



Disclosure &
Barring Service



Disclosure and Barring Service Annual Report and Accounts

For the period 1 April 2022 to 31 March 2023

HC 1737

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Annual Report and Accounts

For the period 1 April 2022 to 31 March 2023

Presented to Parliament pursuant to
paragraph 12 (5) of Schedule 8 of the Protection
of Freedoms Act 2012

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HC 1737

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2022-23 foreword by the Chairman and Chief Executive Officer

We are pleased to introduce our 2022-23 annual report and accounts, which sets out the performance of the Disclosure and Barring Service (DBS) over the past year.

DB S provides disclosure and barring functions for the workplace and voluntary sector. The services we provide play a vital role in helping employers and voluntary organisations make appropriate decisions when recruiting people who work with vulnerable groups, including children.

We issued some 7.5 million DBS certificates in 2022-23 and maintained 2 Barred Lists that include over 88,700 people.

Quality remains at the core of what we do – in our products, in the services we provide, and in the decisions that we make. 2022-23 saw us deliver continued strong overall operational performance, including processing checks to support the Homes for Ukraine scheme and COVID-19 fast-track checks.

We are particularly pleased to have delivered substantial improvements to the timeliness of our Basic and Standard DBS check service compared to the previous year, with 85.2% of Basic checks completed within 2 days, and 94.7% of Standard checks completed within 5 days, both against targets of 80%.

We received around 4.5 million applications for Enhanced DBS checks in 2022-23. This represents a 10.8% increase (around 500,000 additional applications) compared to the previous year. Although some police forces experienced difficulties in managing this additional volume, we nevertheless issued 78.4% of Enhanced DBS certificates within 14 days against the 80% target. The average time to issue Enhanced certificates was 10.7 calendar days, with over 3.5 million customers



receiving their results within 14 days of submitting their application, and the 80% target being met on day 16.

Our Barring function also delivered an impressive performance. We barred 6,266 people during 2022-23, an increase from 5,952 people in 2021-22, thereby protecting more children and vulnerable people from

harm by preventing individuals that pose a risk of harm from working in regulated activity. Throughout the year, the quality of barring decisions was high, with both Tier 1 and Tier 2 targets achieved. Although efforts to reduce barring work in progress were compromised by IT system issues, we were successful in reducing the average time taken to conclude barring cases, with all timeliness targets achieved in-month from January 2023 onwards.

As well as our focus on operational performance, we have continued to modernise our services. This includes developing digital identity verification to enable people of all nationalities to securely prove their identity digitally using government-issued documents. We also completed analysis to understand what the optimal service take-up should be for all our products and services to support safeguarding.

We supported the Home Office's commitments in the Tackling Violence Against Women and Girls strategy by actively contributing to the independent review of the disclosure and barring regime.

We have embedded our Regional Outreach function to offer advice, guidance, and training in line with our quality objectives and to collaborate and share key messages among the safeguarding community to make recruitment and employment safer. This includes supporting organisations that use our services to understand what level of DBS check can be applied for and informing organisations and employers of their duty or power to refer, to ensure safeguarding is optimised.

We have also absorbed inflationary pressures and reduced the cost of our disclosure products (DBS checks) this year by an average of 16%. We achieved re-accreditation with the Customer Service Excellence standards, and for the second time, we were recognised as the highest-rated public service organisation for customer satisfaction, by the UK Customer Satisfaction Index.

For 2023-24, we have set out an ambitious but pragmatic workplan. We will continue to strive for performance improvements as we reinforce our focus on outcomes across our processes and will continue to modernise our services through the replacement of legacy systems and further digitisation of our disclosure products. We will continue to improve our ways of collaborating with partners, such as the police, driving performance improvements in certificate production.

We will embed our new value for money framework across DBS, optimising the efficiency, effectiveness, equity, and economy in everything that we do to provide the best outcomes with the resources available to us. In addition, the next 12 months will also see us adapt to changes in legislation to support the rehabilitation of offenders.

Finally, we will continue to progress the objectives most closely relating to our people and strive to develop a more inclusive and diverse workforce to improve our performance. We will also continue work towards our sustainability, equality, diversity, and inclusion aspirations as an organisation.

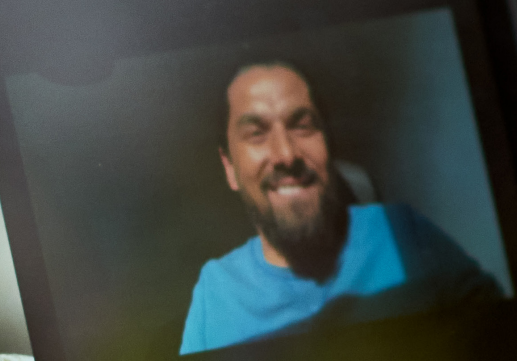
We hope you find this report of interest.



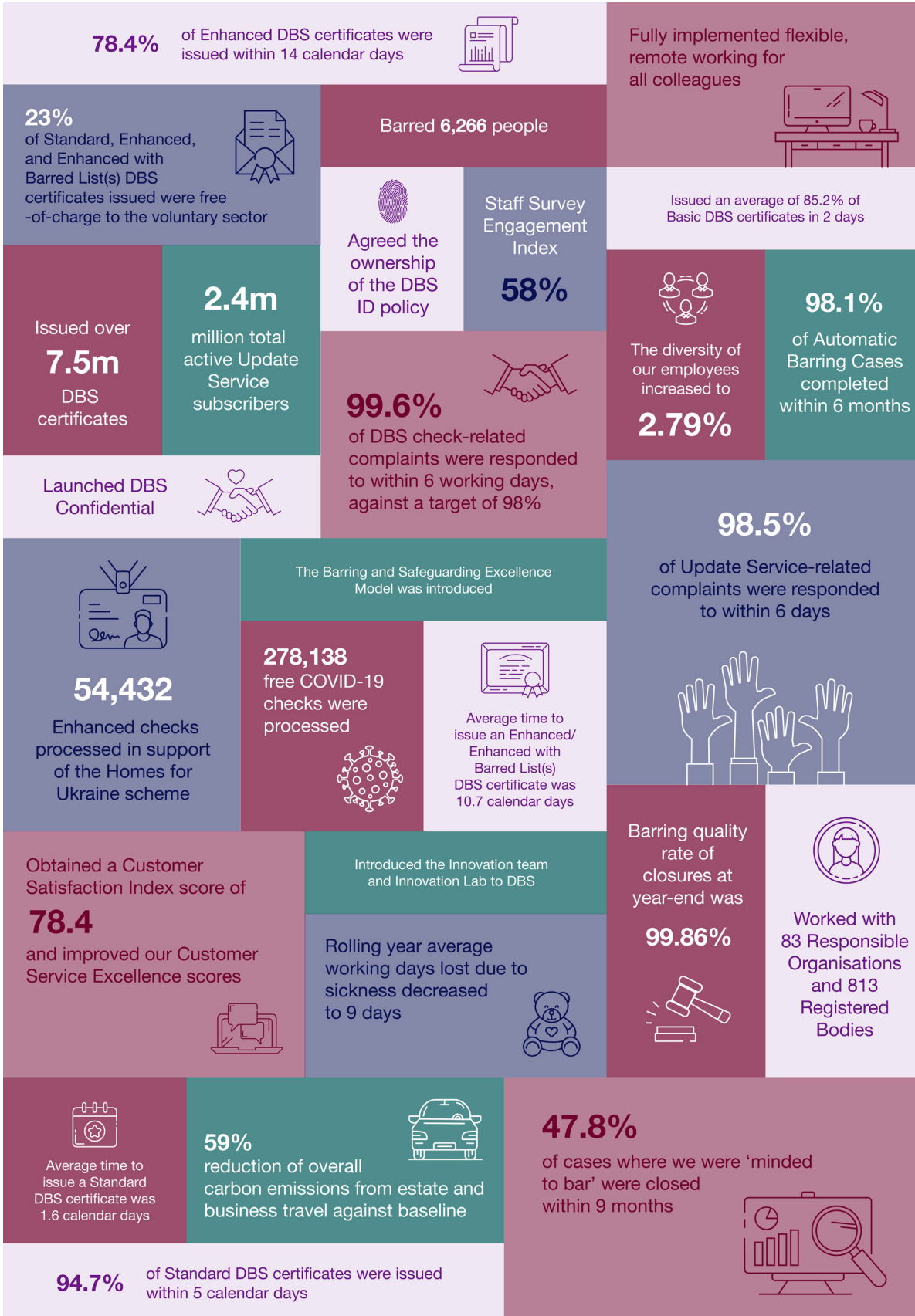
Dr Gillian Fairfield
DBS Chairman



Mr Eric Robinson
Chief Executive Officer



DBS: Our Year





Performance Report

The performance report is designed to summarise the overall performance of DBS within the reporting year, covering our purpose, strategic objectives, and outcomes. Most importantly, it provides information about how we performed against our strategic objectives, and our performance against key targets that we strive to achieve.

About DBS

The Disclosure and Barring Service (DBS) provides disclosure and barring functions on behalf of government. This includes processing DBS checks for England, Wales, Jersey, Guernsey, and the Isle of Man and providing barring functions for England, Wales, and Northern Ireland.

DBS was created in 2012 under the provisions of the Protection of Freedoms Act 2012. We are a non-departmental public body (NDPB) accountable to Parliament through the Secretary of State for the Home Department. As an arm's length body of the government, we contribute directly to the Home Office's outcome delivery plan (ODP), where our focus is on protecting the vulnerable.

“We provide criminal records information and, where necessary, make barring decisions to help employers from all sectors - public, private, and voluntary - make better informed and safer recruitment decisions”

We provide an important service helping to safeguard and protect people in our society while ensuring proportionality and protecting the rights of individuals. We provide criminal records information and, where necessary, make barring decisions to help employers from all sectors – public, private, and voluntary – make better informed and safer recruitment decisions. We provide information that enables employers to determine whether an individual is unsuitable or unable to undertake certain roles and carry out work, for example, roles and work involving regular contact with vulnerable groups, including children. The information we provide should not be the sole tool used to determine an individual's suitability to work in a role and should be used in conjunction with other recruitment tools. We also determine whether an individual can work in regulated activity by making decisions as to whether they should be included on one or both of the DBS Barred Lists.

Our Activities

DBS delivers on protecting the vulnerable through two main strands - disclosure and barring.

Disclosure

DBS processes 4 levels of DBS check, and each type of check results in a DBS certificate being issued. We operate a system of updating DBS certificates through the DBS Update Service. Our work is funded by the fees from our DBS check customers.

Basic DBS check

A Basic DBS check is available for any position or purpose. A Basic certificate will contain details of convictions and conditional cautions that are considered to be unspent.

Standard DBS check

A Standard DBS check is available to individuals in certain roles. Standard DBS certificates show relevant convictions and cautions held on the Police National Computer (PNC), subject to filtering rules.

Enhanced DBS check

An Enhanced DBS check is available to anyone involved in work with vulnerable groups, and other positions involving a high degree of trust. Enhanced certificates contain the same information as a Standard certificate, with the addition of relevant local police force information.

Enhanced with Barred List(s) DBS check

An Enhanced with Barred List(s) DBS certificate contains the same information as an Enhanced DBS certificate but includes details of whether the individual is included on one or both of the Barred Lists.

These lists include individuals barred from working with children and vulnerable groups, where the role is in regulated activity.

Barring

DBS maintains the Adults' and Children's Barred Lists for England, Wales, and Northern Ireland, which are used to prevent unsuitable individuals from engaging in regulated activity with children and vulnerable groups.

Regulated activity

The full legal definition of 'regulated activity' is set out in Schedule 4 of the Safeguarding Vulnerable Groups Act 2006, as amended by the Protection of Freedoms Act 2012, and includes for example, teaching, personal care, and healthcare.

DBS has powers to bar people from engaging in regulated activity under certain circumstances, where a person has been deemed unsuitable for working or having contact with the vulnerable.

Automatic barring offences

Automatic barring offences, also known as 'autobar' offences, are considered to be so serious in nature, as defined by Statutory Instruments, that a person will be automatically barred from engaging in regulated activity with vulnerable groups including children.

Barring decisions

We reach considered decisions about whether an individual should be included on one or both of the Barred Lists and barred from engaging in regulated activity.

Referrals are received from various sources including employers. Where necessary, DBS staff seek additional information to assist in the decision as to whether a referred person should be barred from engaging in regulated activity and included on one or both of the Barred Lists.



We bar any individual who has accepted a caution for, or been convicted of, an automatic barring offence. We also consider, for barring, any individual who has:

- accepted a caution for, or been convicted of an automatic inclusion offence (an offence that does allow representations)
- been referred to DBS from, for example, an employer or regulatory body, subject to any representations submitted by the individual – provided that DBS also has reason to believe that the person is, has been, or might in the future be, engaged in regulated activity with vulnerable groups including children

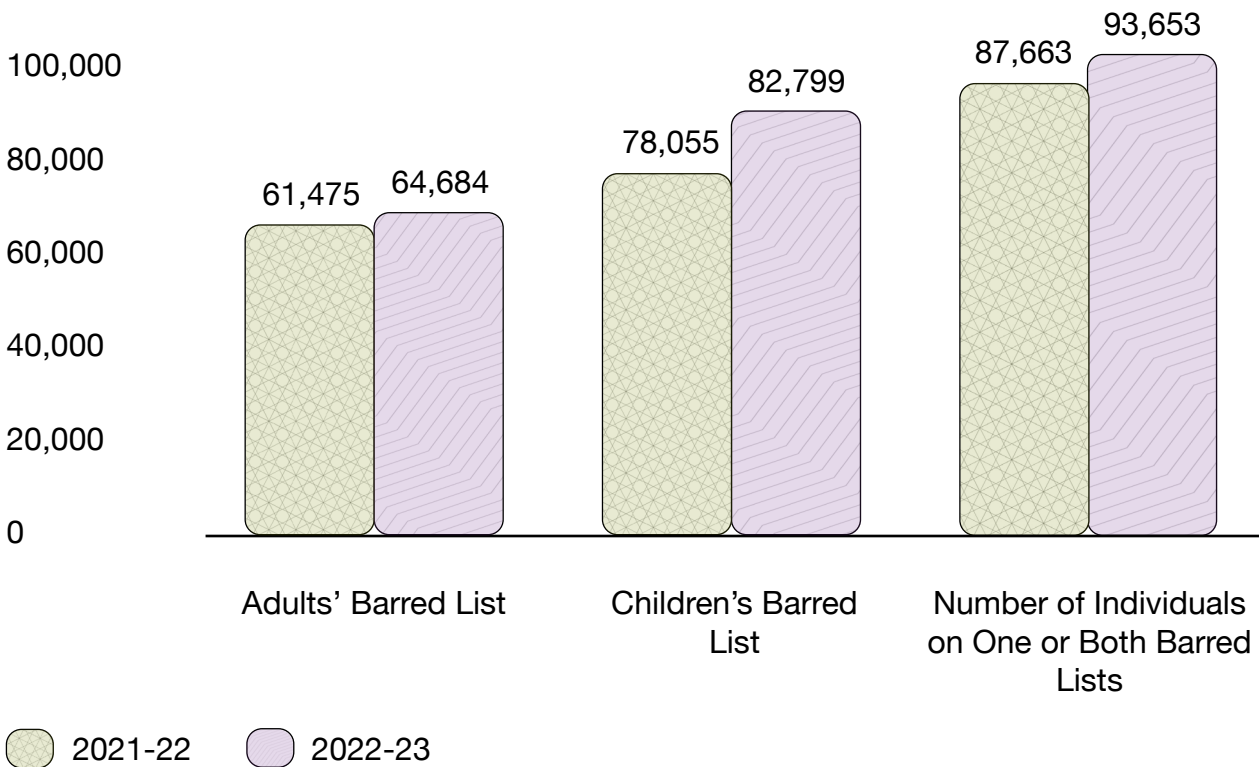
We also consider individuals who have applied for an Enhanced with Barred List(s) DBS check, where that check contains relevant criminality information or intelligence.

We also make decisions as to whether it is appropriate to remove an individual from a Barred List, either on application following the expiration of the minimum barred period, if the current statutory test would not be met if considering a person afresh, or otherwise under our powers to review a person’s inclusion at any time.

We are committed to ensuring that DBS makes fair, consistent, and thorough barring decisions that provide a proportionate response to the behaviour that has occurred, and consider the future risk of harm posed.

We are aware of the impact that a barring decision can have on the referred individual. We are also aware of the impact that any barring decision may have on those the referred individual may have come into contact with or would potentially come into contact with, in the future. It is often necessary to make finely-balanced decisions.

Figure 1: Number of Individuals on the Barred Lists as at 31 March 2023



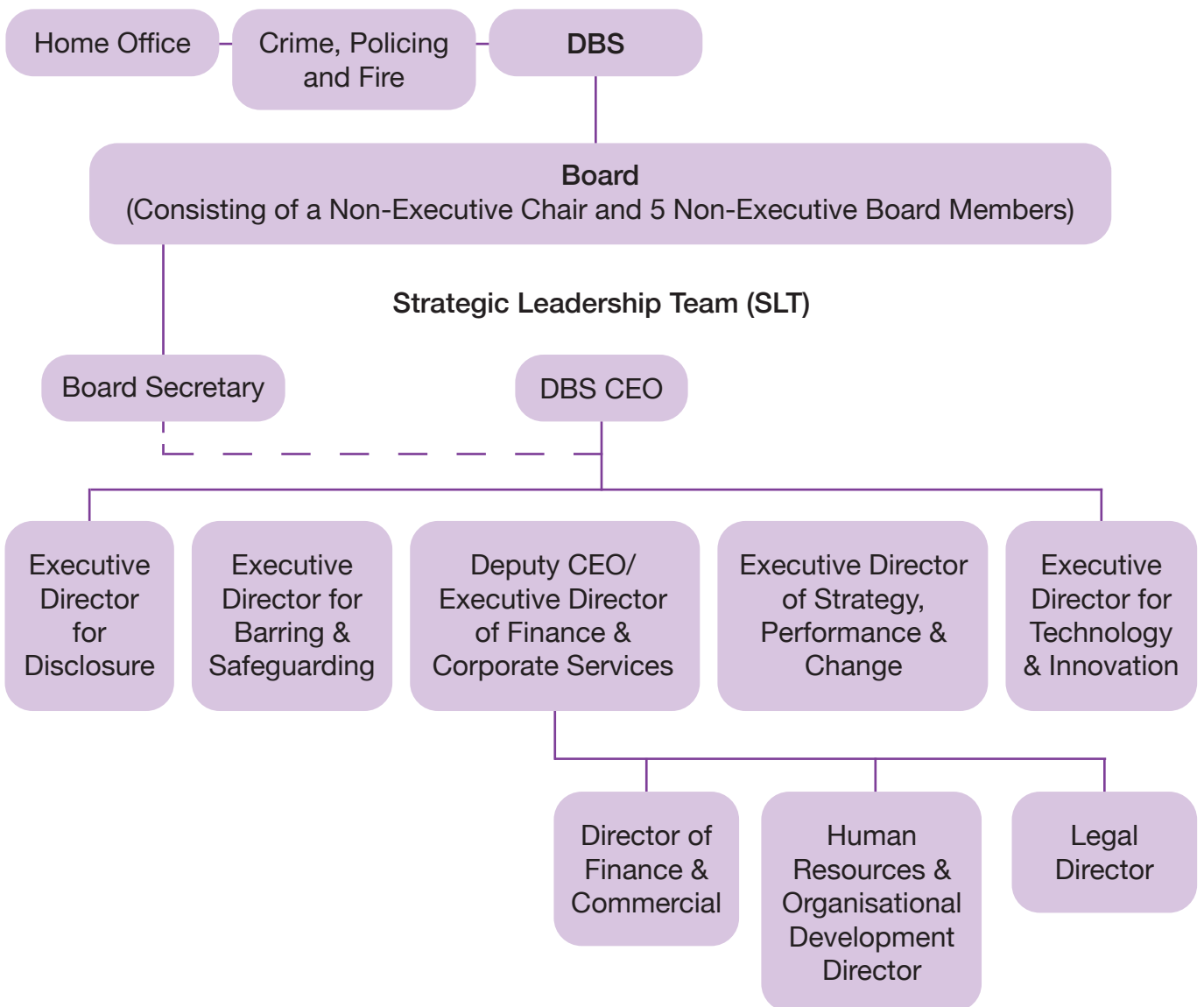
Our Organisation

The successful delivery of our strategy is dependent on collaborative working and our relationships with our partners. Our relationship with the Home Office, as our sponsoring government department, is key to this. A close relationship exists, which is helping to shape the future of how we deliver our services.

DBS services are delivered with support

from external suppliers and partner organisations, including CGI, Hinduja Global Solutions (HGS), Swiss Postal Solutions (SPS), police forces and law enforcement agencies across the UK, and Shared Services Connected Limited (SSCL). We have worked, and will continue to work, with our customers, stakeholders, partners, and supply chain to effectively navigate the ongoing impact of economic uncertainty.

Governance structure of DBS







Performance Summary

DBS priorities and strategic objectives

The DBS 2020-25 strategy details our aspirations for a 5-year period and sets the direction for DBS. The strategy identifies our Purpose, Vision, and strategic objectives to improve the effectiveness of the organisation and our contribution to Making Recruitment Safer. Each year, a detailed business plan is produced, which focuses on the activities needed to achieve our strategic objectives. The DBS 2022-23 business plan focused on the actions we needed to take in the third year of our 5-year strategy, including measures to include in preparation for the fourth and fifth years of the strategy in a strategy refresh exercise. This refreshed 2020-25 strategy will be published in the coming financial year.

Our Purpose

Our Purpose is protecting the public by helping employers make safer recruitment and employment decisions, and by barring individuals who pose a risk to vulnerable people.

Our Vision

Our Vision is to make recruitment and employment safer, by being a visible, trusted, and influential organisation. We will provide an outstanding quality of service to all of our customers and partners. Our people will understand the important contributions they make to safeguarding and feel proud to work within an inclusive and increasingly diverse organisation.

Our strategic objectives

We have identified 3 strategic priorities that really matter to everyone - Quality, Profile, and People – and within these 3 priorities, we have developed 6 strategic objectives, to help us

deliver our vision of Making Recruitment Safer. Within our strategic objectives, we attribute business plan milestones on which we report annually.

We redefined our vision, values, strategic outcomes, and objectives in a collaborative exercise that culminated in the comprehensive review of our DBS 2020-25 strategy. This enables us to deliver on the 4 strategic priorities that underpin everything that we do, namely: quality, value for money, diversity and inclusion, sustainability and wellbeing.

We have adjusted our strategic objectives from 6 to 4, recognising the progress made to the halfway point of delivering on the 2020-25 strategy.

Overview

In 2022-23, we achieved 81% of our business plan milestones (51 out of 63). 7 milestones were removed following Strategic Leadership Team (SLT) review and board approval, and 5 were deferred into 2023-24. In comparison, in 2021-22, we achieved 81% of our business plan milestones (62 out of 77). Three milestones were removed, and 12 were deferred into 2022-23.

