the safe and recycling of its ICT devices, which will be disposed of in accordance with ISO14001 and WEEE directive 2006. The newly appointed supplier will take ICT obsolete and broken devices, which will largely comprise but not be restricted to Laptops, mobile phones, monitors, and various network equipment. Where possible once each device has been secured data wiped, they may be remarketed and sold for further use. Any devices that are unfit for re-sale, will be shredded and all reclaimable metals and plastics recycled. Any unusable waste will be sent to landfill. GLD ICT is also working with the main suppliers of our laptop devices, to understand how much of these devices consist of recycled materials as well as how much of their devices can be recycled. This will become a key area for consideration for future equipment purchases, particularly for device refresh programmes.

Greenhouse Gas Emissions		Baseline 2017-18	2018-19	2019-20	2020-21	2021-22
Non-Financial Indicators (tCO ₂ e)	Gross Emissions Scope 2 - Energy indirect	1,562	1,555	1,781	636	427
	Gross Emissions Scope 3 - Official Business Travel	104	149	167	30	3
	Total Greenhouse Gas Emissions	1,666	1,704	1,948	666	430
Related Energy Consumption (kWh)	Electricity	2,572,766	2,615,646	4,086,100	2,206,899	1,211,498
	Gas	-	-	629,159	418,448	416,681
	Oil	826,235	688,232	219,684	-	-
Financial Indicators (£)	Total Expenditure on Energy	306,133	568,725	672,193	333,033	442,355
	Expenditure on official business travel	494,053	605,029	539,944	125,501	60,711

Performance commentary:

The GGC is to:

Reduce the overall greenhouse gas emissions from a 2017-18 baseline and also reduce direct greenhouse gas emissions from estate and operations from a 2017-18 baseline, working towards net zero by 2050.

Overall emissions (tCO₂e) have fallen 74% below baseline. Expenditure on business flights has reduced by 76% since 2017-18.

Finite resource consumption		Baseline 2017-18	2018-19	2019-20	2020-21	2021-22
Non Financial Indicators	Water consumption (m ³)	7,683	6,895	6,057	2,124	618
	Paper Consumption (A4 Reams)	27,881	31,365	12,255	1,949	2,785
Financial indicators (£)	Water Supply and Disposal Cost*	17,511	15,759	10,916	5,642	3,944

Performance commentary:

The GGC targets are to:

- Reduce water consumption by at least 8% from the 2017-18 baseline
- There is a sub-target to reduce government's paper use by at least 50% from a 2017-18 baseline.

Paper consumption is 90% below the baseline in part due to staff working from home and making greater use of digital formats.

Water consumption has further reduced this year and is 90% below the baseline for 2017-18.

Sustainable procurement

The GGC also promotes the procurement of sustainable and efficient products whilst, reducing the impact of the supply chain on the environment. This includes embedding efficient procurement practices and improving and publishing data on supply chain impact.

The overall procurement strategy principally includes the use of Crown Commercial Service framework contracts and the department is subject to the Sustainability Policy that it operates.

GLD promotes sustainability in procurement by:

- working closely with its suppliers to improve sustainable processes and the use of products;
- buying products and services which are less environmentally damaging; for instance, the use of “thin client” units which use less energy than conventional 'base unit' desktop computers;
- complying with environmental legislation and regulatory requirements including relevant environmental conditions or criteria in specifications and tender documents, and evaluating supplier offers accordingly; and
- raising awareness of environmental issues within the department, and amongst suppliers and contractors.

Glossary

AGO	Attorney General's Office
ARAC	Audit and Risk Committee
CETV	Cash Equivalent Transfer Value
CO	Cabinet Office
CSOPS	Civil Servant and Other Pension Scheme
Defra	Department for the Environment, Food and Rural Affairs
DEL	Departmental Expenditure Limit
DfT	Department for Transport
DHSC	Department for Health and Social Care
DIT	Department for International Trade
eKM	eKnowledge Management
FCDO	Foreign and Commonwealth Office
GDPR	General Data Protection Regulations
GGC	Greening Government Commitments
GLD	Government Legal Department
GLP	Government Legal Profession
HMCPSP	Her Majesty's Crown Prosecution Service Inspectorate
HMG	Her Majesty's Government
HMRC	Her Majesty's Revenue and Customs
HMT	Her Majesty's Treasury
HR	Human Resources
ICT	Information, communication and technology
Lexcel	Law Society's Practice Quality Mark
LION	Legal Information Online Network
MOJ	Ministry of Justice
NAO	National Audit Office
NED	Non-Executive Director
PFI	Private Finance Initiative
PSCPS	Principal Civil Service Pension Scheme
SCS	Senior Civil Service
SI	Statutory Instrument
SSRB	Senior Salaries Review Body
WEEE	Waste Electrical and Electronic Equipment