There are 5 milestones from the 2022-23 business plan which are being carried forward into the 2023-24 to be monitored in the business plan or directorate plans. The majority of these are scheduled to be completed by the end of September 2023, and updates on our progress will be reported in 2023-24. The 5 milestones cover:

- complete onboarding of new strategic digital supplier
- R0 database migration

- deliver Operational Document Management solutions
- deliver a DBS 10-year anniversary influencing programme to raise our profile in support of our strategic objectives
- modernise the accounts receivables system IT Platform

Table 1: Milestones achieved against our business plan in 2022-23

	Strategic Objective	Achieved	Deferred	Removed
Quality	We will provide high-quality, reliable, consistent, timely, and accessible services for our customers (13 milestones)	13	0	0
	We will embrace technology to drive improvements to the quality of our work (13 milestones)	5	4	4
Profile	We will raise awareness of DBS and the services we offer, keeping people informed through our communications, to increase public understanding and confidence in our organisation (8 milestones)	8	0	0
	We will be a respected and trusted organisation, working with our partners to play an influential role in the environment in which we operate (9 milestones)	8	1	0
People	We will develop a talented and diverse workforce that understands how their contributions help to achieve our objectives (10 milestones)	10	0	0
	We will build a flexible, vibrant, and contemporary workplace where our staff will be able to do their jobs using modern ways of working that are smart and promote OneDBS (10 milestones)	7	0	3



Strategic Objective One

We will provide high-quality, reliable, consistent, timely, and accessible services for our customers

In 2022-23, DBS achieved re-accreditation with the Customer Service Excellence (CSE) standards, and for the second time, we were recognised as the highest-rated public service organisation for customer satisfaction, by the UK Customer Satisfaction Index (UKCSI).

We progressed changes needed to be compliant with future safeguarding legislation, improved the quality and inclusivity of our existing products and services, and we mapped out future service improvements. We commenced the embedding of our Safeguarding and Quality charter, and our Equality, Diversity, and Inclusion (EDI) charter in our work, by improving our approach to quality and the accessibility of our services. To support future service improvements, we established an innovation framework for DBS, as well as a plan of research and horizon scanning activities.

Our focus for 2023-24

In 2023-24, we will strengthen our outward-facing policies and procedures for Registered Bodies (RBs) and Responsible Organisations (ROs). We will increase automation and reduce manual matching of people’s information with PNC records to improve quality and consistency which will in turn enable additional capacity for service improvement, accessibility, and assurance. We will develop detailed plans to address accessibility issues for our customers.

We will broaden and deepen staff understanding of the Safeguarding and Quality charter to ensure that managers and teams know how their work contributes to it. By integrating the DBS outcome framework into VFM metrics, we will enhance the way we demonstrate value for money in the services we provide.

What we said we would do	What we achieved
SO1.1: Respond to legislative change	<ul style="list-style-type: none"> • undertook a programme of work to apply a new ruleset for the application of the Rehabilitation of Offenders Act, 1974 (ROA). This entailed hosting the ROA rules within a cloud-based solution and improving the automation of service via a new data screen that will enable DBS agents to amend the details matched via the PNC. The final component of this work will be completed in October 2023 as agreed with the Home Office by SLT
SO1.2: Improve quality and inclusivity	<ul style="list-style-type: none"> • undertook a delivery model assessment on how DBS should interact with its customers in future • went live with the DBS Barring Portal

What we said we would do	What we achieved
of products and services for customers	<ul style="list-style-type: none"> • continued to improve accessibility and usability of DBS services for our customers through approval of the Accessibility Policy, and with EDI more mainstreamed in the refreshed DBS strategy and embedded in the 2023-24 business plan
SO1.3: Identify opportunities to improve products and services	<ul style="list-style-type: none"> • developed in-house capability to refine the PLX algorithm • established an Innovation Framework for DBS to support future service improvements • established a plan of research and horizon scanning activities to inform future service improvements • completed remaining organisational design changes to support enabling functions
SO1.4: Embed the DBS Safeguarding and Quality charter in everything we do	<ul style="list-style-type: none"> • developed an approach to articulate directorates' contributions to Safeguarding and Quality charter principles • developed a DBS-wide Excellence Model linked to Organisational Development and DBS Academy • deployed and evaluated our new safeguarding learning resources for internal and external use
SO1.5: Ensure the services we provide represent value for money	<ul style="list-style-type: none"> • streamlined our working practices to support efficient and effective delivery of public services • delivered a 5% recurrent efficiency target this year • the value for money (VFM) framework has been approved by board and it will be implemented in the 2023-24 financial year
SO1.6: Implement legislative change	<ul style="list-style-type: none"> • no new legislation enacted this year, so this milestone was removed in-year as no longer relevant • changes to the Rehabilitation of Offenders Act and Part V of the Police Act are planned to come into force during October 2023. A project is fully underway to meet this legislative change with a fully in-system solution
SO1.7: Deliver year one of the Equality, Diversity, and Inclusion strategic plan (Customer)	<ul style="list-style-type: none"> • accessibility policy implemented to support compliance with the Public Sector Bodies Accessibility Regulations • guidance on accessibility prepared using good practice from other organisations to improve future decision making • a dedicated forum is now in place to ensure system accessibility issues are considered and addressed

Strategic Objective Two

We will embrace technology to drive improvements to the quality of our work

In 2022-23, we focused on maintaining and enhancing existing technology, which is critical for a legacy estate, and continued to progress modernisation of our digital services (with a focus on paperless applications), while ensuring we had the technology tools we needed to be an efficient organisation.

“In 2023-24, we will have new live and accessible services available for rollout to Registered Bodies and DBS customers”

Our focus for 2023-24

In 2023-24, we will have new live and accessible services available for rollout to Registered Bodies and DBS customers, including a digital Standard and Enhanced Application Service (SEAS), digital online results service, and an improved, accessible DBS check update/subscription capability. We will improve data quality and decision-making by completing data mapping and ownership of all DBS data, implementing tactical improvements to the PLX Algorithm which compares individuals’ information against police databases, and migrating our automated check processes to a new and more accessible cloud solution. We will also implement a new strategic data integration hub, as well as establish a new data management practice.



What we said we would do	What we achieved
SO2.1: Progress digital services modernisation	<ul style="list-style-type: none">• awarded contract to and completed onboarding of new strategic digital supplier• delivered planned phases of new digital service development activity, starting with implementing paperless applications for Standard, Enhanced, and Enhanced with Barred List(s) DBS checks
SO2.2: Improve governance regarding data management	<ul style="list-style-type: none">• appointed senior information asset owners and implemented quarterly governance report process, to increase effectiveness of protecting the personal information we hold
SO2.3: Maintain existing technology	<ul style="list-style-type: none">• completed R0 customer relationship management (CRM) application migration
SO2.4: Complete required technology transformation	<ul style="list-style-type: none">• identified and embedded the digital collaboration and productivity tools available to DBS, aligning to the Home Office programme where appropriate

Strategic Objective Three

We will raise awareness of DBS and the services we offer, keeping people informed through our communications, to increase public understanding and confidence in our organisation

In 2022-23, we concentrated on developing an enhanced understanding of where take-up of all our services should be encouraged to support safeguarding, informing promotional activity and events to support the 10-year anniversary of DBS. We aligned our communications planning to the government functional standard for communication and reviewed our online content to ensure it is streamlined and accessible for all customer groups.

“We aligned our communications planning to the government functional standard for communication and reviewed our online content to ensure it is streamlined and accessible”

Our focus for 2023-24

In 2023-24, we will develop an extended suite of external campaigns, which will include engaging with organisations and influencers that link to the rehabilitation of offenders and supporting product development required to increase employment for ex-offenders. We will deliver the changes required by any new legislation and/or new policy. We will also implement a stakeholder tracking and evaluation framework for our work with external partners.



What we said we would do	What we achieved
SO3.1: Deliver the Marketing and Business Development Strategic Plan	<ul style="list-style-type: none">• completed a programme of cross directorate work to understand the optimum service take-up for disclosure and barring products and services to support safeguarding objectives• developed a programme of campaigns for our products and services• undertook a brand refresh for DBS to coincide with the 10-year anniversary• implemented a series of sector-specific market economic analysis and engagement events• implemented a more commercial/business-like approach to current, new, and identified opportunities within our products and service portfolio
SO3.2: Further develop our approach to external and internal engagement	<ul style="list-style-type: none">• implemented an External and Strategic Communications Plan to align with the Functional Standard for Communication• implemented a refreshed Internal Communications and Engagement Plan• delivered a full review of DBS content on GOV.UK

Strategic Objective Four

We will be a respected and trusted organisation, working with our partners to play an influential role in the environment in which we operate

In 2022-23, we embedded a more effective model for supplier management and compliance to support our activities to ensure efficiency and effectiveness. We continued to shape our place as an influencer in the safeguarding landscape, including through a refresh of our strategy and further partnership-building activity at national level. We also moved to an increasingly outcomes-focused planning model, to better show how we contribute to safeguarding objectives.

“We continued to shape our place as an influencer in the safeguarding landscape, including through a refresh of our strategy and further partnership-building activity at national level.”

Our focus for 2023-24

In 2023-24, we will enhance our decision-making framework for our ways of working and further improve our business planning processes through tightening of our business planning framework. We will continue to broaden and deepen relationships with cross-sector organisations, employers, and voluntary groups, particularly with local authorities in relation to the information-gathering process which we undertake following a barring referral.



What we said we would do	What we achieved
SO4.1: Ensure DBS compliance with government functional standards	<ul style="list-style-type: none"> • developed a plan to ensure compliance with all government functional standards, which ensured that our working practices support efficient and effective delivery of public services
SO4.2: Improve the effectiveness of supplier management activities by DBS	<ul style="list-style-type: none"> • improved supplier compliance with relevant Crown Commercial Service or Home Office 2021 to 2025 greening targets • embedded, through effective strategic supplier relationship management, an intelligent client function and a mature supplier model across DBS
SO4.3: Deliver year 2 of the Partnerships Strategic Plan	<ul style="list-style-type: none"> • adopted the principles of effective partnerships across DBS to strengthen, build and co-ordinate strong national partnerships to support safeguarding objectives
SO4.4: Approve a refreshed DBS strategy for 2023-26	<ul style="list-style-type: none"> • co-produced and approved a refreshed 2020-25 strategy to continue supporting our vision for the future of DBS
SO4.5: Introduce a new outcomes-based framework for strategic planning	<ul style="list-style-type: none"> • developed a standardised performance-reporting approach across directorates, for tier 3 key performance indicators • implemented a new framework for annual business planning
SO4.6: Deliver the police strategic plan	<ul style="list-style-type: none"> • agreed a vision for future police model in partnership, which will improve the efficiency with which we work with the police to deliver Enhanced and Enhanced with Barred List(s) DBS checks

Strategic Objective Five

We will develop a talented and diverse workforce that understands how their contributions help to achieve our objectives

In 2022-23, we launched the DBS Academy, an in-house learning and development platform, as well as the innovation function and framework to support future initiatives and improve the impact we have on the communities we serve. We produced an action plan to act on the findings of our 2021-22 Employee Engagement Survey, and continued to deliver the commitments in our Equality, Diversity, and Inclusion (EDI) strategic plan.

“We launched the DBS Academy, a learning and development platform, as well as the innovation function and framework to support future initiatives and improve the impact we have on the communities we serve”

Our focus for 2023-24

In 2023-24, we will have a more effective approach to developing our staff skills and capability that also focuses on under-represented staff groups, through measures such as expanding workforce planning to include critical post-analysis and succession planning, as well as implementing a range of purpose-built development programmes including apprenticeships.



What we said we would do	What we achieved
<p>SO5.1: Respond to the findings of the 2021-22 Employee Engagement Survey</p>	<ul style="list-style-type: none"> • produced an action plan to act on the findings of the 2021-22 Employee Survey
<p>SO5.2: Create social value by supporting local community initiatives where this contributes to the achievement of DBS strategic objectives</p>	<ul style="list-style-type: none"> • successfully promoted initiatives that benefit our local communities using volunteer days which are available for all staff
<p>SO5.3: Enhance Organisational Development Capability</p>	<ul style="list-style-type: none"> • built capability in Organisational Development to evolve this service towards a true centre of subject matter expertise
<p>SO5.4: Continue the development of the DBS Academy as per phase 2 of the agreed plan</p>	<ul style="list-style-type: none"> • building on interim solutions, developed and launched the initial components of the DBS Academy • created the 'Emerging Talent' component of the Academy • defined the apprenticeship levy opportunity and worked towards optimising our usage
<p>SO5.5: Deliver revised Pay Business Case for submission to Home Office</p>	<ul style="list-style-type: none"> • reconstructed Pay Business Case, building upon local pay policy and arrangements
<p>SO5.6: Enhance organisational capability to effectively respond to changes in business needs for the future</p>	<ul style="list-style-type: none"> • explored and identified additional tools and approaches to inform workforce planning
<p>SO5.7: Deliver year 2 of the Equality, Diversity, and Inclusion Plan (People)</p>	<ul style="list-style-type: none"> • established an EDI Network to support the maturing of EDI at DBS • scoped EDI training offer for staff for delivery during 2023-24 onwards

Strategic Objective Six

We will build a flexible, vibrant, and contemporary workplace where our staff will be able to do their jobs using modern ways of working that are smart and which promote OneDBS

In 2022-23, we created a vision for the future of work and outlined a plan as part of the refreshed DBS strategy. In addition, there has been a reduction in our carbon footprint through our move to more remote working, reduction in printing and travel and the associated use of resources and a move towards electronic scanning, rather than paper versions, of barring records.

“We will improve flexible working arrangements for all staff.”

Our focus for 2023-24

In 2023-24, we will explore options for future ways of working to ensure they meet the needs of our people, customers, and our business. We will improve flexible working arrangements for all staff, which will, in turn, provide a greater balance of personalisation for our people and effectiveness for our organisation.

We will further embed the DBS Safeguarding and Quality charter in everything we do, progress our digital service modernisation, and further develop our approach to external and internal engagement.

We will also ensure DBS compliance with government functional standards, continue to act in response to the findings of the 2021-22 Employee Engagement Survey, and continue to modernise ways of working for the organisation.



What we said we would do	What we achieved
<p>SO6.1: Modernise ways of working for DBS</p>	<ul style="list-style-type: none"> • concluded approved activities to onboard with the Government Property Agency to support management of DBS’s estate • created a vision for the future of work and produced a plan (as part of the strategy refresh)
<p>SO6.2: Deliver year 2 of the Wellbeing Strategic Plan</p>	<ul style="list-style-type: none"> • delivered emotional, physical, financial, social, and accessible and connected wellbeing workstreams of the delivery plan



Chief Executive's Report on Performance

Performance management is one of the controls we use to ensure we are delivering against the strategic objectives in the DBS 2020-25 strategy and contributing to the outcomes desired by the Home Office and government, for citizens and society. The Home Office has 4 priority outcomes in its Outcome Delivery Plan. DBS contributes to HO priority outcome 1: Reduce crime. DBS also contributes to other government priority outcomes, including those for health and social care, employment, education, protecting the public, and economic growth.

We measure our progress using a set of key performance indicators (KPIs) and targets agreed by our board annually. Our KPIs are grouped into 4 themes: quality, timeliness, finance/value for money, and people.

We have a strong focus on the quality and timeliness of our products and services. These are the issues that customers tell us are important to them and it is these that ensure we are supporting the safeguarding of vulnerable groups, including children, as effectively as possible.

As part of our performance management framework (PMF), progress towards targets is reviewed monthly by our SLT and board, with the Quality, Finance and Performance Committee and People Committee providing assurance that performance is being managed appropriately. KPIs are supplemented by other measures which operate at a corporate, directorate, service, and team level. DBS uses a 'balanced scorecard' approach to provide an indication of progress towards our priorities.

2022-23 was the third year of our 2020-25 strategy. In 2022-23, our ability to achieve all our performance targets was affected by

changing demands for our services and IT platform instability, yet we have continued to respond positively to the challenges faced. We processed some 7.6 million DBS checks during the financial year, which has included 54,400 checks to support the Homes for Ukraine Scheme whilst the Standard and Enhanced checks intake exceeded 5 million, the highest volume since the inception of DBS. We also barred over 6,000 people, a continued increase from previous years. We have successfully implemented new ways of working and achieved positive results. At year-end, we have achieved or exceeded 5 out of 8 operational targets and we continued to provide a high quality of service and were praised for our overall operational response.

We have introduced a new outcomes-based framework for strategic planning, which focuses on the delivery of 6 outcomes: an outstanding quality of service, a visible role in safeguarding, trust and influence within the safeguarding landscape, our people understanding their contributions, inclusive and increased diversity, and pride in DBS. Our outcomes framework will define how we will apply these outcomes to each of our strategic objectives and how we will measure our progress towards delivering against them.

We will continue to strive to achieve all performance targets in 2023-24 as we transition to a post-COVID-19 'new normal', and in some cases, we have stretched our targets where we feel we are able to do better.



Eric Robinson, Accounting Officer, 14 July 23

Published Service Standards

For 2022-23, we achieved 6 out of 11 of our reported published services standards. In 2022-23 our ability to achieve all our performance targets was affected by changes in the profile of demand for DBS products following post COVID-19 recovery of the economy and the instability of DBS IT platforms. By prioritising the most critical areas of our business to ensure effective safeguarding, we continued to provide a high quality of service and were praised for our

overall operational response.

To better reflect performance, DBS modified its published service standards in respect of customer experience, with ministerial agreement. This modification best reflects the elements of customer experience that DBS can control and will bring a consistency across all our published service standards by reflecting the time it takes the individual to receive the service, rather than the time we spend delivering it.

Table 2: Performance against published service standards

KPI Description	20-21	21-22	22-23	22-23 target	Status
Quality: barring quality rate of closures (monthly)	N/A	99.90%	99.86%	>99.50%	Achieved
Quality: percentage of all criminality and barring information that DBS should place on a certificate will be included (monthly)	100%	100%	100%	>99.98%	Achieved
Quality: customer rating of experience of DBS within previous 3 months (index measure) (annually)	72.4	81.4	78.4	>85	Not Achieved
Timeliness: percentage of Basic DBS certificates despatched within 2 days (monthly)	N/A	80.7%	85.2%	>80%	Achieved
Timeliness: percentage of Standard DBS certificates despatched within 5 days (monthly)	N/A	86.2%	94.7%	>80%	Achieved
Timeliness: percentage of Enhanced DBS certificates despatched within 14 days (monthly)	87.0%	81.8%	78.4%	>80%	Not Achieved
Timeliness: percentage of automatic barring cases completed within 6 months	N/A	N/A	98.1%	>95.0%	Achieved
Timeliness: percentage of cases where we were Minded to Bar, that were closed within 9 months	N/A	N/A	47.8%	>50.0%	Not Achieved
Efficiency: efficiencies delivered as a percentage of DBS spending	N/A	N/A	5.2%	>3%	Achieved
People: the engagement level of our employees	Not collected	58%	58%	≥66.0%	Not Achieved
People: the diversity of our employees	2.64%	2.64%	2.79%	≥7%	Not Achieved



Analysis of Performance

Disclosure

Continuing from 2021-22, we have experienced in 2022-23 a change to both the profile of applications and the total number of applications received for all DBS products. Alongside the continued use of the COVID-19 Fast Track check route and checks received under the Homes for Ukraine scheme, we also continue to recover volumes lost during the pandemic and this accounts for the net growth being experienced this year. During 2022-23, we issued a total of 7,538,986 Basic, Standard, Enhanced and Enhanced with Barred List(s) check DBS certificates. The figure below shows changes in DBS check application levels and Update

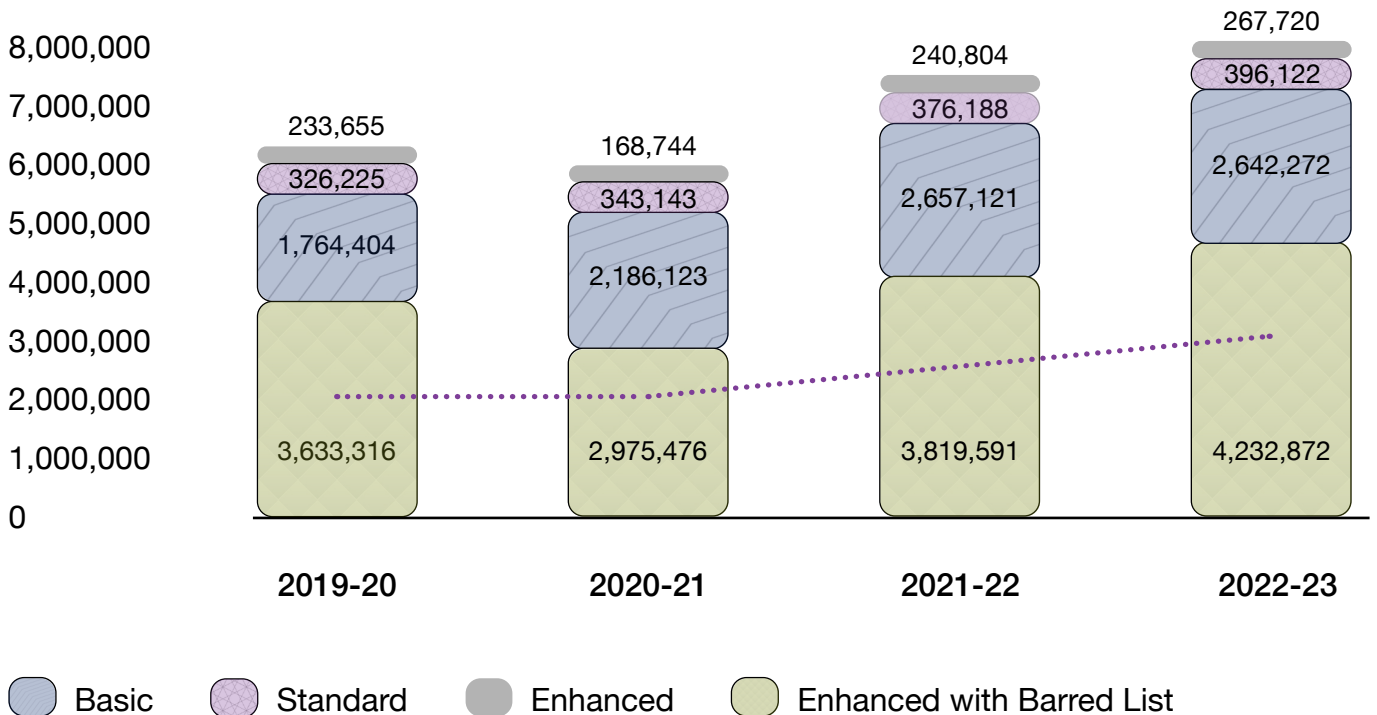
Service subscriptions over the last 4 years.

Enhanced DBS checks for healthcare professionals (fast-track)

In support of the government’s response to COVID-19, we have continued to provide a temporary service for certain roles, such as nurses, midwives, and social workers. When an application for an Enhanced with Barred List(s) DBS check comes in and it has been identified as an application for certain roles for COVID-19, we will do a check of one or both Barred Lists within 24 hours.

During the year, we received a total of 265,415 COVID-19 applications that required a check against one or both Barred Lists.

Figure 2: Number of Individuals on the Barred Lists as at 31 March 2023



 Active Update Service Subscriptions

Other COVID-19 free checks

In support of the government’s COVID-19 response, we also provided some free-of-charge Standard and Enhanced DBS checks, for roles that did not require a check of one or both Barred Lists, and that met certain

criteria. We processed 10,370 Standard checks of this type and 3,418 Enhanced checks of this type.

These COVID-19 free checks ceased in May 2023.

Figure 3: Sector breakdown of DBS check applications processed relating to COVID-19

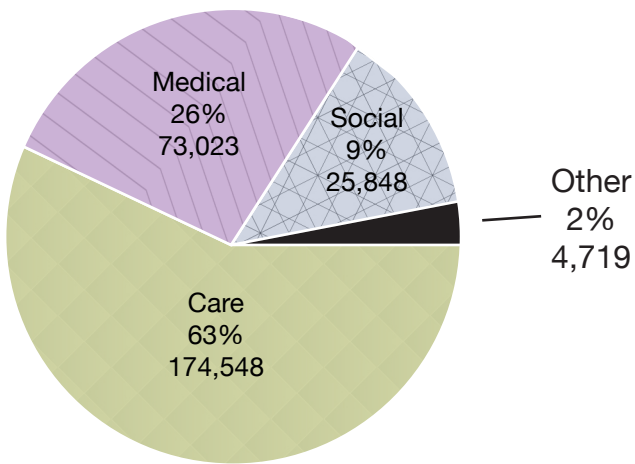
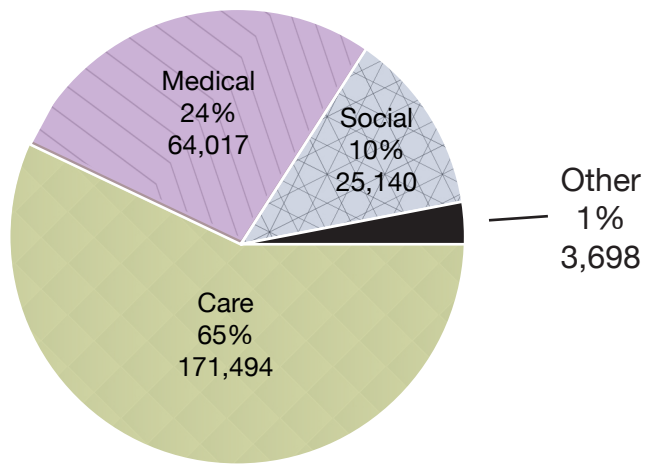


Figure 4: Sector breakdown of all fast-track Enhanced with Barred List(s) DBS check applications processed relating to COVID-19



Homes for Ukraine DBS checks

In March 2022, the government announced details of the arrangements for households in England, taking part in the Homes for Ukraine scheme.

The announcement confirmed that criminal record checks by DBS will form part of these arrangements, to help safeguard individuals and families coming from Ukraine as part of the scheme. To date, we have received over 54,000 Enhanced checks, with 88.1% of these completing within 14 days.

Quality

We exceeded the target for our key quality measure, the percentage of all criminal and barring information that DBS should place on DBS certificates, achieving performance of

100% against a target of 99.98% in 2022-23.

DBS checks – demand and timeliness

During 2022-23, we issued 2,642,272 Basic DBS certificates for customers in England and Wales compared with 2,657,121 issued in 2021-22. Since the launch of Basic DBS checks in 2017-18, we have issued a total of 11,228,171 Basic certificates.

Over the year, Basic DBS check intake remained strong, achieving just 14,500 (0.5%) fewer applications than FY 2021-22. As seen throughout the pandemic, the Gig economy was the main driver of increased volumes throughout, with online shopping and food delivery-based employers dominating the top employers in each of the 12 months.

Table 3: Time to issue certificates by type

Type of DBS certificate	Target 2022-23	2021-22 Position	Average time to issue in 2021-22	2022-23 Position	Average time to issue in 2022-23
Basic DBS certificates	80% in 2 days	80.7% in 2 days	1.4 days	85.2% (target achieved on day 2)	1.1 days
Standard DBS certificates	80% in 5 days	86.2% in 5 days	2.5 days	94.7% (target achieved on day 3)	1.6 days
Enhanced DBS certificates	80% in 14 days	81.1% in 14 days	8.7 days	78.4% (target achieved on day 16)	10.7 days

Standard DBS check volumes represent only 8% of total annual volumes of checks.

During 2022-23, 23% of Standard, Enhanced, and Enhanced with Barred List(s) DBS certificates were issued free-of-charge to volunteers, compared to 34.7% in 2021-22.

Over the year, we have seen increased demand for Enhanced DBS checks, which continue to be driven by a return to 'business as usual' following the end of COVID-19 lockdowns. There has also been specific increases in applications from the Care, Education and Medical sectors, with government funds being invested in these sectors and as a result, we issued over 440,000 (10.8%) more Enhanced checks in 2022-23, than in 2021-22.

Throughout this year, attainment has been impacted by high work in progress and aged cases at the police stage, which are a result

of a combination of high demand for the Enhanced product and ongoing resource challenges at the police forces. We expect to see improved results for this metric during the latter half of 2023-24, as more vacancies are filled at the police forces and staff become more productive at the beginning of 2023-24.

The average 4-week workload target for police forces for Enhanced DBS checks has been challenging this year, with the average at the end of March 2023 rising to 15.8 days, against a service level agreement of 12 days. The target for police cases 'aged greater than 60 days' was not met, with actual performance of 6.8% against the target of 2% of overall police work in progress. In addition, the new timeliness measure was not met in 2022-23 due to the impact of clearing older cases during the first half of the year. Performance against this measure improved during the remaining 6 months and was

achieved each month from January 2023 and has continued into 2023-24.

The referral volumes to police exceeded the 2022-23 forecast, and forces did not always have the resource capacity to handle increased demand immediately. DBS implemented a number of measures throughout the year to mitigate the overall impact, additional recruitment is ongoing, and we continue to work closely with individual police forces to reduce work in progress and aged cases.

Budgets for all forces have been agreed early at the business planning stage for 2023-24. As more vacancies are filled and new staff become more productive over the first 2 quarters of 2023-24, we expect work in progress to begin to reduce across quarter 2 and aged cases to reduce from quarter 3, where we expect to see the most improvement as volumes to forces are also forecast to reduce.

Update Service

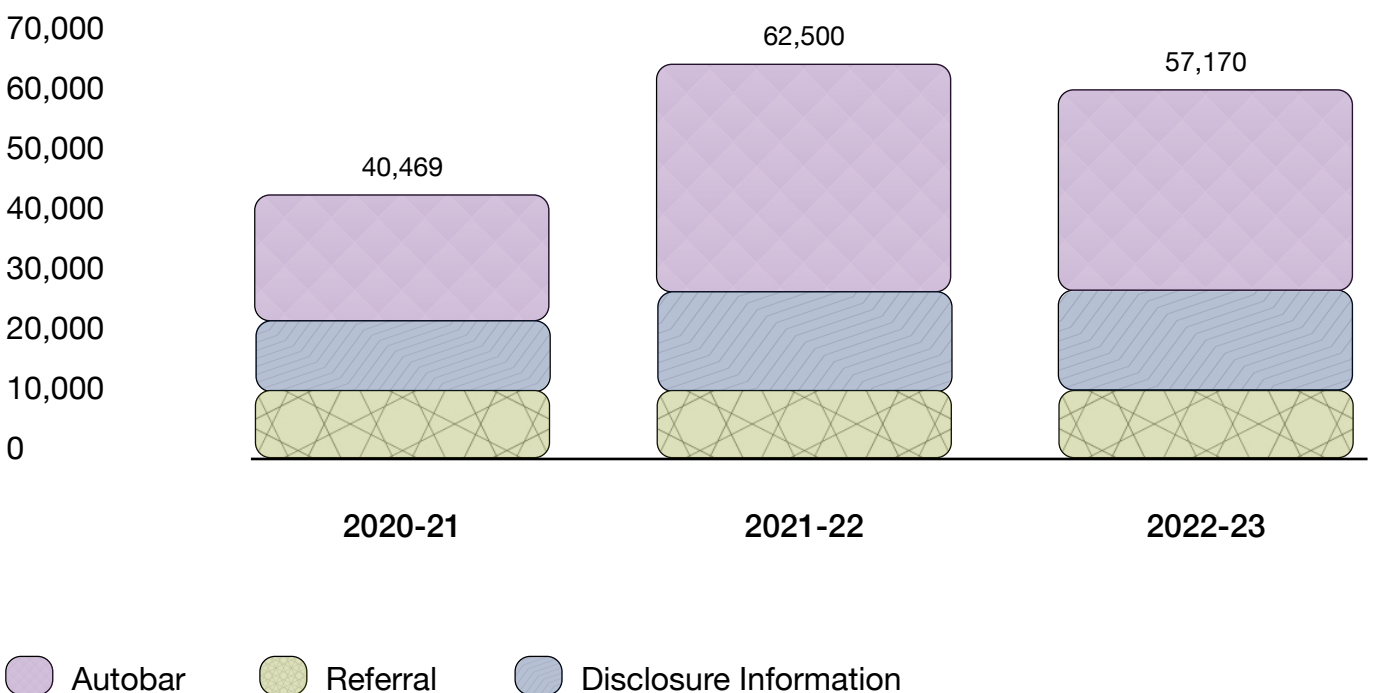
At the end of March 2023, the total number of Update Service subscribers was just under 2.4 million, representing growth of 16% from March 2022. The Update Service was introduced to encourage portability of checks between employers. It is particularly suitable for people who require multiple checks – such as volunteers and individuals in roles that require moving from organisation to organisation – where the cost of multiple checks could be prohibitive.

Barring and Safeguarding

During the year, we continued to deliver our key statutory function to manage the lists of people barred from working or volunteering in regulated activity with children and/or adults (the Children’s and Adults’ Barred Lists).

There are 3 main ways in which individuals are referred to DBS for barring consideration: referral, disclosure information, and auto-bar.

Figure 5: Trends in referred cases for barring consideration



The increase in autobar cases was due to some catch-up work by PNC Services who provide the data to DBS for the autobar workstream. This resulted in additional cases being flagged to DBS; however, many cases did not meet the test for regulated activity and were therefore closed at an early stage.

As part of our management of the Barred Lists, we barred 6,266 people during 2022-23, an increase over 5,952 in 2021-22, and 4,300 in 2020-21.

Barring quality

Barring caseworkers make risk-based judgments that are often finely balanced, and a rigorous quality assurance process is in place to monitor this. Where the quality assurance process identifies cases that require further work before the decision is communicated to the referred individual, these are progressed as a priority, with any learning shared to improve the quality of barring decisions.

The Barring Quality Rate of Closure measures the percentage of cases that have previously been closed by a caseworker team in the Barring and Safeguarding directorate in the last rolling 3 years, which are considered to have an incorrect outcome. An incorrect outcome can be an 'Incorrect Barring Outcome' (IBO), or a 'Safeguarding Event' (SE) as defined by the DBS Safeguarding Incident Management System.

Barring Quality Rate of Closure was a new performance measure for 2021-22, achieving 99.90% against a 99.50% target in 2021-22. This measure has remained in place for 2022-23 and has successfully achieved target for the second year with performance at 99.86%.

Maintaining the quality of casework decisions has remained a priority throughout the reporting year, as work to reduce Barring Work in Progress (WiP) has continued.

The quality of our service provision will always remain a key priority in the operation

of all our functions. Our service quality is subject to regular internal audit review.

The barring decision-making process is a fundamental part of our quality management system which is certified to the ISO9001 quality standard.

Barring timeliness

In 2022-23 2 new timeliness targets were introduced, and we met one of the two timeliness published service standards for Barring.

The target to close 95% of Automatic Barring cases within 6 months was achieved at 98.1%.

The target to close 50% of cases where we were Minded to Bar within 9 months was not achieved. Performance at year-end was slightly below target at 47.8%. Performance within this area will only show sustained improved performance when WiP returns to its expected operating range.

Industrial strike action at HGS and continued R1 systems issues throughout the year have significantly impacted on performance against this measure.

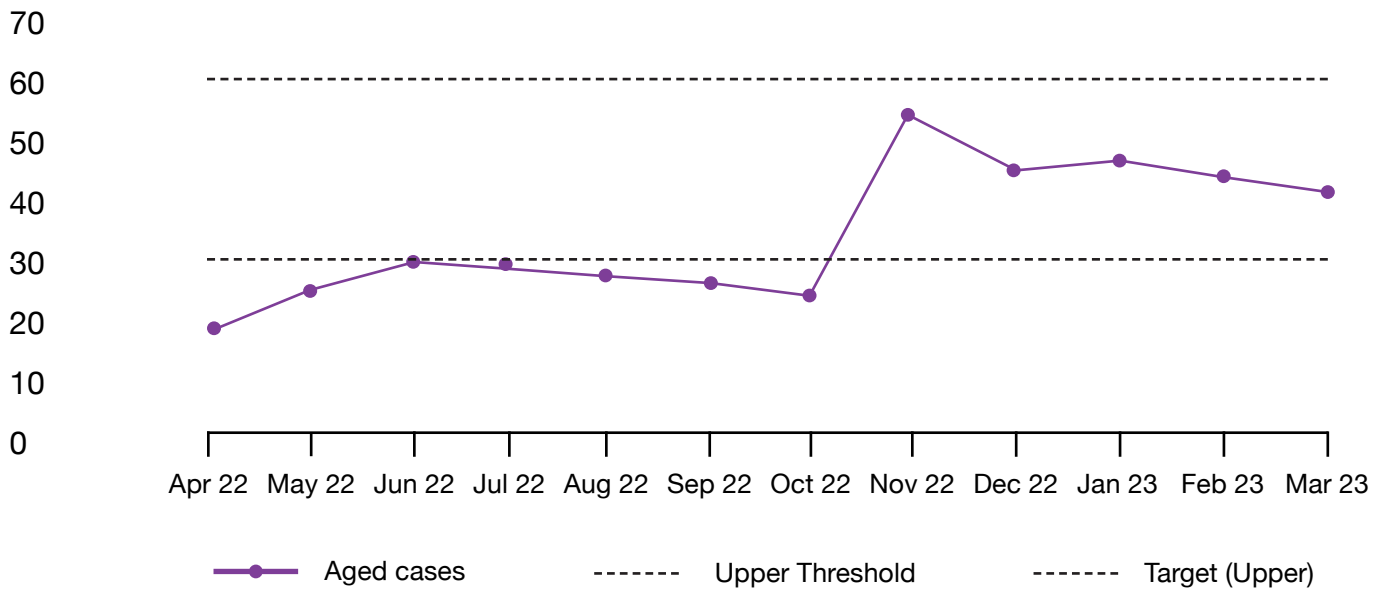
Case closures

In 2022-23, the total number of Barring cases closed averaged 1,230 per month. This was an increase of 110, when compared to the number of cases closed in 2021-22 (average of 1,120).

Aged cases

During 2022-23, we have maintained our focus on aged cases, those older than 12 months. Aged cases have remained within the optimum threshold of 30 to 60 cases, even falling below the lower threshold in the early part of the year. At the end of the year, there were 42 aged cases within Barring's work in progress.

Figure 6: Aged cases for 2022-23



Barring work in progress

Barring work in progress (WiP) began to reduce during the early months of 2022-23, with WiP reducing from 4,957 at the end of March 2022 to its lowest point of 4,618 cases in August 2022.

However, continued industrial strike action at HGS and R1 IT system disruptions have caused WiP to rise. These issues have prevented WiP from coming within the agreed operating range of 4,000 to 4,500 cases. The concept of the ‘perfect week’ was introduced in the Barring and Safeguarding directorate in March 2022.

This dynamic initiative saw daily working practices being adjusted to ensure the right number of staff were able to do the right thing at the right time to support the safe, effective, and timely delivering of barring decisions. Every single member of the directorate, no matter their business-as-usual role, was focused on removing barriers or blockers and working together for the common safeguarding goal.

Perfect Week initiatives have helped

somewhat to combat these disruptions and ensure WiP has remained below 5,000 live cases (when reported at each month end).

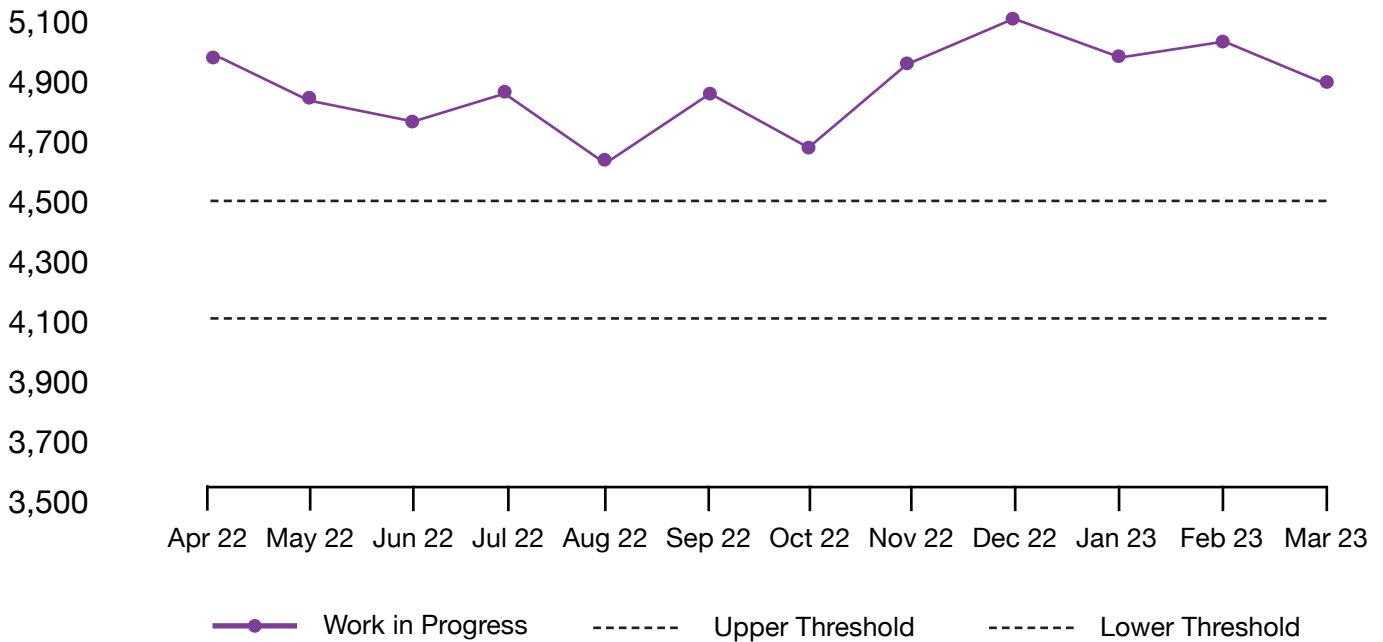
Appeals

A barred individual (other than those automatically barred without representations) has the right to appeal a barring decision but can only do so with the permission of the relevant tribunal (based on an error of fact or law). They cannot seek to appeal the barring decision itself solely because they disagree with the decision. Appeals are heard by the Upper Tribunal in England and Wales, and the Care Tribunal in Northern Ireland.

During the 2022-23 reporting year, 327 appeals were lodged. DBS has identified that the number of appeals has risen year on year, and work has been ongoing to investigate the root causes or any risks that are contributing factors to this increase.

Work undertaken to date has concluded that there is no correlation between the increase in appeals and an increase in representation from solicitors, nor the

Figure 7: All barring work in progress (WIP) for 2022-23



number of appeals received and the region in which they were made, nor to any delays or backlogs at upper tribunal stage. There is also no correlation between the increase in appeals and the timescales in which DBS receive the Appeals.

The work also concluded that there was no correlation between the increase in appeals and any changes made to communication on barring decisions, such as the final barring letter and guidance for late representations. Nor has an improvement in address accuracy

had an impact on appeals received. However, the analysis showed that the proportion increase in Appeals, was significantly more than the increase in bars over the same period, and that Appeals work in progress (WiP) has continued to grow steadily since April 2019 (64) to January 2023 (352).

Whilst further analysis is being undertaken, the Strategic Leadership Team and Quality, Finance and Performance Committee have been briefed that as the awareness of the legal duty to refer (for Barring consideration) increases, the number of people being barred may therefore increase and, as a result, the number of people who exercise their right to Appeal is also likely to increase.

The further analysis and broader organisational review will ensure that DBS is fully equipped to continue to make evidence led and accurately informed operational and strategic decisions, to respond to typical fluctuations in demand and manage the appropriate level of appeals, as these materialise.



Table 4: All appeal closures in 2022-23¹

Status or outcome	2021-22	2022-23
Appeals lodged	145	327
Closed - DBS withdrew (excluded appeals - appellant removed from Barred Lists) *	31	17
Closed - DBS withdrew (appellant removed from Barred Lists) **	3	6
Closed - DBS decision maintained ***	94	105
Closed – removed from Barred List(s) following substantive appeal hearing	2	2
Live appeals at end of quarter (includes residual appeals lodged in previous years)	223	420

*Excluded denotes appeals whereby a Paragraph 18A review has been undertaken due to ‘new information’, so this is not necessarily because the original barring decision was wrong but something during the appeal has led to the conclusion that retention is no longer appropriate

**The original DBS decision could not be defended

***These are DBS decisions that have remained in place but may not have reached a substantive hearing

¹ Note, Closures include residual appeals lodged in previous years.

Customer and stakeholders

Customer complaints

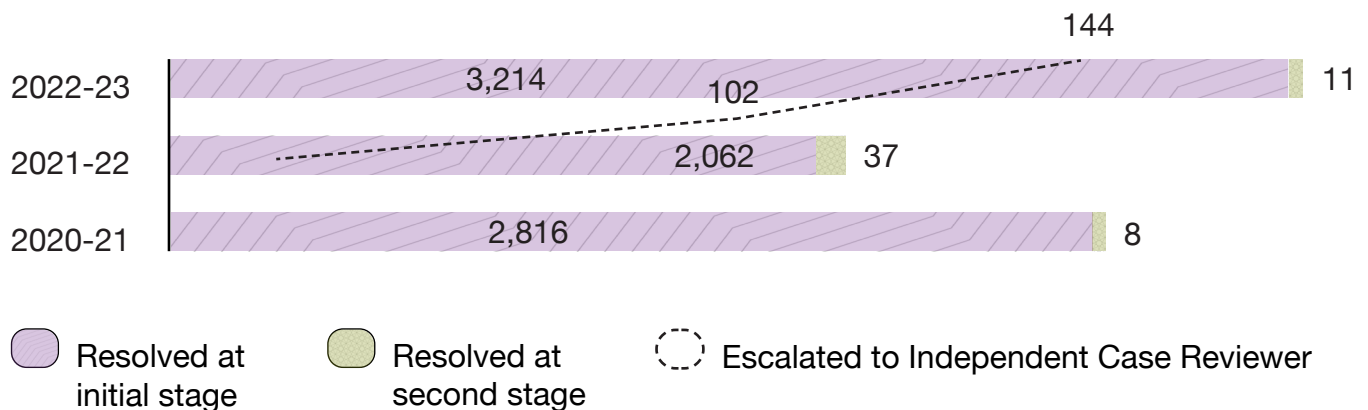
We achieved our targets for dealing with

customer service complaints for the year. Our target was to respond to 98% of all complaints within 6 working days. This target was met, with an attainment of 99.6%.

Table 5: Customer complaints in 2022-23 compared to previous years

Status or outcome	2020-21	2021-22	2022-23
Number of complaints received	2,887	2,133	3,351

Figure 8: Complaints processed in 2022-23



DBS launched a Customer Satisfaction Survey on 1st April 2022 to understand the perceptions and attitudes of customers and stakeholders towards DBS and the customer experience journey. There are 535 responses between 1st April 2022 and 31st January 2023. Accepting that the majority of those who complete the survey do so in order to make a complaint, 34% of customers that completed the survey have said that they are satisfied with the overall service that they received. However, customers' perceptions of DBS were positive, and most customers agree that: DBS is an effective safeguarding organisation (67%); DBS checks provide information to support safe and fair recruitment practices (77%) and DBS provides information and guidance that is clear and easy to understand (59%).

DBS also participates in the UK Customer Satisfaction Index, published by the Institute of Customer Service. It is an independent, objective benchmark of customer satisfaction on a consistent set of measures on over 280 organisations in 13 sectors and releases its index each January and July.

DBS was the third highest-rated organisation in Public Services (National) in January 2023, with a score of 78.4 compared to an average for the sector of 75.1. In addition, our performance to July 2022

charted DBS as the top-rated public-sector body (national) for customer satisfaction with a rating of 81.4, compared to the national average of 78.4 in the public sector. We are exploring receiving detailed feedback through both our suppliers and internal sources in order to allow us to continue improving going forward.

The Customer Service Excellence standard was developed by the Cabinet Office to offer a practical tool for driving customer-focused improvements. DBS are assessed by external assessors to ensure that all aspects of the standard are demonstrated. In February 2023, DBS were assessed as being fully compliant with all 57 elements of the standard and were deemed to have exceeded expectations and were rated as "compliant plus" against 16 of them.

Registered Bodies

Applicants cannot apply directly to DBS for Standard, Enhanced, or Enhanced with Barred List(s) DBS checks, and DBS has a legislative reliance on Registered Bodies (RBs) to carry out this role.

At the end of March 2023, there were 813 RBs (a reduction of 168 from March 2022). These RBs submitted 5 million applications during April 2022 to March 2023, in comparison to around 4.5 million applications

received in the whole of the previous financial year. This is the highest level of applications DBS has received in a financial year since inception. The main responsibilities of RBs are:

- checking an applicant's identity
- checking eligibility for a DBS check, and the type of check needed
- ensuring the DBS application form is completed correctly (paper or e-application)
- collecting fees and paying DBS
- countersigning applications and submitting these to DBS

Responsible Organisations

A Responsible Organisation (RO) is an organisation registered with DBS to submit Basic DBS checks through an online service. There were 90 ROs at the end of March 2023 (an increase of 6 from March 2022). The ROs submitted 2.6 million applications in 2022-23, in comparison to 2.7 million applications in the whole of the previous financial year. The main responsibilities of ROs are:

- checking an applicant's identity
- ensuring the DBS application form is completed correctly
- collecting fees and paying DBS

External inquiries and reviews

The final report of the Independent Inquiry into Child Sexual Abuse was published in October 2022 with 3 recommendations being directed towards the disclosure and barring regime. This is the culmination of many years of work for the IICSA team which DBS has contributed to and supported where appropriate.

The recommendations made related to a greater use of Children's Barred List information, increase the awareness and compliance with the Duty to Refer and consideration of eligibility for those working overseas in certain circumstances.

DBS has participated in development discussions since the publication of the report and will continue to do so; engaging with relevant other government departments as considerations are given to the acceptance, or otherwise, of the recommendations. The government's response to the final report is awaited but we will ensure that we are ready to positively respond as required.

The Regime Review (Bailey Report) was conducted throughout 2022-23 with the final report being published in April 2023.

A Home Office commissioned review, the terms of reference detailed specific elements for the reviewer; Mr Simon Bailey CBE, QPM to consider in his provision of assurance to ministers about the effectiveness of the disclosure and barring regime in safeguarding vulnerable groups, including children. The review was not a review of the Disclosure and Barring Service (i.e., DBS as an organisation), however, DBS was a principal stakeholder of the review and met on several occasions with the Review team, as well as hosting subject-specific workshops and providing a significant amount of operational information.

The final report, which made 9 recommendations, acknowledges that the regime (operationalised by DBS), does help employers and organisations to make safer employment decisions, but also recognises and articulates some areas which could be improved. In identifying some opportunities to address gaps and potential weaknesses in the existing arrangements, the report covers detailed commentary and recommendations relating to:

- the definition of regulated activity

- issues raised by IICSA and the International Development Committee
- the self-employed
- the eligibility of local councillors for criminal records checks
- the Security Industry Authority
- name change
- the Update Service

At this stage, we are awaiting the Home Office's view of the recommendations, and whether they will be accepted and developed into policy. However, DBS will participate fully in discussions around future implementation of any that are developed into policy and will actively support progression.

Digital identity

One Login for Government ('One Login') is a multi-year cross-government programme that was established by the Government Digital Service (GDS) in January 2021. It provides a single and simple way for people to log in and prove their identity when accessing government services online rather than using paper documents. One Login's sign-on solution was launched in October 2021 and its identity checking journey entered private beta (preliminary testing) with DBS' Basic Check - and its first live users - in June 2022. One Login's predecessor, Verify, was decommissioned in December 2022 and DBS' Basic applicants now use One Login for ID verification.

DBS' Digital Identity Verification Guidance for Standard and Enhanced applications was published on 5 May 2022 in line with the Department of Culture, Media and Sport's (DCMS) (Policy responsibility for the framework has since moved to Department

for Science, Innovation and Technology (DSIT)) UK Digital Identity and Attributes Trust framework (the Trust Framework). DBS has developed and piloted a Digital Identity Service Scheme, or Overlay Scheme, to the Trust Framework so that applicants can use an accredited provider to prove their identity online when applying for a Standard or Enhanced DBS check. These Identity Service Providers (IDSPs) must be certified to the Trust Framework and the DBS Digital Verification Service Scheme in order to provide digital identity services for DBS applicants. This ensures identities are assessed to the correct level of security.

As of June 2023, there are 17 IDSPs certified to DBS standards. These IDSPs are able to work with employers or RBs to validate an identity for a DBS application for example by using biometrics and facial recognition to compare the person's details with an existing government document such as a passport or driving licence.

During the year, the DBS continued to work closely with Home Office and DSIT in the development of digital identity services within government. The Data Protection and Digital Information (No. 2) Bill is currently undergoing Parliamentary scrutiny and sets out the government aim to bring the DSIT Trust Framework in to law, provide additional regulation of IDSPs and enable government-held information on individuals to be shared with IDSPs to improve the accessibility and safety of identity checks and potentially reduce dependence on driving licences and passports for this purpose.

DBS quality account

The DBS Annual Quality Account provides an assessment of quality assurance activity and the impact of that activity. It draws together and examines quality intelligence from a range of qualitative and quantitative evidence sources. The most recent account covers the

2021-22 performance year and is the second account against a revised quality assurance framework (QAF) which was introduced in 2020. The quality account assesses DBS' approach to quality through a safeguarding lens. It provides a review of achievements against the deliverables under each of our strategic priorities and objectives, as well as our 3 QAF imperatives of safeguarding, efficiency and effectiveness, and user experience.

The following brief overview from the quality account highlights achievements throughout 2021-22.

Safeguarding

Our safeguarding imperative links through to our 2 strategic objectives covering quality, with the introduction of the DBS Safeguarding and Quality charter clearly highlighting DBS' aspiration to meet our responsibility of Making Recruitment Safer through the delivery of quality services. This was underpinned by further investing in our quality aspirations through the continued delivery of safeguarding and operational training, themed case conferences, and policy training – all of which support the development of staff knowledge and skills and therefore their ability to provide quality and timely outcomes. We continue to use and learn from root cause analysis carried out in respect of errors as a commitment to ensuring we do the right thing and act with integrity.

We made improvements to the DBS Quality Management System, including the introduction of a cross-function quality forum and the re-launch of the incident management process in Disclosure operations, both of which ensure our colleagues are holding each other to account in the pursuance of quality. Internal and external audits have verified the high standards we set ourselves on an organisational and individual basis which continue to be met, and opportunities

to improve are identified and acted upon, evidencing our drive to be more effective and efficient and continuously improve.

Our work, commissioned by Home Office Policy Unit, facilitated by the Better Hiring Institute, and involving other government departments, and those with lived experience of child sexual abuse, was an example of DBS pursuing excellence and working to influence and inform the national safeguarding agenda.

Efficiency and effectiveness

The efficiency and effectiveness imperative in the quality account supports delivery of our people-focused strategic objectives.

As well as investing in training, general wellbeing and reward and recognition, the Organisational Development function built on the development of culture change, with various programmes of work including, policy development, DBS Academy, and apprenticeships.

A new strategic wellbeing plan was launched in October 21. The plan outlines our aims for wellbeing at DBS over the next 3 to 5 years and launched our '5 pillars' model of wellbeing; Physical, Emotional, Social, Financial, and Accessible and Connected. As part of the launch, a delivery plan was developed which saw the enhancement of our wellbeing page, the launch of a new monthly wellbeing newsletter. This includes a spotlight on the different wellbeing pillars during the first 6 months, and the broadening of the mental health champion role, renamed to Wellbeing Advocate. Evaluation and learning will be key to the development of future delivery plans, with a key factor being the ability to flex and change with organisational need.

The introduction of the DBS Employee Forum and the employee surveys provided additional opportunities for staff to have their voices heard and help shape our safeguarding services. The work we started

with our approach to knowledge management further evidenced our commitment to invest in our information as a tool for delivering excellence and increased efficiencies. Whilst developments in our approach to continuous improvement, on both a team and organisational level, provided mechanisms for staff ideas to be considered, explored and where appropriate, implemented.

User experience

Our user experience imperative links to our strategic objectives covering profile and builds on the foundations of the previous performance year. In 2021-22, we invested in our network of Regional Outreach staff, broadening our reach across the country. Working collaboratively with a variety of organisations and individuals, as well as internal DBS staff, had tangible safeguarding benefits, such as securing information to support robust barring decisions. Continued development of the Barring Portal provided the opportunity to engage further with users to ensure the end product meets their needs and the submission of quality barring referrals.

EDI activity demonstrated DBS's commitment to ensuring fairness for both our customers and our people. An EDI charter was launched, and the EDI strategic plan was approved by the DBS board, who along with senior leaders, led by example through their EDI champion roles.

The work we carried out to raise the profile of DBS saw our social media presence grow, again extending our national presence. Increased followers and engagement meant we could reach more people across social media to communicate and reinforce our key safeguarding messages and role. The increased reach also meant we were better able to communicate important safeguarding information to improve knowledge and understanding and therefore strengthen others' ability to safeguard.

Financial performance

The budget sets our estimated costs to deliver our services and business priorities, reflecting financial estimates of service demand, efficiency, and risk. The budget reflects the business plan milestones that support the delivery of our strategic objectives.

[HM Treasury's Managing Public Money \(2022\)](#) requires DBS to set its fees at a level that breaks even each financial year, balancing equally against the budgeted costs of delivering our services. Effective cost controls and volume forecasting are important elements of our business planning, as we can only set budgets on an in-year basis. We seek to reduce our fees where possible to ensure the value for money for fee payers.

In this financial year, we have made a surplus, which (less the cost of capital) has been recognised as a Consolidated Fund Extra Receipt (CFER) creditor at year-end to be surrendered to the Home Office. The level of remittance is determined dependent on the forecasted cash requirements of DBS which must be kept at a minimum level as set by the Home Office.

Whilst we have made a surplus in-year, we continue to consider the impact of our fee regime on the users of DBS. Fees over the last 5 years, through a combination of holding fees against rising inflation and fee reductions, has delivered significant savings to customers and the public purse. Figure 9 overleaf demonstrates savings to the end of this financial year reached £185 million over these past 5 years.

Key financial highlights include a record number of applications being received and processed, which, in turn, drives significant revenue for DBS. As detailed in our 2021-22 annual report and accounts, we reduced our fees on 6 April 2022. Our fees have since remained static and will continue to be held during 2023-24, whilst we complete our

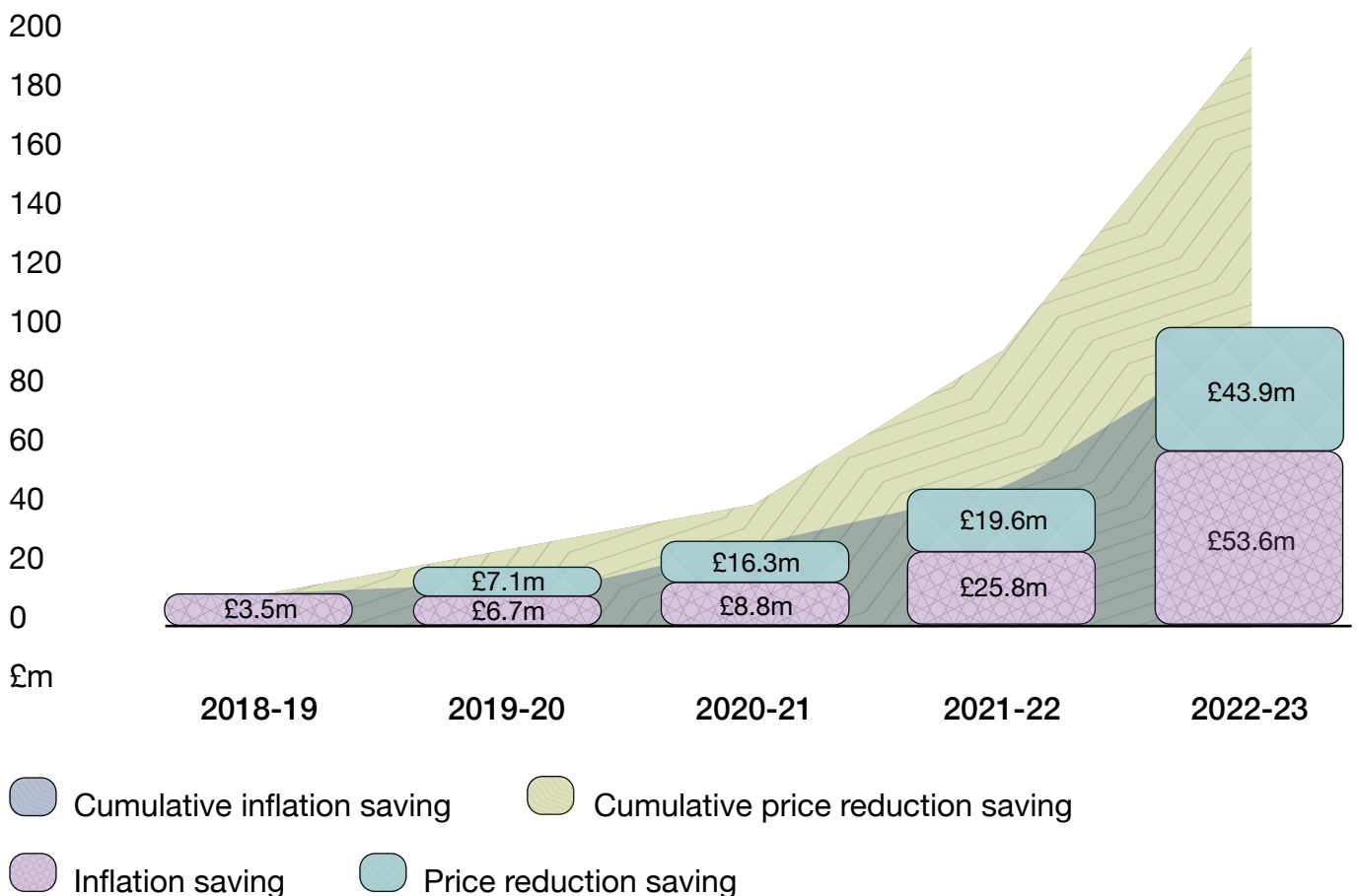
regular fee review.

The efficiencies driven through our focus on value for money will allow us to continue to deliver products and services that represent value for money to our customers and the Home Office in future years. DBS have delivered a 5.2% efficiency this year (5.9% recurrent) against a budget target of 3% and a mid-year stretch target of 5%. Over 50% of this was delivered as an inflation efficiency from our fixed price key supplier contracts which has protected against the economic environment. We continue to develop efficiency schemes, with focus now on delivery of the 2023-24 budget. We worked

with an external supplier to support a value for money review, which we will implement throughout 2023-24.

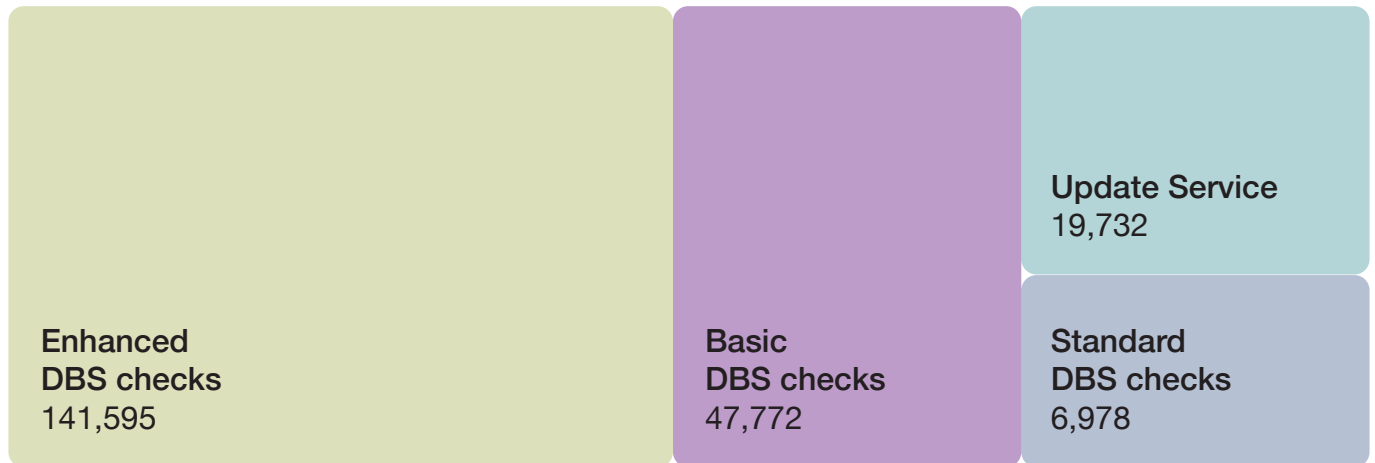
As we enter year 4 of our strategy, our activities to build capacity and capability are starting to deliver benefits and support the ongoing desire for transformational change and efficiency set out in our strategy. Our modernisation plans remain dependent on capital funding availability within government and the pace of change is constrained by this, but we are on track to deliver our capital-dependent commitments within the life of the DBS 2020-25 strategy.



Figure 9: Inflation and price reduction savings to fee payers 2018-2023



Financial Summary

Figure 10: How we generated our income



Type of check	Income (£000s)	Variance to Budget	5 year trend (revenue (dotted) against volumes (solid))	How we performed
Basic	47,772	-6% (Amber)		<p>Basic check income has fallen below budget due to a downturn in volume, attributable to the current economic climate, and due to the fee reduction from April 2022.</p> <p>The long-term trend includes unprecedented volumes, coinciding with the implementation of the furlough scheme and growth within Gig Economy.</p>
Standard	6,978	+21% (Green)		<p>Demand for Standard checks has continued to rise, with strong performance within the key sectors.</p> <p>The long-term trend includes applications that would have</p>



Financial Summary

Type of check	Income	Variance to Budget	5 year trend (revenue (dotted) against volumes (solid))	How we performed
Standard	6,978	+21% (Green)		been free of charge, which reduced in the previous financial year. Income from Standard checks has reduced relative to volumes because of the fee reduction introduced in April 2022.
Enhanced	141,595	+25% (Green)		Demand for Enhanced checks continues to increase as more employers seek additional assurance to make safer recruitment decisions. Demand was 25% above budget, driven by additional applications within care, medical, and education sectors as they continue to expand. The long-term trend includes applications that would have been free of charge, which reduced in the previous financial year. Income from Enhanced checks has reduced relative to volumes because of the fee reduction introduced in April 2022.
Update Service	19,732	11% (Green)		Increases in Disclosure applications has generated additional new subscribers to Update Service. The long-term trend includes a mix of increased volunteer (non-paid) subscribers.

Figure 11: How we spent our income



Expense type	Expense (£000s)	Variance to Budget	5 year trend	How we performed
Staff costs	52,476	-4% (Green)	<p>The trend above compares staff costs (dotted) against applications and barring referrals received (solid)</p>	<p>Staff costs have increased broadly in line with the increasing levels of applications and barring referrals being received by DBS. Staff costs remained on budget for the year, though some vacancies were not filled as quickly as expected for both permanent and CCL resource.</p>
Purchase of goods and services	133,798	8% (Green)	<p>The trend above compares purchases (dotted) against applications and barring referrals received (solid)</p>	<p>Purchase of goods and services covers IT, police, outsourced and postage, facilities and elements of other costs as broken down in Note 4. Most of these costs are variable and increase in line with the levels of applications and barring referrals received, and because of applications and</p>

Type of check	Income	Variance to Budget	5 year trend	How we performed
				barring referrals being higher than expected, these costs also were higher than budgeted.
Depreciation	9,447	14% (Red)	 <p>The trend above compares depreciation (dotted) against the value of assets held on the balance sheet (solid)</p>	Depreciation is expected to correlate in line with the investment into our IT systems, and the overall balance of software on our balance sheet. Depreciation increased in 2022-23 because of the conclusion of a significant IT upgrade. Depreciation was higher than budget due to elements of IT upgrades being ready for use earlier than budgeted.
Provision, interest expense and other	1,137	-3% (Green)		The very nature of provisions and the budget in which they sit means there is considerable volatility. Provisions have risen and fallen as DBS has become aware of a past event that may give rise to a future financial impact which was unexpected. In 2022-23, there were more events occurring which could not be actualised by the year-end, meaning a higher cost to DBS.

Key:

Green - Met or exceeded plans

Amber - Mixed performance against plans e.g growth, in demand lower than predicted

Red - Under performed against plan

Other non-financial performance

DBS has several policies which cover anti-corruption, anti-bribery, fraud, and cyber security. These are monitored and any issues or events arising are raised and monitored at executive and board level. Fraud and error are reported via the Home Office to the Cabinet Office on a quarterly basis. During 2022-23, no material incidents were reported.

Sustainability report

The Ministry of Justice (MoJ) Climate Change and Sustainability Unit (CCSU) compiled Sustainability information for DBS as the MoJ Property directorate provides shared estates services to the Home Office, including the buildings that DBS occupies. As an NDPB of the Home Office, DBS is committed to the UK government sustainability program.

Data quality

Sustainability data is gathered and validated by an external organisation and is quality assured by the MoJ's CCSU before submission to the Department for Environment, Food and Rural Affairs. All data is 'UK only' unless otherwise stated. The data relates to our 2 sites managed by the Home Office and does not include where estates services are provided by a landlord and re-charged through a service charge. The greenhouse gas conversion factors used can be found in the government environmental impact reporting requirements for business. In accordance with annual reporting conventions across other UK government departments and agencies, DBS' non-financial indicators are compiled using data from the final quarter of the previous reporting year plus the first three-quarters of the current reporting year.

Greening Government Commitments

DBS is considered to be part of the Home Office for Greening Government

Commitments (GGC) purposes. The data below shows DBS performance for the financial year 2022-23 against a 2017-18 baseline, unless otherwise stated. The data has recently been reviewed to ensure it better reflects the estate that DBS occupies. As such, our baseline year non-financial indicators have been restated to reflect these changes.

We have achieved a 59% reduction of overall carbon emissions from estate and business travel, meaning we are on track for the 2025 GGC target of 44%.

The proportion of waste recycled this year has increased to meet the 69% recycling GGC target and we sent zero waste to landfill. Our overall amount of total waste generated continued to be impacted by disposals of waste due to our reduced footprint. Emissions from domestic flights rose as we continued to emerge from the pandemic. This was also impacted by our new flexible ways of working which have enabled us to recruit staff from across the United Kingdom, resulting in additional air travel. During 2022-23 water consumption reduced by 29% compared to the baseline year.

DBS is committed to the removal of single-use plastics from its estate and has ensured that reusable plastics are utilised where possible meaning that the utilisation of single-use plastics is very low. DBS will continue to consider how best to replace single-use plastic with reusable or other alternatives where possible over the next 12 months.

Table 6 opposite takes into account the usage at DBS offices and cannot take into account the emissions generated as a result of staff working from other locations.

“DBS is committed to the removal of single-use plastics from its estate”

Table 6: Overall GGC performance for 2022-23

Area	Metrics	2017-18*	2018-19	2019-20	2020-21	2021-22	2022-23
Greenhouse gas emissions	Total emissions (tonnes CO ₂ e)	970	1,161	891	732	854	401
Energy	Usage (kWh)	2,710,021	4,276,927	3,696,015	3,342,172	3,147,510	1,951,059
	Expenditure	383,468	338,062	333,410	316,235	327,066	554,598
Domestic flights	Total emissions (tonnes CO ₂ e)	2.20	3.06	5.40	0	0.42	3.60
	km travelled	15,772	16,048	33,161	0	1,696	20,611
International flights	km travelled	46,101	3,002	1,352	0	0	0
Office waste	Amount (tonnes)	47	96	117	103	118	63
	% recycled by weight	100%	49%	67%	74%	61%	69%
	% Landfill	0%	3%	2%	1%	0%	0%
	Expenditure	7,109	7,573	8,756	29,067	N/A	N/A
Water	Consumption m ³	7,791	9,136	7,614	4,066	4,009	5,566
	Expenditure	45,808	45,808	53,531	44,842	32,235	12,817
Paper	Amount (A4 reams equivalent)	4,885	3,510	2,440	475	945	972
	Expenditure	19,902	14,300	6,064	1,224	2,699	2,776

*2017-18 is a restated baseline year.

Table 7: Overall GGC performance against targets for 2022-23

Area	2022-23 performance against target	Achievement against target	Explanation where target not achieved
Reduce greenhouse gas (GHG) emissions by 44%	-59%	Achieved	
Reduce direct GHG (from heating) by 25%	-62%	Achieved	There is no gas data 22-23 reported for Shannon Court and No.1 Tithebarn Street
Reduce the emissions from domestic business flights by at least 30%	64%	Not achieved	
Reduce the overall amount of total waste generated by 15%	34%	Not achieved	
Landfill waste to be less than 5%	0%	Achieved	
Increase the proportion of waste which is recycled to at least 70% of overall waste	69%	Pending	
Reduce paper by 50%	-80%	Achieved	
Reduce water consumption by at least 8%	-29%	Achieved	
Remove consumer single-use plastic (CSUP) from the central government office estate	-	Pending	We are working towards this target

*Target is by 2025 against a 2017-18 baseline, unless otherwise stated.



Accountability Report

Corporate governance report

This report explains the composition and organisation of DBS' governance structures and how they support achievement of DBS' objectives.

Directors' report

DBS is a body corporate established under the Protection of Freedoms Act 2012. It is designated as a non-departmental public body (NDPB) and the Parliamentary Under Secretary of State for Safeguarding gives account for its business in Parliament. The DBS chairman, Gillian Fairfield, meets the minister regularly.

The framework within which DBS operates is set out in a framework document agreed between the Home Office and DBS. The document does not convey any legal powers or responsibilities. This is supported by a delegation letter from the Home Office to DBS chief executive, Eric Robinson, setting out the chief executive's financial authority.

The DBS board is comprised of members appointed by the Secretary of State in accordance with the Protection of Freedoms Act 2012. They function as non-executive members. Board membership has been stable throughout this reporting period. Two current board member's appointments ended in April 2023 and, following an open competition, 2 new board appointments have received ministerial approval.

The chief executive chairs a Strategic Leadership Team (SLT) comprised of DBS directors. It provides strategic leadership to DBS in its delivery of strategic and business plans and agrees advice to be provided to the board.

Further information about the functioning of the board and SLT are included in the

governance statement.

In line with the General Data Protection Regulation, 3 personal data-related incidents, classified as 'Unauthorised Disclosure', were reported to the Information Commissioner's Office (ICO) for the reporting period 1 April 2022 to 31 March 2023. The incidents resulted in no further action being taken by the ICO due to proactive steps taken to mitigate impacts.

Declaration and Management of Conflicts of interest

The management of conflicts of interest is addressed in the board's standing orders. This includes maintaining a register of interest for board members and members of the SLT to ensure that any perceived or real conflicts of interest can be identified. In addition, attendees are asked to declare any conflicts of interest at each meeting. The register of interest is updated regularly at [DBS register of interests](#). The DBS board secretary conducts an annual risk assessment of declared conflicts of interest and advises the chairman of any action appropriate to manage risk.

A Conflict of Interest Policy also applies to anyone working on DBS's behalf and sets out the expectations and approaches for managing conflicts of interest.

Application of Business Appointment rules

There are government expectations that set out business appointments for civil servants. It requires transparency for outside appointments or employment taken up by former members of the department at senior civil servant (SCS) level.

DBS staff are not civil servants, but we are developing a policy for staff at SCS grade who wish to take up appointments outside

the business, and we expect the Code of Conduct Policy under development to contain a specific requirement for permission to be sought for all staff.

Currently, individuals must inform their line manager should any appointments outside of DBS interfere with their substantive role.

Statement of Accounting Officer's responsibility

Under Schedule 8 of the Protection of Freedoms Act 2012, the Secretary of State has directed DBS 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 DBS, 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 the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis
- 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 judgements required for determining that it is fair, balanced, and understandable

The Home Office's Principal Accounting Officer has designated DBS' chief executive as Accounting Officer of DBS. 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 DBS' assets, are set out in 'Managing Public Money' published by the HM Treasury.

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

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

Accounting Officer's governance statement for the reporting period of 1 April 2022 to 31 March 2023

This governance statement is a key feature of DBS' annual report and accounts. It addresses corporate governance and risk management and demonstrates how I have fulfilled my duties to manage and control DBS' resources. This statement is for the full 2022-23 financial year.

As the Accounting Officer for DBS, I am responsible for maintaining a sound system of internal control that supports the achievement of DBS' strategic and business plans, and aims and objectives, while safeguarding the public funds and assets for which I am

personally responsible, in accordance with the responsibilities assigned to me in the HM Treasury ‘Managing Public Money’ guidance.

The system of governance, internal control, and risk management is designed to manage, rather than eliminate, the risk of failure to achieve policies, aims, and objectives; it therefore, provides high rather than absolute assurance of effectiveness.

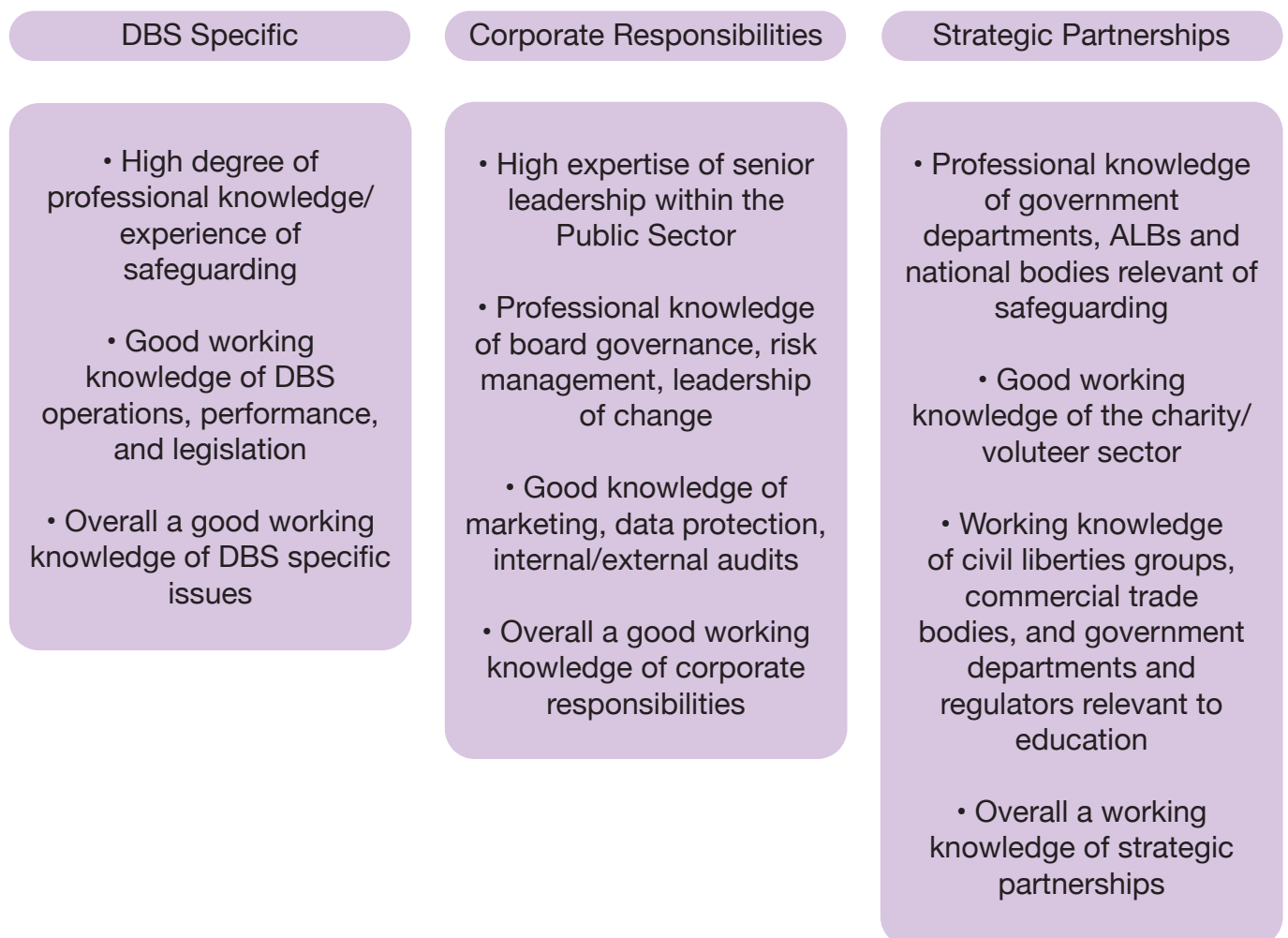
I confirm that I have reviewed the system of internal control in operation within my area of responsibility and, along with statements of assurance from directors, have made the following assessment to cover the full 2022-23 financial year.

Board governance

The board

The DBS board is made up of DBS members appointed by the Secretary of State, all of whom act as non-executive board members. I, the board secretary, associate board members and directors routinely attend board meetings.

The board benefits from a wide range of backgrounds and strengths. It keeps the skills available to it under review using skills audits. Based on the most recent skills audit, conducted in May 2021, there is a strong coverage of knowledge and experience across key areas and risks. This is summarised as:



While board members have a wide-ranging skill set, it is recognised by board that the agenda facing DBS is significant and capacity of members is limited, in terms of contracted days.

Two associate board members have therefore been appointed to fill capacity and address identified skill gaps. One role aids governance of people, and the other governance of equality, diversity, and inclusion. While not members of the board, associate board members participate in its meetings and add to the mix of expertise and skills from across the public and private sector.

The skills audit has also been used to advise ministers when appointing replacements and will be repeated once new members are established, to help inform the board development.

The board is the ultimate source of authority for the actions of DBS and is responsible for its functions and performance. The board is responsible for ensuring that all functions of DBS are carried out appropriately. The board is responsible for strategy, corporate governance, and business planning. The board is also responsible for ensuring effective financial and service performance, delivery of major projects, and an effective relationship with the responsible Home Office minister, via the chairman. The board provides visible leadership to DBS.

Regular reports are presented to board, its committees, and the Home Office Sponsorship Unit (HOSU), including through the minister's report. The board is satisfied with the quality of the papers, data, and risk considerations used to inform recommendations. Attendance at board meetings is outlined in table 8.

The board met on 9 occasions between 1 April 2022 and 31 March 2023, consisting of 6 board business meetings and 3 board development meetings. The chairman invited

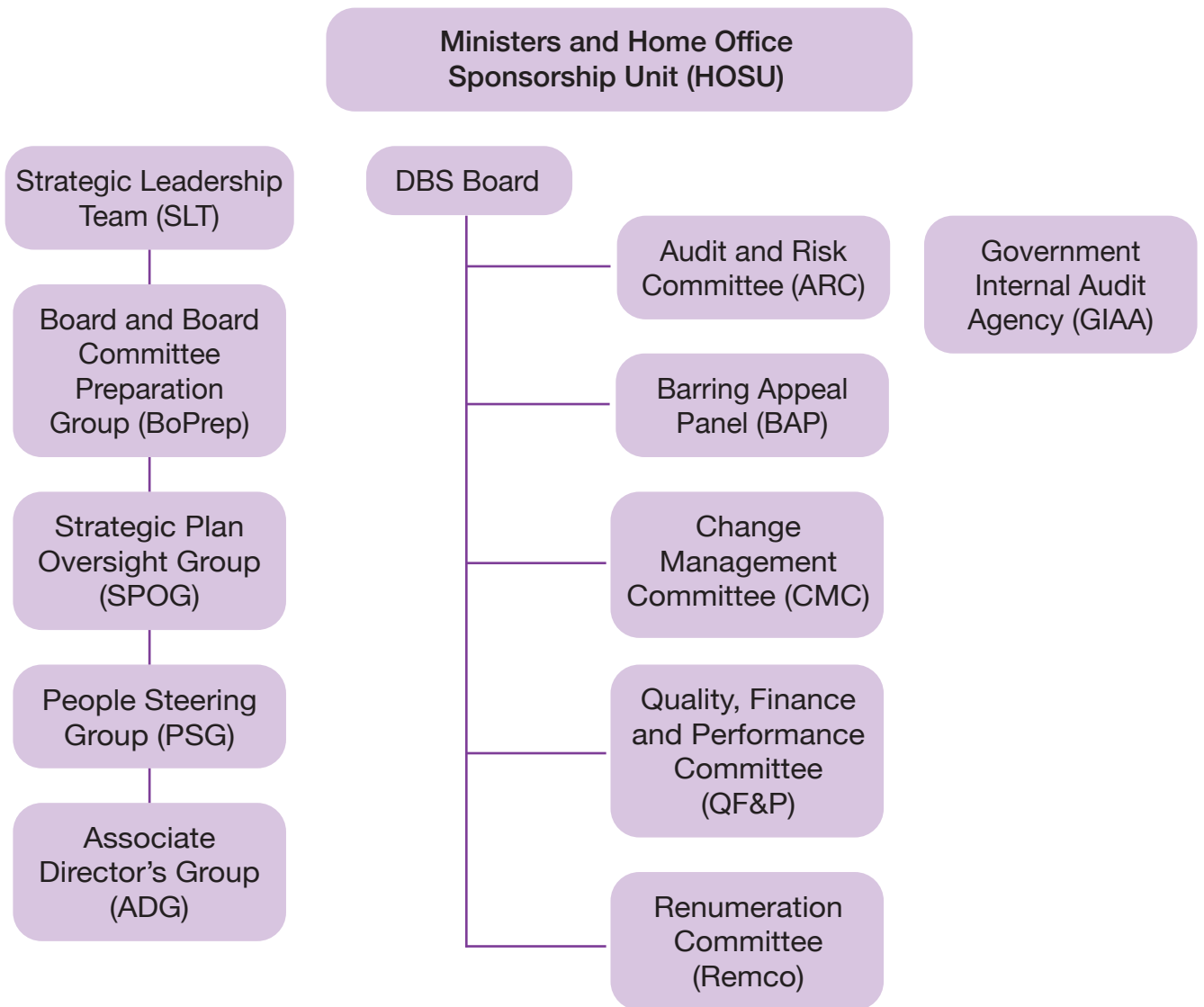
the Head of HOSU to every board business meeting and each meeting was attended by HOSU colleagues.

Under the Protection of Freedoms Act 2012, the Secretary of State may give written directions to DBS in relation to certain functions; no such directions have been received in this reporting period. Similarly, the chief executive may exceptionally seek direction from the board where he believes a course of action is inconsistent with the standards expected of him as Accounting Officer; no such direction has been sought or received in this reporting period.



Summary of board work

Figure 12 shows how the DBS board interacts with its committees, SLT, and HOSU as of 31 March 2023:



Over this period, in addition to receiving reports from its chairman, chief executive, and committees, key elements of the board’s work are summarised below. The board:

- approved changes to the 2022-23 business plan

- approved the approach and progress with forecasting, ensuring that there is additional scrutiny on forecasting and clear communication with Home Office

- agreed to increase in year the Strategic Investment Fund (SIF), the fund used for investment into the delivery of change

- approved a pay remit and pay flexibility business case for submission to Home Office and Cabinet Office. The business case did not progress to Cabinet Office due to Home Office rejection of the proposed funding elements for the business case from identified efficiencies
- agreed to propose maintaining fees for 2023-24 at the current level until at least October 2023 with a view to further considering fees in 2023-24
- approved significant procurement business cases
- received regular updates on the work of its committees from the committee chairs
- approved the Annual Report and Accounts (ARA) for the year ended 31 March 2022
- regularly considered and made key decisions in respect of litigation in which DBS is involved
- reviewed and approved key policies
- considered and agreed a value for money framework that is structured around the elements in the National Audit Office framework guidance. The framework identifies the categories of input, output and outcome which drive the '4 Es' of Economy, Efficiency, Effectiveness, and Equity. This enables the grouping of assessment measures to be used for appraising, monitoring, and evaluating how individual decisions and DBS as a whole deliver value for money
- considered DBS' 3-year view of its capital requirements prior to submission to Home Office
- agreed the strategic plan, business plan, and budget for 2023-24, including fees for 2023-

24 and tier 1 and tier 2 KPIs

- reviewed the board's effectiveness

Board effectiveness

The board chairman commissioned an external review of the board's effectiveness, focusing on how the board can further enhance its effectiveness in fulfilling its purpose and identifying improvements to ensure compliance with the governance requirements, set out in [Requirements for Reviews of Public Bodies](#).

The external review of board effectiveness concluded that the Board is operating to a high standard with strong leadership from an experienced group of Non-Executive Directors, supported by a stable and cohesive SLT. The Board and committees are serviced by a dedicated corporate secretariat and the quality of administration is excellent. Board is also committed to consider carefully where potential for further improvement has been shown.

Governance framework

Drawing on HM Treasury's 'Corporate governance in central government departments: code of good practice' (2011) guidance and the Cabinet Office's 'NDPBs: Principles of Good Corporate Governance' guidance, the board's governance framework comprises of:

- a framework document agreed with the Home Office
- standing orders
- a scheme of delegation
- terms of reference for the board and its committees
- a code of conduct for board members of

public bodies, which is published by the Cabinet Office and adopted by the DBS board

These principles set out that a ‘comply or explain’ approach is taken by the public body, as is standard in UK corporate governance. Consequently, the board has considered the ‘NDPBs: Principles of Good Corporate Governance’ guidance and their supporting provisions, and considers that it complies with all the requirements relevant to them in full, except for the supporting provisions set out below:

a) “The body should proactively publish agendas and minutes of board meetings.”

The minutes are an essential part of the board’s governance and regularly include information that is legally privileged, commercial, or personal. Drafting them in a way that is suitable for publication creates the risk that they do not adequately fulfil their primary governance purpose. Analysis of freedom of information requests suggests that there is limited interest in board minutes; there have been no requests for copies of the minutes over the last 3 years.

b) “The body has adopted a code of conduct for staff. This is based on the Cabinet Office model code. All staff should be aware of the provisions of the code. The code should form part of the terms and conditions of employment.”

DBS is undertaking consultation on its code of conduct as part of current workforce planning. The code of conduct does not form part of staff terms and conditions. DBS is content that any allegations of misconduct/ performance are robustly linked to the code of conduct as a non-contractual issue and that this does not have significant risk to warrant changing this approach in the short or

medium term.

The board has kept this governance framework under review throughout this reporting period. It has increased the procurement delegation to the executive in conjunction with changes to the Change Management Committees’ (CMC) terms of reference to strengthen the rigour of reporting to CMC and allow it to decide that a procurement which is delegated to the executive should instead be called in for decision by the board. In addition, associate board members and board apprentices are to attend board and, alongside the other attendees, may contribute to discussions.

Board committees

The board was supported by 6 committees:

- Audit and Risk Committee (ARC)
- Barring Appeal Panel (BAP)
- Change Management Committee (CMC)
- People Committee (PC)
- Quality, Finance and Performance Committee (QF&P)
- Remuneration Committee (RemCo)

The committees oversee the responsibilities of the board for specific areas of DBS, providing advice and assistance where appropriate. Committee chairs report to the board on their committee’s work, raising any relevant concerns or risks. They complete an annual report of the activities undertaken and consider their effectiveness as a contribution to the board’s review of its effectiveness.

Summary of committee activities from 1 April 2022 to 31 March 2023

Audit and Risk Committee

The Audit and Risk Committee (ARC) provides assurance to the board and Accounting Officer in relation to risk management, the internal control framework and environment, and the level of financial control. It oversees the work of the internal auditors, the preparation of the annual report and accounts and governance statement and works with external auditors as appropriate. The committee met 4 times in this reporting period and in summary, they:

- considered the executive's recommendation with respect to changes to risks and issues
- agreed the Assurance Policy and Framework against which the executive will report to ARC in its Assurance Report
- considered the efficiency framework to support the development of an efficiency plan to deliver 5% efficiency savings in the financial year. The efficiency programme focuses on technical efficiencies, generating savings by carrying out activities faster, with fewer resources, or to a higher standard, without additional resources
- considered the performance of the main cyber security controls and the outcome of an external review of data protection and General Data Protection Regulation (GDPR) compliance
- reviewed risks exceeding the risk appetite set by board and ensured those risks were brought to the board's attention
- endorsed matters for board consideration
- approved the Internal Audit Plan for 2022-23

- considered the risk report on management of risk and control with specific focus on direct and indirect industrial action

- endorsed a Simplified Management Assurance Framework for submission by the accounting officer (AO) to the Home Office as part of their assurance requirements, noting the added a level of assurance that the framework delivers

- considered the application of the AO delegation to evidence that controls are in place to provide assurance that all elements are complied with

- reviewed and agreed the Internal Audit Plan for 2023-24

- considered the committee's effectiveness

Barring Appeal Panel

The Barring Appeal Panel (BAP) meets when required, with delegated authority to decide whether to appeal or defend an appeal against a decision of the Upper Tier Tribunal. Its membership is determined when it is decided that a meeting is required. BAP met twice during this reporting period to consider approvals to pursue appeals to the Court of Appeal against barring appeal decisions of the Upper Tribunal and to discuss how lessons can be learned once legal proceedings are complete and the next steps to be taken.

Change Management Committee

The Change Management Committee (CMC) assists the board in its oversight responsibilities by providing assurance to the board and chief executive in relation to:

- the robustness and effectiveness of DBS' change programme and project management arrangements

- oversight of DBS' change programme
- the robustness and effectiveness of DBS' commercial management arrangements
- the review or sign-off for specific business cases and expenditure by request of the chairman and/or board

CMC met 4 times in this reporting period, and in summary, they:

- reviewed and commented on significant procurement business cases before the executive recommended them to board
- reviewed new activities and progress against the Change and Transformation Plan and gained assurance that projects are being delivered to time, quality, and cost
- ensured programme risks and issues are managed appropriately, including focusing on what risks have been avoided and what value has been added with the business transformation function in place
- undertook a deep dive to secure assurance that change activity is adequately connected across the DBS
- reviewed and discussed the findings of the Internal Audit of Business Transformation report
- considered progress against the Transformation Plan, including discussing new projects and change activities and programme risks and issues
- discussed the benefits of the Change and Transformation Function, welcoming the work done to introduce a DBS Benefits Management Framework for all DBS projects and noting the opportunities this provides to

measure and understand benefits delivered through core change activity

- considered contract end/break points and the planned activity to commission any continued services to mitigate risks to service
- considered updates on key projects, including the Identity Verification Project (IDV) and Barring Portal, ensuring progress in achieving the strategic intent and outcomes is on track
- reviewed the committee's effectiveness

People Committee

The People Committee (PC) provides assurance to the board and Accounting Officer in relation to the management of DBS people matters, either employees or other workers that are not addressed by the Remuneration Committee. This includes providing assurance to the board in relation to:

- the content of any Organisational Development strategic plans
- the content of any board-approved plans or policies specifically about DBS people
- the application of DBS policies specifically relating to DBS people

The PC met 4 times in this reporting period, with the chairman reporting to the board after each meeting. In summary, the committee:

- reviewed the strategic and corporate risks relating to People
- reviewed the organisational baseline
- discussed the future of work and considered the opportunities for making recruitment

safer by future-proofing DBS to ensure we are a flexible, modern, and contemporary workplace and workforce

- reviewed progress made improving the Metis system, the Home Office’s HR, Payroll, and finance platform, and considered the timeline for realising further improvements
- considered the Pay Remit and any case for a Pay Flexibility Business Case prior to them being recommended to board
- considered progress on the redraft of the grievance policy
- discussed progress of ongoing plans and priorities, including the DBS Academy, the Code of Conduct, the Sickness Absence Management policy, the Employee Engagement Survey action plan, and the activities and progress of the Employee Forum
- considered updates on staff relations, drawing from engagement surveys and relevant information sources, noting the continued actions to build and amplify engagement efforts
- reviewed the committee’s effectiveness.

Quality, Finance and Performance Committee

The Quality, Finance and Performance Committee (QF&P) assists the board in its oversight and planning responsibilities. It provides assurance to the board in relation to:

- the framework and processes for quality, financial management, and performance of DBS
- the preparation and implementation of the DBS budget

- ensuring that safeguarding is considered properly in the delivery of DBS functions
- strategic plans, business plans, and the policies supporting their delivery

QF&P met 4 times in this reporting period, and in summary, they:

- considered the draft strategic and business plan and the financial strategy
- considered DBS’s Integrated Performance report which provides performance reporting on delivery of the strategic and business plans
- reviewed Quarterly Quality reports for DBS functions to assure that the focus on quality within the directorates robustly supports DBS performance
- undertook a deep dive into the Outreach Support Service, noting that the quality of Barring referrals improved significantly since the outreach service began
- considered the Resourcing Strategy to help develop DBS thinking about the strategic funding and use of resources, including fees, contractual and contingent labour, capital, contracting services and capital investment, recognising the need to demonstrate value for money and the importance of DBS being clear on its statutory responsibilities
- endorsed the Quality Account 2021-22 to board, noting that in future the Quality Account should be incorporated with the Annual Report
- obtained assurance on the functioning of the complaints policy, including considering an analysis of redress payments

- reviewed progress of delivery of the business plan, considering the annual reports that support delivery of the Strategic and business plans
- considered the proposed strategic plan, business plan and budget before recommendation to board and considered the proposed level of fees for 2023-24
- considered a report on Barred List demographics



Remuneration Committee

This Remuneration Committee (RemCo) supports the board and makes delegated decisions in respect to the Chief Executive (CEO), all SCS-graded posts or other posts reporting to the CEO.

It oversees the recruitment process for Very Senior Posts (VSPs), ensuring it is appropriate, fair and in line with DBS policies and standards. It is responsible for developing a fair and transparent procedure for remuneration of VSPs, including pay, bonuses, performance-related pay, incentives, pensions and all other benefits and rewards ensuring that SCS pay is in accordance with the government's response to the Senior Salaries Review Body (SSRB).

RemCo met twice in this reporting period, and in summary, they:

- considered appraisals for VSPs other than the CEO to ensure they are fair and consistent with the framework
- reviewed and approved changes to the framework for appraisal of VSPs other than the CEO
- agreed changes to remuneration in line with the committee's approved procedure, including approval of any bonuses or performance-related pay
- reviewed the CEO's appraisal to consider whether it is fair and consistent with the agreed framework and to decide whether to recommend to the board any change to remuneration
- considered the committee's effectiveness and approved the committee's annual report to board

Table 8: Board members and chief executive's attendance at board and committee meetings from 1 April 2022 to 31 March 2023

Name	Role	Board	ARC	BAP	CMC	PC	QF&P	RemCo
Dr Gillian Fairfield	Chairman	9 of 9	-	-	-	-	-	-
Eric Robinson	Chief Executive (non-board member)	9 of 9	-	-	-	-	-	-
David Banks	Board member ARC chairman	8 of 9	4 of 4	1 of 1	4 of 4	-	-	-
Mary Cunneen	Board member RemCo chairman	9 of 9	3 of 3	2 of 2	1 of 1	1 of 1	-	2 of 2
Samantha Durrant	Board member CMC chairman	8 of 9	1 of 1	-	4 of 4	3 of 3	1 of 1	-
Glenn Houston	Board member Vice chairman QF&P chairman	8 of 9	-	3 of 3	-	-	4 of 4	2 of 2
Neil Rhodes	Board member PC chairman	7 of 9	1 of 1	-	-	4 of 4	3 of 4	-

Executive governance

Strategic Leadership Team

I chair the Strategic Leadership Team (SLT), which provides strategic leadership to DBS in its delivery of strategic and business plans and agrees advice to be provided to the board. It normally meets weekly, and I call additional meetings where necessary.

SLT membership is comprised of myself and all directors. The board secretary routinely attends.

SLT agreed terms of reference for itself and 4 groups which it has established to support it in its leadership. Their roles are summarised

below, with 3 of these groups reporting to SLT following each meeting:

Associate Directors' Group

The Associate Directors' Group (ADG) chair is appointed by the Chief Executive on a 6-monthly term. ADG is formed by associate directors (ADs) and provides a corporate perspective on the management of risks, data, policies, and processes to support SLT and to undertake tasks assigned by the SLT.

People Steering Group

The People Steering Group (PSG) is chaired by the Human Resources and Organisational

Development Director. This group monitors DBS' performance in respect to its people, advises SLT on people-related policies and strategies to improve performance, and makes decisions about individual members of staff in accordance with those policies and strategies.

Strategic Plans Oversight Group

The Strategic Plans Oversight Group (SPOG) is chaired by the Deputy Chief Executive and Executive Director of Finance and Corporate Services. This group monitors delivery of the plans sitting beneath the strategic and business plans, facilitating co-ordination between them and scrutinising proposals coming from SLT. It also oversees the Strategic Investment Fund (SIF).

Board and Committee Preparation Group

The Board and Committee Preparation Group (BoPrep) is chaired by the Deputy Chief Executive and Executive Director of Finance and Corporate Services. This group ensures sponsors of papers for board and board committees incorporate strategic, governance, and corporate considerations into draft papers presented to SLT. BoPrep also identifies issues coming to board and board committees that may merit early SLT development.

BoPrep does not report directly to SLT. The relevant sponsor ensures the resultant draft papers are consistent with agreements reached at BoPrep and the board secretary includes any required development discussions into the SLT forward look.

Main elements of internal control

I explain below the main elements of internal control. To obtain assurance on the effectiveness of these, I place reliance on the work of the board's ARC and on the Government Internal Audit Agency (GIAA). In addition, I receive assurances from directors

on the adequacy of the system of internal control within their area. The board secures assurance on the effectiveness of these controls in a similar way, and additionally, receives my assurance on their effectiveness when I present the annual report and accounts to them for their consideration.

Management of risk

The board is responsible for DBS' system of corporate governance, including management of risk. Throughout the period of this report, it had a risk management framework, informed by HM Treasury's 'Orange Book', in place, including a statement of its appetite for risk. The strategy is designed to maintain regularity and propriety and manage risk in line with the board's appetite, rather than eliminate all risks. The framework is based on a process that:

- identifies and prioritises the risks affecting our business aims and objectives
- evaluates the likelihood of those risks happening and their likely impact
- manages those risks efficiently and effectively

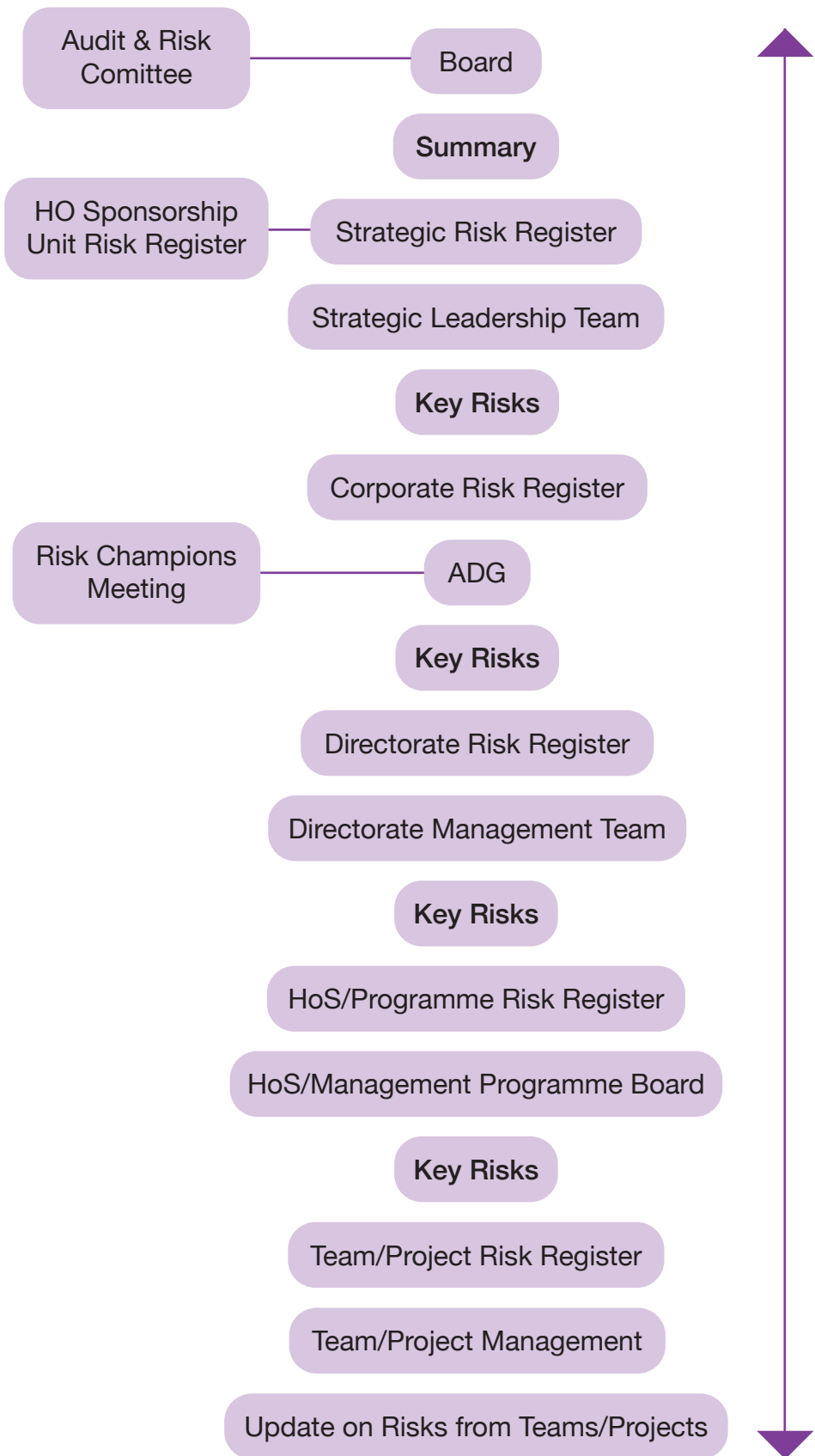
To ensure the continued effectiveness of the management of risk, within this reporting period the board has:

- reviewed and updated aspects of its risk management strategy and appetite
- collaborated with me to identify strategic risks relevant to its corporate and business plan
- secured assurance, through ARC, in relation to risk management
- regularly reviewed my and my director's management of risk

DBS Risk and Issue Reporting Cycle

Key Risks: Any risk which is outside of the control influence of the team/project/programme /directorate and needs to be addressed by the next level of management - OR is it a risk which could impact on the other teams/projects/programmes/directorates within DBS.

Key risks at all levels inform business continuity and audit activity.



The main features that support regular monitoring, review, and assurance of the management of risk are:

- DBS has a risk manager in place to support the management of risk
- risks are identified and managed at strategic and operational level with proposed changes to strategic-level risks presented to the board for their consideration
- ADG undertakes a risk management review programme which includes a monthly review of corporate and strategic risks and issues. This is complemented by a programme of ‘deep dives’ into individual risks, and horizon scanning, to ensure they are a true reflection of the risk environment in which DBS operates and proposes actions that can be taken to reduce the risk to align with the risk tolerance
- SLT reviews monthly the strategic risk register and the actions being taken to

manage risks

- ARC meets 4 times a year to seek assurance on the management of risk, reviewing the strategic risk register and reporting their views to the board

Our risks are linked to our strategic objectives and the delivery of DBS’ 2020-25 strategy. DBS maintains a strategic risk register that allows the board, relevant committees, and SLT to focus attention on areas of significant risk and monitor risk movement and the impact of mitigation.

DBS uses a 5-point scale for likelihood and impact (very low, low, medium, high, and very high) to give sufficient granularity to the assessment of how likely a risk is to materialise, and the impact it would have on public protection, reputation, finance, and/or delivery if the risks were to occur.

DBS uses a risk matrix to define the level of risk by considering the category of likelihood, against the category of impact. Our risks are rated as follows:

Very High (Black)	Probability: >80% (almost certain to occur) Impact: Very high impact on public protection, reputation, finance, and/or delivery if they occur
High (Red)	Probability: 51% - 80% (likely to occur) Impact: High impact on public protection, reputation, finance, and/or delivery if they occur
Medium (Amber)	Probability: 21% - 50% (may occur) Impact: Medium impact on public protection, reputation, finance, and/or delivery if they occur
Low (Green)	Probability: 6% - 20% (low but not impossible) Impact: Low impact on public protection, reputation, finance, and/or delivery if they occur
Very Low (Light Green)	Probability: 0% - 5% (very unlikely) Impact: Very low impact on public protection, reputation, finance, and/or delivery if they occur

As of March 2023, there are 12 DBS strategic risks. They are scored as follows on the risk matrix, illustrating the risk appetite for each:

Strategic risk title	Appetite
Risk 199 - Failure to protect DBS systems from a cyber-attack	Minimalist*
Risk 393 - Failure to safeguard	Minimalist
Risk 456 - Failure to retain and develop talent to ensure we have the capability and capacity to deliver our strategic objectives	Open
Risk 530 - Failure to respond appropriately to a Business Continuity Disaster Recovery event	Minimalist
Risk 637 - Failure of Technology systems leading to reduced service performance	Minimalist*
Risk 668 - Failure in supply chain performance	Minimalist
Risk 669 - Failure to comply with statutory obligations	Cautious
Risk 670 - Failure to manage financial resources	Cautious**
Risk 671 - Failure to improve DBS profile	Minimalist
Risk 674 - Failure to deliver DBS strategy 2020-25 strategic objectives	Open
Risk 675 - Failure to effectively manage change and transformation	Open**
Risk 771 - Failure to manage productivity and reputational impact due to local and national industrial action	Minimalist

Strategic risk matrix						
		Likelihood				
		Very Low	Low	Medium	High	Very High
Impact	Very High	Amber	Amber	Red	Black	Black
	High	Amber	Amber	Red	Red 771	Black
	Medium	Green	Amber	Amber 456, 670	Red 637	Red
	Low	Green 530	Green	Amber 668, 669, 671	Red 199	Red
	Very Low	Green	Green	Amber	Amber 674, 675	Red 393

*Minimalist - Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.

**Open - Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward and value for money etc.

***Cautious - Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.

Further details about the 12 DBS strategic risks are set out below, including information around what each risk is and key mitigations in place to manage them.

Delivery of the activity above will transform the DBS Technology landscape and mitigate the

risk of technical failure as far as practicable.

Risk 199: Failure to protect DBS systems from a cyber-attack

As DBS services are becoming more digital-based and internet-facing, there is a risk that a cyber-attack could occur, leading to data breaches, outage of our key processing systems and reduced public confidence.

We ensure data and systems are protected through use of cyber security measures. We do this by:

- delivering two-factor authentication for the majority of our systems and all our users
- improved Security Operations Centre (SOC) protective monitoring and reporting solution developed
- recruiting additional cyber security resources

- completion of annual IT Health Checks
- assurance through the Control Assurance Report to ARC
- completion of IT Health Check and security accreditation for all IT changes
- complete cyber security IT external assurance audit
- implementing third-party patch management governance
- implementing proactive vulnerability management
- encryption of data at rest within operational systems being investigated
- IT suppliers certified against ISO27001
- IT suppliers Cyber Essentials Plus compliance being achieved
- DBS and supplier staff completion of annual cyber e-learning

Risk 393: Failure to safeguard

As safeguarding decision-making within Operations may be delayed and or inaccurate, there is a risk that a child or adult is subject to significant harm caused by a DBS action or inaction, leading to a failure to safeguard.

We ensure we make high-quality and timely decisions that safeguard the public by assuring quality and managing work effectively, including monthly performance monitoring by SLT and board. We do this by:

- Barring and Safeguarding Delivery and DBS business plans. Both include several initiatives to further mitigate this risk, including Barring and Safeguarding Excellence Model (BASEM), Safeguarding Training and Regional teams

with progress reviewed monthly at senior leadership level

- working with all directorates across DBS to ensure this risk is mitigated by having stable IT platforms, prioritised transformation projects that optimise operational services, timely insight and intelligence and financial forecasting and timely support from HR, Commercial and Legal.

We have achieved the target BRAG (blue, red, amber, green) risk rating; however, this will always remain a risk and need to be included in the register to reflect the current position and efforts to maintain further improve performance.

Risk 456: Failure to attract, retain and develop talent to ensure we have the capability and capacity to deliver our strategic objectives

As DBS may not be able to attract, retain and develop the right skills, and ensure our equality diversity and inclusion, there is a risk that we do not have the people to deliver our services, leading to reduced service provision and an inability to achieve our KPIs and strategic objectives.

We ensure we can attract, retain, and develop staff who produce quality work in support of our strategic objectives. We do this by:

- regular reporting and scrutiny via Integrated Performance Report, People Steering Group and People Committee related to people
- Change and Transformation Board provide governance, assurance, and escalation routes for formal projects where capability or capacity issues may arise
- a newly developed Reward and Recognition procedure, a social recognition platform and

a cross organisation reward and recognition panel now sits quarterly

- our overarching Organisation Design (OD) is in place with ongoing review
- a full review of our recruitment across the last 12 months was recently completed, supporting our approach to attracting and supporting BAME colleagues
- HR Business Partners work closely with each director and Directorate Management Team, with a particular focus on workforce planning
- DBS Academy in place to provide targeted skill and capability-based interventions, for example, digital skills
- DBS financial models are updated on a quarterly basis in line with revised forecasts with controls over the FTE profile of the organisation as a whole and with a view on vacancy rate
- case review / lessons learned in place in HR and OD
- Staff Engagement survey in place
- Wellbeing Strategic and Delivery plan in place.
- coordination with local or corporate issues or risks as they emerge related to 456

Risk 530: Failure to respond appropriately to a business continuity and disaster recovery event

As DBS could potentially be subject to a continuity or catastrophic event, there is a risk that the DBS response to this is not sufficiently managed, creating reputational impact from disruption to our safeguarding

functions and achievement of PSS targets. We maintain appropriate plans to ensure we can respond effectively to a business continuity and disaster recovery (BCDR) event. We do this by:

- corporate BCDR Manager role established in DBS staffing structure
- BCDR Management (BCDRM) policy and procedure in line with the organisational policy and procedure framework
- BCDRM programme in line with BCI Lifecycle – an ongoing cycle of activities to build organisational resilience
- Strategic, Tactical and Operational co-ordination structure for major incidents
- BCDR Impact matrix to quantify incident response level
- a framework of plans is in place including 3 “Denial of” plans – People, Property(buildings) and Processes (systems) and directorate-level plans
- Incident Management and Corporate Communications plans for major incidents
- debrief procedures and lessons learnt from live incidents to inform further development of BCDR
- annual testing schedule established using varying scenarios
- actions progressed following recommendations from audit

Risk 637: Failure of Technology system

As DBS is reliant upon systems, including some legacy systems, to deliver its services, there is a risk of service outages leading to

reduced service performance.

We ensure systems are stable and enable us to operate our services. We are doing this by continuing to roll out the Technology 2025 Roadmap which articulates:

- a prioritised delivery schedule of functional changes/improvements reviewed and reported Monthly to the Tech 2025 Steering Group
- the introduction of a Strategic Digital partner
- a continuous improvement programme, including a technical refresh of the legacy estate

Delivery of the activity above will transform the DBS Technology landscape and mitigate the risk of technical failure as far as practicable.

Risk 668: Failure in supply chain performance

As DBS is reliant upon a range of third-party suppliers, there is a risk that DBS will not be able to deliver its services and/or will have to reprioritise if any of those suppliers are unable to deliver critical product(s) or critical services or deliver projects and/or services key to our strategy, which may affect DBS’s reputation and public confidence in our organisation.

We ensure our suppliers enable us to meet our desired performance levels. We do this by:

- reviewing the projects and/or services key to our strategy and ensuring these are covered by Technology 25 governance or other programme governance.
- documenting the critical products and services, breaking those down to fundamental components where possible
- creating a critical supplier list
- developing a plan to ensure we can

effectively risk manage the critical products and services from our third-party suppliers

- carrying out a review of contracts/SLAs currently in place
- establishing an Intelligent Client Function to ensure resilience across supply chain where we can
- carrying out a review of supply chain management performance model of all suppliers

Risk 669: Statutory Obligation Compliance

As DBS is required to comply with several statutory obligations, there is a risk that an aspect is missed which could lead to reputational damage and reduced confidence. We ensure we comply with all of our statutory obligations, and that these are managed appropriately and safely, through adherence to relevant legislation. We do this by:

- assurance and compliance monitoring is in place
- legal compliance and/or challenges assessments are included within board decision papers
- EQIAs are completed for all projects so PSED is considered during the design phase and any mitigating actions required to be progressed as a priority
- lessons learned reviews are regularly undertaken and built into updated practice
- PSED training completed by SLT in 2022-23. Plans being prepared for wider EDI training offer for all staff in 2023-24
- individual areas action plans are monitored to complete the external GDPR assessment

recommendations

- implement technical changes recommended in the CGI GDPR IT Estate review
- the action plan resulting from the external legal review is due to be completed by June 2023
- completing the action plan arising from the ICO consensual audit
- effectiveness of operations review arrangements following data breaches are kept under review
- target BRAG has been achieved

Risk 670: Failure to manage financial resources

As DBS is reliant upon allocations from the Home Office and is subject to time constraints for setting fees, there is a risk that insufficient working capital or capital will be available to DBS, leading to an inability to resource effectively and complete our desired strategic initiatives. We ensure we make effective use of our budget in accordance with Managing Public Money. We do this by:

- maintaining an advanced 5-year financial plan model to consider market/economic impacts. This is updated on a quarterly basis in line with revised forecasts and captures changes in product demand to assess the impacts of revenue and associated costs and fees
- regularly undertaking scenario analysis to assess the potential risks, opportunities, and other changes
- developing a multi-year capital requirement plan which is submitted to HO

- forecasting our in-year capital requirements to HO on an ongoing basis
- undertaking a product fee review alongside the annual budgeting exercise
- having a working capital agreement in place with HO, which acts as a loan function to ensure that DBS maintains enough cash to fund 3 months working capital

Risk 671: Failure to improve DBS Profile

Due to the low profile of the DBS and limited awareness of our purpose and how to work with us, there is a risk that a lack of understanding of disclosure and barring responsibilities externally could adversely affect our ability to safeguard, deliver effective services and achieve our strategic ambitions, reducing public trust and confidence.

We engage effectively with our partners to ensure we have a reputation as a highly valued public organisation that has the confidence of stakeholders and customers. We do this by:

- having procured a media monitoring and social media listening service. This is allowing the organisation to monitor media for coverage as well as understand open-source discussions. This allows us to respond, if necessary and appropriate. We are also undertaking parliamentary monitoring to track key issues and any discussion of DBS
- proactive media and communications campaigns being developed and delivered, social media refresh and external communications strategy development ongoing
- delivering planned and proactive national partnership activities, including senior stakeholder liaison with other national bodies at Chair/CEO level

- delivering a Regional Outreach service across 11 regions to respond to customers' need for advice and information, drive awareness of DBS services and develop collaborative relationships to enhance profile and support delivery of DBS 2025

Risk 674: Failure to deliver DBS Strategy 2020-25 strategic objectives

Due to the scale and complexity of the DBS strategy 2025, there is a risk that DBS may fail to realise its strategic ambitions, resulting in DBS not achieving its strategic objectives to improve quality and profile and support its people effectively. This may also result in an associated loss of confidence by partners, customers, and staff, impacting on trust and DBS' ability to deliver services to make recruitment safer.

We ensure we are able to realise our strategic ambitions and achieve delivery of the DBS strategy. We do this by:

- governance is in place through senior management meetings, including the Strategic Plans Oversight Group and board tracking on a quarterly and annual basis, with annual scrutiny of the business plan by the HO
- undertaking a strategy refresh during 2022-23, to ensure the strategy remains relevant and responsive to external changes
- we promote a collaborative culture to support achievement of the DBS strategy 2020-25, and consistently engage with staff and managers about progress with the strategy, as well as co-creating the strategy refresh
- a centralised strategy and planning team is in place and well embedded to support monitoring of delivery of the DBS strategy 2020-25

Risk 675: Failure to effectively manage change and transformation

DBS has a significant amount of change activity to undertake to realise the priorities and objectives within the DBS strategy 2020-25. Therefore, there is a risk that without effective oversight and governance, a cumulative failure of change activity failing to deliver as intended, the delivery of the business plan objectives could be placed in jeopardy, leading to reduced confidence, impact on service delivery and reputational damage for DBS.

We ensure we are able to change and transform our business. We do this by:

- effective oversight of change activity is provided through the Change and Transformation Board (C&TB) and Strategic Plans Oversight Group (SPOG)
- established Technology 2025 Roadmap governance across all technology change
- C&TB, chaired by the Executive Director for Strategy, Performance and Change, who ensure government functional standards are applied to programme and project management, providing scrutiny and assurance through Programme Directors and Executive Sponsors
- following the creation of the new Strategic, Performance and Change directorate, a new operating structure is being established. The Transformation structure will ensure that a full change pathway is appropriately adopted across the business

Revised business processes are being introduced to ensure that change activity is undertaken in a consistent and appropriate manner.

Risk 771: Failure to manage productivity and

reputational impact due to local and national industrial action

Due to potential strike action, there is a risk that productivity and our ability to provide full services may be impacted, with the associated reputational impacts which may impede our ability to safeguard.

We maintain appropriate plans to ensure we can respond effectively to an industrial action. We do this by:

- assessing risk and contingency planning, which provides a high-level overview of initial risk in line with BCDR plans and lessons learnt from COVID-19, to inform further development of the BCDR plan on industrial action
- BCDR plan of activity - communications plans in place for all staff reference actions to take and line managers guidance to be submitted on the day of industrial action
- updated contingency plans in place

Two additional issues are being managed by specific board oversight and strengthened governance. These relate to:

- litigation with a former supplier to DBS
- an issue with Metis, the HR and finance reporting system, which means that we are having to deploy a workaround process in collaboration with Home Office colleagues to extract key management information

Risks will continue to be monitored on a regular basis and reported to ADG, SLT, board, and ARC to provide assurance that risks are being managed effectively and in accordance with the DBS risk management framework and risk appetite statement.

Delegation

I received my delegation letter from Home

Office in August 2022 setting out my financial authority for the financial year.

The board has agreed a scheme of delegation which sets out the matters that it has reserved to itself to decide. This includes approval of:

- all matters that are considered novel or contentious
- the strategic and business plan
- significant policies
- the budget
- significant procurements
- remuneration and framework for appraisal of senior posts
- how performance reporting to the board is completed

I have established a scheme of delegation for the matters delegated to me by the board. This builds on delegations set out in DBS policies, annual budget delegations, and direct delegations issued by me. The executive scheme of delegation provides for segregation of duties and ensures that procurement activity is controlled in line with the procurement delegation issued by the Home Office.

Assurance framework

I have an assurance framework that provides a critical examination of the effectiveness of each directorate's key controls and maps their main sources of assurance. It outlines each of the assurance activities that are undertaken to provide confidence in the effectiveness of DBS policies and operations, the achievement of objectives, and DBS' compliance with its obligations.

A report is presented to each ARC meeting detailing the assurances relating to the control environment. This includes:

- whistleblowing
- health and safety
- fraud
- computer system security
- information management compliance
- conformance with freedom of information and parliamentary questions procedures

DBS' compliance to, and application of, functional standards

I am mandated to apply [functional standards](#) published by government that support consistent and coherent ways of working within government organisations. To support DBS' compliance with Government Functional Standards, subject matter experts have been identified as Standard Managers for each of the standards and a Government Functional Standards Community of Practice has been established. The purpose of this group is to provide mutual support and share best practice, due to the cross-cutting and interdependent nature of the functional standards.

Throughout this reporting year, DBS has continued to work with relevant government departments in the creation and development of continuous improvement frameworks, and a formal process for quarterly reporting on our compliance with functional standards to the Strategic Leadership Team and Audit and Risk Committee has been included in the DBS Assurance Policy and Framework.

Outstanding mandatory elements for the

Government Functional Standards are:

- finance standard – a system limitation prevents reporting on committed spend and a system-wide change to Metis is required before this can be resolved. Although system limitations prevent DBS from automatically reporting on committed spend, we are currently assessing the feasibility of a manual solution for interim commitments reporting
- analysis standard – an action plan for full compliance is being drawn up for implementation, focusing on recruiting staff with the required analysis skill sets, building structures and ways of working (including more robust quality assurance mechanisms), and improving technology and professional development approaches to upskill existing



staff. DBS has supported the Office of National Statistics in their development of a new self-assessment tool for government organisations, to assess their adherence to this standard. We are now conducting a reassessment to validate our current position and previous planning to achieve full compliance

Internal audit

Under the terms of the DBS framework document, the GIAA provides an independent and objective audit service operating to standards and an agreed audit methodology documented in 'Public Sector Internal Audit Standards'. The Head of Internal Audit attends ARC and periodically attends SLT.

In the Head of Internal Audit's annual report to ARC for 2022-23, he provided a moderate opinion in respect to the overall adequacy and effectiveness of the organisation's framework

of governance, risk management, and control.

GIAA delivered an agreed internal audit programme for the 2022-23 financial year and have completed eight audit reports as summarised below. ARC monitors progress against the plan.

Both SLT and ARC received all reports from GIAA and monitored progress in implementing management actions arising from GIAA reports. GIAA made a total of 37 recommendations. Two have been cleared, nine are overdue, and 26 are not yet due.

GIAA noted that DBS continues to exercise control over its management of internal audit recommendations. There is a mature system in place for monitoring and assessing recommendation implementation.

Table 9 shows that during the reporting period, seven reports were given a moderate opinion and one report given a substantial opinion.

Month	Title	Result
Nov 2022	Data Management	Moderate
Mar 2023	Service Integration and Management (SIAM) Function	Moderate
May 2023	Information Security	Moderate
May 2023	Commercial Strategy - Supply Chain Management	Moderate
Feb 2023	Workforce Planning	Moderate
Feb 2023	Metis Reporting	Moderate
May 2023	Key Financial Controls - Overpayments	Moderate
Apr 2023	Assurance Framework	Substantial

Table 10 outlines the definitions that relate to the opinions noted above:

Opinion	Definition
Substantial (Green)	The framework of governance, risk management, and control is adequate and effective
Moderate (Yellow)	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management, and control
Limited (Orange)	There are significant weaknesses in the framework of governance, risk management, and control, such that it could be, or could become, inadequate and ineffective
Unsatisfactory (Red)	There are fundamental weaknesses in the framework of governance, risk management, and control, such that it is inadequate and ineffective, or is likely to fail

Financial management

Processes, controls, risk management, and fraud prevention strategies delivered good financial stewardship and appropriate levels of propriety, regularity, and value for money. The board agreed budgets in advance for the current financial year, considering forecast volumes and business planning objectives. The budgets were scrutinised at senior level across DBS in advance of formal approval by the board. The board exercised its retained function to make significant changes to the budget where these became necessary. As noted above, the Home Office provided financial authority for these budgets. Fees are kept under regular review through prompt monthly reporting of expenditure against agreed budgets and subsequent re-forecasts, to ensure that DBS adheres to the principles of HM Treasury’s ‘Managing Public Money’ guidance. This includes the monitoring of changes in forecast income

and expenditure, and uncertainties such as demand fluctuations and the current risk profile. In this way, the board was able to approve a fee reduction to its Disclosure products for 2022-23, bringing fees to their lowest ever levels.

Actual financial performance against budget and forecast is reported to SLT monthly and to each board business meeting, as part of a wider integrated performance report. This includes commentary on key variances, with risks and other relevant financial information being highlighted. As part of the review of this information, directors are challenged on their financial and operational performance.

Whistleblowing

The DBS Whistleblowing policy promotes the use of whistleblowing, recognising that it is a key control in both preventing and detecting breaches of control. For this period there has

been two whistleblowing reports. Following detailed consideration this found that there was no case to answer in response to the allegations made for one report, whilst the other report was received late in the reporting year and is ongoing.

Information management

Other than the 3 personal data-related incidents referenced in the directors' report, there have been no significant lapses of protective security.



Eric Robinson, Accounting Officer, 14 July 23



Remuneration and Staff Report

Overview and strategy

To support achievement of the People objectives set out in the DBS 2020-25 strategy, a range of plans were developed to help stimulate DBS toward the vision of being a modern, flexible, and contemporary organisation.

DBS has embarked on a programme of work to enhance its employee value proposition (EVP) and become an even more attractive employer, so that we retain and attract the talent we will need to achieve our organisation's strategic objectives.

Enhancing our HR function

It was important that our HR function had the right capabilities to deliver the DBS 2020-25 strategy. The Organisation Development function introduced to DBS in 2021 has now helped to future-proof the service. Consequently, the HR and OD directorate has developed and implemented a series of plans focused on developing and improving our employee experience, invigorating employee wellbeing, and strengthening our people management capabilities across the organisation.

Fairly rewarding and recognising our employees

We need to recognise and reward our employees to ensure that they feel valued. To fairly acknowledge their contributions above and beyond day-to-day responsibilities, we agreed a revised reward and recognition (R&R) policy in 2021. This has been embedded during the 2022-23 period, shown by the remarkably positive increase in spend in this area. Across the financial year 2022-23, R&R spend was £56,525 vs £26,300 in 2021-22. This is a like-for-like change of

£30,225, or 115% increase in percentage terms. This shows that people and managers across DBS have begun to adopt thanks, praise, and recognition into their day-to-day lives. The DBS will continue to make progress in this area.

We have further developed our flexible benefits options for employees, which suit their lifestyles and preferences, making rewards more appealing, but also support people with every day spend. The DBS has this year invested in an enhanced retail discount scheme for employees which could see potential savings rise significantly from everything across groceries, electronics, lifestyle, and gifting.

The development of a range of our local pay arrangements continued to be a focus for DBS and solutions (for a capability-based pay progression scheme, as an example) are being explored, alongside pay remit.

A healthy, happy, and productive workplace

Our Wellbeing Strategic Plan was established in 2021 with the mission to develop a best-in-class wellbeing offering at DBS. A holistic programme covering all factors of wellbeing, fully embedded across the organisation. We aim to help our people to optimise their health and wellbeing, resulting in a working environment where individuals thrive, and the organisation succeeds.

The focus during 2022-23 was engaging our people in wellbeing, showcasing our wellbeing offer under each of our pillars and helping them understand how we are developing our offer.

While the whole programme has been varied, rich and stimulating key successes for the 2022-23 period include:

- Menopause support: 1 in 10 women leave their job due to menopausal symptoms (Menopause and the Workplace report 2022 by Fawcett Society). With our demographic in mind, we committed to supporting those experiencing menopausal symptoms, improving their experience at work, allowing them to thrive and succeed. We promoted World Menopause Day in October by launching a peer support network and Menopause sessions delivered by expert external partners. A new Menopause policy was developed. Some impactful feedback included ‘I really believe that DBS are making all the right moves to start this conversation within the workplace’, ‘It really made me think how I can manage in the workplace and the impact symptoms may have’ and ‘I didn’t realise how many symptoms I had...I now need to speak to my doctor to make changes’.

- Stress Management Policy and accompanying toolkits: The Stress Management Policy has been reviewed and accompanying toolkits for managers and an employee guide developed. With support from Health and Safety colleagues, the new approach intends to better equip managers and employees, particularly in a hybrid working world where physical signs of stress may be not so easily identifiable. This has been reviewed by Mental Health UK through an expert lens, providing DBS with assurance that we are committed to ensuring our policies support the wellbeing of our staff.

- Emotional support: A new pillar page for Emotional was developed on the Wellbeing page of the Hub which brings mental health support and organisations into one easily accessible place (including our employee assistance provider (EAP)). This page was supplemented by the Wellbeing Factsheet which is a downloadable resource that

colleagues, and managers, can have at their disposal should they ever need to seek support. The Wellbeing Factsheet is a tool that managers and colleagues could use ahead of and in times of need or as a signposting tool should the need arise.

- DBS Confidential: Feeling empowered and safe to speak up in the workplace is important to how an individual feels at work. In November, alongside a reviewed Whistleblowing policy, we launched DBS Confidential a free 24/7 telephone service, managed by our EAP. This provides an anonymous platform to raise concerns and in-the-moment counselling is available, recognising that some concerns can be distressing. The Employee Forum were also kept abreast of the launch and have supported its delivery as a safe space for colleagues to anonymously raise concerns.

- Financial Wellbeing Support page: The Hub page is designed as a ‘go-to’ for trusted help and information with support for all, irrespective of financial health – from financial crisis, to managing life events or everyday budgeting. The page also acts as a tool for managers, ensuring they are equipped in the current climate. The page includes:

- expert organisations for support, including a reminder that our EAP provides financial support
- information on government grants and entitlements and energy support charities
- our benefit offering that supports helping money go further – Retail discounts, MyGym discounts, Eye test vouchers and Dental Policy
- access to a useful hub of resources, videos, tools, and calculators from experts

to support colleagues with their financial health on a wide range of topics

- Online Health MOTs: Delivered by our external OH provider, an initial Health MOT initiative launched in 2022-23. This proved to be incredibly popular and included 3 parts:
 - a video assessment with a Wellbeing expert who conducts a lifestyle, mood, and medical history questionnaire. Following this, colleagues are provided with action plans and information to support their wellbeing
 - a home blood testing kit is sent to individual's home address to test blood markers such as cholesterol. This is then sent back with any required actions such as speaking to their GP provided back to individuals
 - DBS will also receive anonymised management information on wellbeing trends within the organisation, which will support us in targeting Wellbeing initiatives to the needs of our people
 - this provides a crucial mechanism for our wellbeing culture, to help drive a collaborative approach to wellbeing, working hand in hand with our people.

Personal accountability for one's own wellbeing, whilst being supported by the organisation, fosters wellbeing as a shared responsibility. Several colleagues are now being treated for issues which will make a significant difference in their lives (for example, an unknown vitamin D deficiency)

We will continue to develop our wellbeing offer around the following key themes:

DBS as a compassionate employer

Recognising that there are periods in life when our people may need additional support. Development in this area is focused on an understanding that lives outside of work can, and often will, intertwine with work. Topics include bereavement, carer's support, women's health including menstruation, infertility, endometriosis and baby loss, stress, and male mental health, among others.

Wellbeing in a hybrid working world

Underpinning activity in year 3 will be a focus on navigating wellbeing in a hybrid working way, whether managing teams or individual wellbeing. This permeates a number of activities, with particular importance in stress management.

Our wellbeing foundations

This theme is in recognition that to be authentic in our commitment to wellbeing, we must balance new developments and initiatives with continuing to embed and strengthen our wellbeing offer. By regularly highlighting and building upon the variety of support available and speaking openly and candidly about health and wellbeing at work, we can be more confident that support will be there when individuals need it.

Our staff turnover has fallen to 3.92% (2021-22: 5.76%)



Developing our People

The development of the DBS Academy continued this year. The DBS Academy is for every one of our employees. It provides learning resources, experiences and programmes that are usable, enjoyable, and applicable.

The DBS Academy will, over time, continue to transform our approach to learning. It will help to enable new ways of working, build capabilities, and elevate leadership. It will help us to find and develop potential across DBS, encourage collaboration, and disrupt patterns of behaviour and thinking to help move us closer to the vision the DBS strategy describes.

Excluding any 'essential' role-related learning, since version 1 of the DBS Academy, we have reached an impressive 69% of our organisation in personal and professional development – that is 793 colleagues who between them have accessed the DBS Academy resources on more than 20,670 occasions.

This engagement and energy was reflected in our staff survey results which show statistically significant increases in perceptions related to learning and development opportunities and career progression. What was particularly pleasing was the signals related to learning culture where perceptions positively shifted by up to 31% across the organisation.

There are 2 structured development programmes that the DBS is currently supporting.

Our Catalyst programme lasts 12 months and recognises that we all have our own journeys in work and life. It is an opportunity to develop our HEO and SEOs in channelling their potential and seizing their aspirations. The programme will generate enhanced personal and professional effectiveness, a greater level of preparedness for future roles and help colleagues to be more effective in

their current role.

Our OneDBS People Manager programme is designed to harness the talent and potential of our people management population at DBS, to make recruitment safer. Built with an understanding of the power of psychology it helps colleagues to consider why they (managers) matter, how best to harness hybrid working and how to lead at DBS. It will enable colleagues with 3 key capabilities:

- connect (building and sustaining successful relationships)
- boost (supporting managers and their teams to thrive and be well)
- enable (driving performance through coaching and courageous conversations)

The programme includes a modern toolkit with 11 additional interactive learning opportunities to explore including themes from 'buddy to boss' to 'dynamic delegation'.



Designed to enable change in work the programme is delivered in the flow of work; starting with a kick-off event, then 3 modules totalling 16 to 17 hours of learning which span a 3 to 4 month period.

Both programmes will be impact assessed and continually improved. Our next programmes to launch are planned to be:

DBS Digital Passport

This programme will be essential for all colleagues with a personal needs-based learning journey that helps them to develop the digital skills we need as an organisation to be successful.

DBS Launchpad Programme

This programme will support our pools of deputies and colleagues on the journey to people management at DBS. The message will be “get set to ignite your leadership career”.

DBS now provides a stimulating and wide-ranging development offer open to all employees covering:

- essential learning: Core learning to protect ourselves and DBS
- personal development: Expand your self-awareness and impact
- professional development: Build your work skills and career
- Leading and Managing learning options: Whether new or experienced, develop your mindset, skillset, and toolset
- wellbeing learning options: Strengthen the skills needed to be at your best
- Diversity and Inclusion learning options: Gain perspective, understanding and

inspiration

- Talent and Potential learning options: Embark on a focussed and structured learning experience

- Digital Passport learning options: Accelerate your digital competence and confidence

- Civil Service Professions learning options: A world of opportunities from Civil Service professions

- a warm welcome to DBS (Corporate Induction)

- DBS Academy Learning Pathways: Short menus focussed on key themes that help you to explore and navigate our offer

The DBS Academy is an exciting business focussed proposition which will continue to grow and develop.

Adopting best-in-class HR technology

Following DBS aligning with Home Office and other departments and adopting a new cloud-based HR and finance system that sought to enable HR to offer improved employee and manager self-service activities for standard employee transactions, such as pay and absence, this offer has matured in the organisation and is in active use.

There remain further opportunities for further exploration and implementation such as talent tools, workforce planning, and access to key information through employee and manager dashboards. Our new Metis Hub team will enable DBS to get the most out of this cloud solution.

DBS has also invested in a learning experience platform which will become live during the 2023-24 period. This platform will be the digital backbone of the DBS Academy and help to strengthen the learning culture of DBS.

Enhancing our focus on equality, diversity, and inclusion

In March 2021, the DBS board agreed on a new Equality, Diversity, and Inclusion (EDI) strategic plan, which explains how we will incorporate EDI into our ways of working and the products and services we provide to customers. This 3-year plan was designed to ensure we are an inclusive organisation, where staff are engaged and feel they are treated fairly, with a high employee engagement index.

In 2021-22, the first year of the plan, we launched a new EDI charter which shares our EDI ambitions with the public. It explains how we will improve understanding, representation, inclusiveness, responsiveness, and access across our organisation to make a real difference to both our customers and our staff. A team is now in place to support achievement of the charter ambitions.

From a workforce perspective, we have introduced corporate EDI goals in performance development reviews (PDRs). We have introduced a programme of senior leadership development activities and secured champions for several protected characteristics within SLT. We have continued to support board apprenticeship schemes (Black on Board and Boardroom Apprentice). One of the former apprentices was subsequently appointed as an associate non-executive director. We have completed a staff survey which has provided a rich data source to use to better understand our workforce

and identify any disproportionality that may exist in our policies and working practices.

There has been a sustained focus on enhancing diversity of representation of protected characteristics within our workforce in order that we reflect the communities that we serve. We have tested different approaches to recruitment to see what works and partnered with other organisations which provide opportunities for different groups to enter the workplace. We have widened our reach through national recruitment campaigns, leading to a more diverse senior leadership group and by utilising partnerships with specialist community organisations like Thrive.

DBS has a key performance indicator for the percentage of the workforce from an ethnic minority background, set at a very stretching 7%. The year-end position was 2.79%. Changes in our recruitment practice including advertising in a more diverse range of media and in areas with a high proportion of people from an ethnic minority, pre-application support and applicant workshops, recent specific campaigns have led to 19% of new employees coming from an ethnic minority background. These focused workstreams will be further developed in 2023-24 with a view to achieve the target over the medium term.

During 2022-23, the team have delivered a range of senior leader focussed learning sessions and practical workshops for managers. The team has also been collaborating with the DBS Academy to develop a range of EDI focussed learning opportunities including a rich and innovative open learning offer for all colleagues, these will launch in 2023-24.

Since the launch of the EDI strategic plan, we have completed, or partly completed, 8 of the 14 objectives that we set out to deliver; several of these pieces of work will be ongoing throughout the 3 years of the plan.

“There has been a sustained focus on enhancing diversity of representation of protected characteristics within our workforce”

Key highlights include:

EDI Network

The EDI Network launched in June 2022. It now consists of 18 full members and 12 friends of the network. They have met 5 times in the 2022-23 period, coming together to review the terms of reference and developing a calendar of EDI events. Members added value of their perspectives by getting involved in the DBS strategy refresh.

SLT Champions

Work continues to progress the SLT champion role in DBS, with good progress being made in the areas of disability, race, and



neurodiversity. The EDI Network Co-Chair has met with SLT leads to ensure a joined-up approach to the work. Below is an update on key activity:

- Disability, illness, and injury – the ‘Just Ask’ group have supported work to highlight the need for and achieve clarity around carer’s leave and have supported the development of a specific carers policy, together with work to enhance the workplace adjustment passport.

- Neurodiversity – a working group has been established of colleagues with lived experience and has met with HR and OD colleagues to work together as part of the Future of Work project. The group have already started to co-create practical suggestions on tweaks we can make to existing processes to make DBS more inclusive for all, as well as supporting thinking on Future of Work.

- Race – The DBS Race Champion continues to work with HO colleagues attending the HO Race Delivery Board, reviewing their proposed updates to their strategic priorities, which align to our DBS priorities. These include:

- increasing representation of ethnic minority colleagues at all grades and in all regions, particularly the senior civil service
- improve the ‘personal experiences’ of colleagues in the Home Office
- ensure that we all better understand the communities and public that we service and work among, to improve the way in which we deal with race issues in our policies and operations

In 2023-24 the DBS will consider the strengths of the SLT champions approach and seek to build a much wider and holistic model.



Remuneration Report (Audited)

Overview

The remuneration report sets out DBS' remuneration policy for directors, how the policy is implemented, the amounts awarded to directors, and where relevant, the link between remuneration and performance.

DBS' remuneration policy is set within HM Treasury guidelines.

Remuneration policy

The DBS chairman and DBS board members are appointed by the Secretary of State in accordance with the Governance Code on Public Appointments published by the Cabinet Office. Remuneration and allowances for the chairman and each of the members is determined by the Secretary of State. Together, they form the DBS board.

The chief executive officer (CEO) is appointed by DBS following consultation with the Secretary of State. Their remuneration terms are set following consultation with the Home Office and consideration by DBS' RemCo. The remuneration terms are linked to performance objectives and give due weight to the proper management and use of public resources.

The determination of the remuneration packages of other senior officials is also considered by the Remuneration Committee and considers the work and recommendations of the Senior Salaries Review Body and the government response to this. A new performance management framework to assess performance of Very Senior Posts and awards of remuneration packages was reviewed and implemented in April 2022. Further amendments to this were agreed in October 2022 with a view to implementation in April 2023.

Single total figure of remuneration for each director

This section, including table 11, sets out the salary and allowances, bonuses, non-cash benefits, and accrued pension benefits for DBS board members. Throughout the year ending 31 March 2023, the DBS board consisted of non-executive members only.

'Salary' includes gross salary, overtime, and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by DBS and thus recorded in these accounts.

DBS board members' expenses

DBS board member's travel and subsistence expenses for the year ending 31 March 2023 totalled £6.0k (2021-22: £2.2k). All expenses were paid in accordance with DBS policy.

The monetary value of benefits-in-kind only covers benefits provided by DBS and treated by HM Revenue and Customs as a taxable payment. Benefits reported are calculated as the taxable value. Any benefits-in-kind attributed to DBS board members are in relation to travel, accommodation, and meal costs for board meetings, case committees and other meetings pertinent to DBS operations, including at DBS' 2 main sites.

Bonuses

The terms of appointment for the chairman and non-executive board members do not include the payment of bonuses. The CEO is entitled to a contractual bonus award of up to £17.5k per annum based on quarterly performance.

Payments to past directors

During 22-23, there were no payments to past non-executive directors or directors of DBS.

Payments to third parties

During the period no payments were made to third parties for the services of board members.

Senior salaries

Table 11: Senior salaries for non-executive directors

Non-executive directors	Salary (£)		Benefit - in - kind*		Total	
	(£'000)		(to the nearest £100)		(to the nearest £100)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Gillian Fairfield, Chairman	40-45	40-45	2,000	700	40-45	40-45
Glenn Houston	10-15	10-15	200	0	10-15	15-20
Samantha Durrant	10-15	10-15	1,200	200	10-15	10-15
David Banks	10-15	10-15	800	200	10-15	10-15
Mary Cunneen	10-15	10-15	900	500	10-15	10-15
Neil Rhodes	10-15	10-15	900	400	10-15	10-15

*Benefits-in-kind relate wholly to taxable travel and expenses (due to workplace tax regulations) incurred in the necessary course of performance of duties

Table 12: Senior salaries for directors

Executive directors	Salary (£'000)		Bonus payments (£'000)		Pension benefits (£'000)		Total (£'000)	
	22-23	21-22	22-23	21-22	22-23	21-22	22-23	21-22
Eric Robinson, CEO	160-165	160-165	15-20*	15-20*	(89)**	30	90-95	205-210
Paul Whiting, Deputy CEO, and Executive Director for Finance and Corporate Services	115-120	115-120	0-5	-	46	46	165-170	160-165
Ian Benson, Executive Director for Strategy, Performance and Change	115-120	110-115	0-5	-	46	45	165-170	155-160
Natalie Benton, Executive Director for Strategy and Performance (left 26/6/2022)	25-30 (110-115)	110-115	-	-	11	45	35-40	155-160
Penelope Fell, Commercial Director (left 30/9/2022)	50-55 (105-110)	105-110	-	-	21	42	70-75	145-150
Claire Graves, Director of Finance and Commercial	100-105	90-95	0-5	-	39	37	140-145	130-135

Table 12: Senior salaries for directors

Non-executive directors	Salary (£'000)		Bonus payments (£'000)		Pension benefits (£'000)		Total (£'000)	
	22-23	21-22	22-23	21-22	22-23	21-22	22-23	21-22
Ian Johnston, Executive Director for Disclosure	105-110	100-105	0-5	-	42	41	150-155	140-145
Andrew Robertson, Director of Legal Services	115-120	115-120	0-5	-	46	46	165-170	160-165
Suzanne Smith, Executive Director for Barring and Safeguarding	110-115	105-110	-	-	44	42	150-155	150-155
Barry Topham, Executive Director for Technology and Innovation	110-115	105-110	-	-	44	43	155-160	150-155
Rachel Welch, Director of Human Resources and Organisational Development	105-110	105-110	0-5	-	42	41	150-155	145-150

No benefits in kind were paid to directors during 2022-23; figures in brackets reflect the full year equivalent of the salary for individuals who left during the reporting year.

*The Chief Executive is entitled to a contractual bonus award based on quarterly performance

**Taking account of inflation, the total pension benefit contributions have fallen against that reported in 2021-22

Pension benefits

Table 13: Pension benefits for directors

	Accrued pension at pension age at 31/03/23	Real increase in pension and related lump sum at pension age	CETV* at 31/03/23	CETV* at 31/03/22	Real increase in CETV
Directors	£'000	£'000	£'000	£'000	£'000
Eric Robinson, CEO	125-130	0-2.5	2,160	1,998	(75)**
Paul Whiting, Deputy CEO, and Executive Director for Finance and Corporate Services	20-25	2.5-5	327	273	30
Ian Benson, Executive Director for Strategy, Performance and Change	5-10	2.5-5	73	43	19
Natalie Benton, Executive Director for Strategy and Performance (left 26/6/2022)	-	-	-	-	-
Penelope Fell, Commercial Director (left 30/9/2022)	-	-	-	-	-
Claire Graves, Director of Finance and Commercial	10-15	0-2.5	132	101	18
Ian Johnston, Executive Director for Disclosure	20-25	2.5-5	309	257	30

Pension benefits

Table 13: Pension benefits for directors

	Accrued pension at pension age at 31/03/23	Real increase in pension and related lump sum at pension age	CETV* at 31/03/23	CETV* at 31/03/22	Real increase in CETV
Directors	£'000	£'000	£'000	£'000	£'000
Andrew Robertson, Director of Legal Services	5-10	2.5-5	69	38	20
Suzanne Smith, Executive Director for Barring and Safeguarding	10-15	2.5-5	222	173	30
Barry Topham, Executive Director for Technology and Innovation	15-20	2.5-5	187	150	21
Rachel Welch, Director of Human Resources and Organisational Development	20-25	2.5-5	249	209	22

*CETV stands for cash equivalent transfer value

**Taking account of inflation, the CETV funded by the employer has decreased in real terms

Civil Service pensions

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 DBS is unable to identify

its share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the [resource accounts of the Cabinet Office: Civil Superannuation](#).

For 2022-23, employers’ contributions of

£7.6m were payable to the PCSPS (2021-22: £8.0m) at 1 of 4 rates in the range of 26.6% to 30.3% of pensionable earnings, based on salary bands. The scheme actuary reviews employer contributions, usually every 4 years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2022-23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, which is a stakeholder pension with an employer contribution. Employers' contributions are paid to one or more of the panels of 3 appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings (in addition to the employer's basic contribution). In addition, employer contributions of 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 or ill-health retirement of these employees.

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 Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from lifetime allowance tax, which may be due when pension benefits are taken.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

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 or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement). It uses common market valuation factors for the start and end of the period.

Fair pay disclosures

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 median represents the remuneration of that staff member that lies in the middle of the linear distribution of the total staff, excluding the highest-paid director.

Total remuneration includes salary, non-

consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions, or the CETV of pensions.

Relationship between the highest-paid director’s total remuneration and the remuneration of the DBS workforce

The banded remuneration of the highest-paid

director in DBS in the financial year 2022-23 was £175k-£180k (2021-22: £175k-£180k) where bonuses payable are unchanged between years. The average salary and allowances in 2022-23 has increased by 1.9% since 2021-22.

In 2022-23, 0 (2021-22: 0) employees received remuneration in excess of the highest-paid director.

Table 14: Relationship between the highest-paid director’s total remuneration and the median remuneration of the DBS workforce

Year	25th Percentile	Median Pay	75th Percentile
2022-23 ratio	7.90:1	6.71:1	5.68:1
2022-23 remuneration	£22,463	£26,467	£31,268
2021-22 ratio	8.13:1	6.83:1	5.86:1
2021-22 remuneration	£21,824	£25,975	£30,271

Changes in ratio and remuneration are materially because of the 2021-22 Civil Service Pay Remit.

Table 14.2: Relationship between the highest-paid director’s salary-only remuneration and the median salary-only remuneration of the DBS workforce

Year	25th Percentile	Median Pay	75th Percentile
2022-23 ratio	7.23:1	6.14:1	5.20:1
2022-23 remuneration	£22,463	£26,467	£31,268
2021-22 ratio	7.45:1	6.26:1	5.37:1
2021-22 remuneration	£21,824	£25,975	£30,271

Changes in ratio and remuneration are materially because of the 2022-23 Civil Service Pay Remit.





Staff Report

This section provides an overview of staffing information and costs for DBS.

Staff costs comprise (audit)

Table 15: Staff costs comprise (audit)

	Permanently employed and fixed term appointment staff	Others	2022-23 Total	2021-22 Total
	£'000	£'000	£'000	£'000
Wages and salaries	37,175	1,969	39,144	35,643
Social security costs	4,079	0	4,079	3,327
Other pension costs	9,253	0	9,253	8,042
Total costs	50,507	1,969	52,476	47,012
Less recoveries in respect of outward secondments	0	0	0	0
Total net costs	50,507	1,969	52,476	47,012

Please refer to commentary in the Financial Performance section on page 51 regarding increased costs in 2022-23.

Average number of persons employed (audited)

The average number of full-time equivalent

persons (excluding non-executive directors) employed during the year was 1,093 (compared to 989 in 2021-22).

Table 16: DBS headcount for the last 3 years

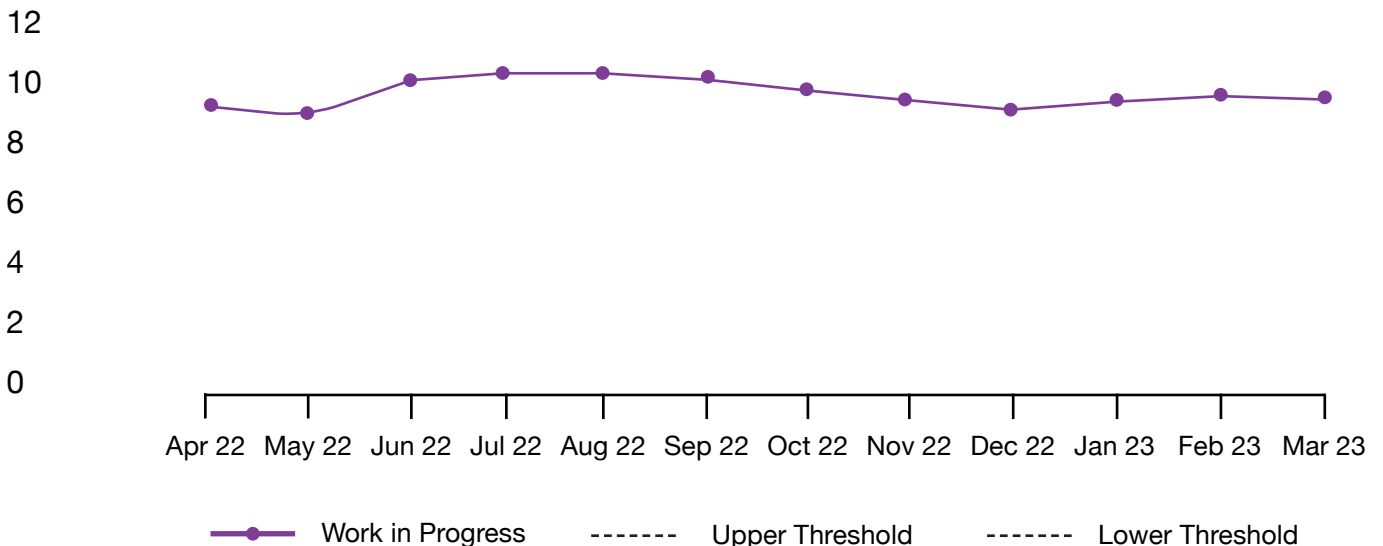
	2022-23	2021-22	2020-21
Directly employed	1,262	1,181	1,075
Fixed term appointments	112	52	30
Agency	0	4	16
Contingent labour in-year	18	21	26
Total	1,392	1,258	1,147

Staff sickness

This is a 12-month rolling figure - rolling year average working days lost (RYAWDL)

– representing the period 1 April 2022 to 31 March 2023.

Figure 13: Rolling year average working days lost due to sickness



Public Sector Equality Duty

DBS is committed to fulfilling its responsibilities under the Equality Act 2010

and the subsequent Public Sector Equality Duty (PSED) 2011. The duty requires public authorities to have due regard to the need to

eliminate discrimination, advance equality of opportunity and foster good relations. Under the Equality Act 2010, it is unlawful for us to treat any persons less favourably on the grounds of a protected characteristic. In addition to the Equality Act, the PSED 2011 also places obligations on DBS to consider how our decisions, systems, and policies affect those with different protected characteristics.

The DBS EDI charter was launched in 2021-22 and included a strong focus on both internal and external customer needs.

People

DBS participated in a further benchmarking review in May 2022 to assess its progress using the Employers' Network for Equality and Inclusion's (ENEI) Talent Inclusion and Diversity Evaluation (TIDE). This was DBS' fourth TIDE submission.

The TIDemark allows DBS to measure progress in EDI practice in comparison with peers. DBS ranked 45 out of 145 organisations who participated in the TIDemark in 2022.

We received an overall score of 69% for 2022. Our overall score for 2021 was 64%, 2020 was 68% and 2019 was 40%.

Our 2022 overall score increased from 2021 due to improved scoring in the 'Attraction and Recruitment' and 'Strategy and Planning' sections of the assessment. However, similar to previous years, our overall score was reduced by the improvements needed in our learning and development offer and constraints within our commercial/procurement processes from an EDI perspective.

EDI has been a priority in the development of the DBS Academy in 2022-23. As our academy offer continues to progress in 2023-24, we will include training that relates to lived experiences, bias, and equality impact assessment completion.

Customer

During 2022-23 we have developed this work further through the ongoing Support and Reasonable Adjustments group (SARA) to improve customer-facing processes, created an EDI network of staff and identified additional areas for review for customers during 2023-24. We aspire to be seen as a supportive, progressive, listening organisation in our service delivery, where no customer groups are discriminated against in their access to, and understanding of, our services, products, and processes, or in their implementation. For this reason, the revised DBS strategy and 2023-24 business plan will support DBS' vision to move the organisation beyond compliance and one that truly embraces EDI.

The equality impact assessment process is embedded within our governance of both policy and change activity. These are scrutinised by the policy review group, SLT, and board as part of the approvals process and enhanced training for staff in this area has been scoped during 2022-23 for rollout during 2023-24.

The Public Sector Bodies Accessibility Regulations (PSBAR), enacted in 2018, require all websites and web-based platforms to be accessible. This regulation required public sector bodies to achieve specific accessibility standards for all existing websites and web-based platforms by 23 September 2020. DBS publishes an accessible documents policy on our website. This explains how accessible our documents are and how different formats can be obtained. DBS continues to make improvements to some of our older (pre-2018) documents. We have also launched an accessibility policy and guidance to support further improvements in accessibility.

Gender pay gap

The mean difference recorded at DBS for

2022 is 6.77%, against the UK mean gender pay gap of 14.9%². The DBS gap reduced from 2017 to 2019 from 5.50% to 2.00% and has increased since then, from 2.00% in 2019 to 2.90% in March 2020 and 3.93% in March 2021. While there have been small increases in the DBS gender pay gap over the past 3 years, it now is higher overall than reported in 2017. Analysis of the data, together with organisational insight, suggests that due to the workforce increasing its capabilities at a senior level to deliver on a revised strategy, the profile of employees changed, in particular, more male employees holding senior positions and more female representation in junior roles.

The DBS mean pay gap for 2022 is comparable with other government

departments, such as Home Office (6.7%) and HMRC (6.6%).

The median hourly rate of pay for males was £14.15 per hour and for females, it was £13.59 per hour. This means that males earned an average of 56 pence per hour more than females, which equates to a difference of 3.96%. This has increased from 0.93% in last year’s report. The mean gender bonus gap (difference between males and females) is 1.26% with females being awarded more, and the median gender bonus gap is 0.00%.

The gender pay gap data will be analysed on an annual basis, a comparison of figures will be completed year on year and SLT will continue to review and monitor this data and the completion of actions within the action plan produced in 2020.

Staff composition and gender

Table 17: Staff composition by headcount as at 31 March 2023

	Male	Female	Total
Non-executive directors*	4	4	8
Executive directors	5	1	6
Directors	1	2	3
Other senior civil servants	1	0	1
Board apprentices**	0	2	2
All other employees	483	796	1,279
Total	494	805	1,299

*The headcount for non-executive directors includes 2 associate non-executive directors who are not members of the board and have no voting rights.

** The headcount for board apprentices represents those who are part of DBS's board apprentice programme as part of its commitment to support EDI. These board apprentices participate in board discussions but are not members of the board and have no voting rights.

Reporting under Equality Act

Diversity data

The following data is based on the DBS headcount at 31 March 2023 (excluding agency staff, contractors, and non-executive directors).

Table 18: Staff split by age

16-19	20-29	30-39	40-49	50-59	60+	Total
23	167	294	366	325	114	1,289

Table 19: Staff split by ethnicity

Black, Asian and minority ethnic (BAME)	White	Prefer not to say	Unknown	Total
36	912	29	312	1,289

Table 20: Staff split by disability

Disabled	No disability	Prefer not to say	Unknown	Total
90	780	34	385	1,289

Table 21: Staff split by sexual orientation

Blank	Hetrosexual/Straight	LGBTQ	Prefer not to say	Total
314	888	25	62	1,289

Health and safety

There were no major health and safety incidents recorded in-year.

Exit packages (audited)

Exit costs are accounted for in full in the year of departure. Where DBS has agreed early retirements, the additional costs are met by DBS and not by the Civil Service pension scheme.



Table 22: Exit packages in 2022-23

Comparative data for previous years is shown in brackets.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
£50,000 - £100,000	-	0 (1)	0 (1)
£100,000 - £150,000	-	0 (1)	0 (3)
Total number of exit packages	-	0 (4)	0 (4)
Total resource cost/£'000	-	0 (420)	0 (420)

Ill-health retirement costs are met by the pension scheme and are not included in the above table.

Redundancy and other departure costs, where paid, are calculated in accordance with the Civil Service compensation scheme, a statutory scheme made under the Superannuation Act 1972.

Policies applied during the financial year

DBS introduced and updated the following HR policies in 2022-23:

- Whistleblowing procedure
- Flexible and Remote Working policy
- PDR guidance

- Reward and Recognition policy
- Workplace Adjustments policy
- Cycle to Work Policy
- Smoking Policy
- Death in Service Policy
- Job Evaluation Policy

Off-payroll engagements

During 2022-23, there were 31 off-payroll engagements (contingent labour) with a total cost of £2.0m with 12 contractors being paid more than £245 per day.

Following the [Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012](#), NDPBs must publish information on their high-paid and/or senior off-payroll engagements.

Spend on consultancy services and temporary staff

Table 23: Total number of off-payroll engagements, as at 31 March 2023, who are earning in excess of £245 per day

	No. of Appointments
Number of existing engagements as at 31 March 2023	12
Of which	
Number that have existed for less than 1 year at time of reporting	6
Number that have existed for between 1 and 2 years at time of reporting	3
Number that have existed for between 2 and 3 years at time of reporting	2
Number that have existed for between 3 and 4 years at time of reporting	1

Table 24: All new off-payroll engagements between 1 April 2022 and 31 March 2023, for more than £245 per day

	No. of Appointments
Number of new engagements between 1 April 22 - 31 March 23	10
Of which	
Number assessed as caught by IR35	9
Number assessed as not caught by IR35	1
Number engaged directly and are on DBS payroll	0
Number of engagements reassessed for consistency or assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Table 25: Engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023

	Number of Appointments
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	0
Total number of individuals on payroll and off-payroll that have been deemed board members and/or senior officials with significant financial responsibility, during the financial year	10

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require

certain public sector employers to publish information on facility time used by trade union representatives. This document sets out

the relevant trade union facility time data for DBS covering the period 1 April 2022 to 31 March 2023.

The information below is based on several assumptions for Public and Commercial Services (PCS) Union facility time.

There were 18 employees who were trade union representatives at DBS during the period 1 April 2022 to 31 March 2023.

Trade union representatives for the period undertake facility time for no more than 50% of their contracted hours, their activities included duty and activity. As at 31st March 2023, PCS representatives had used 19.5% of their facility time allocation.

The total cost of facility time represents the total salaries of all staff excluding contractors and overtime.

Table 26: Percentage of pay bill spent on facility time in the period 1 April 2022 to 31 March 2023

Total cost of facility time (£000)*	34.7
Total pay bill (£000)	34,700
Percentage of the total pay bill spent on facility time	0.1%

* Facility time is calculated retrospectively and is based on the pay bill from 2022-23



Parliamentary Accountability and Audit Report

Regularity of expenditure (audited)

Overview

DBS continues to operate as a self-funding non-departmental public body of the Home Office, on a full cost recovery basis.

Our annual income is dependent upon the volumes of applications received for both paid DBS checks and Update Service subscriptions, with different levels of fees being charged for our products, as noted in the section headed 'Our activities'.

The fees derived by DBS are also used to fund volunteer applications and subscriptions, which are provided to Standard, Enhanced, and Enhanced with Barred List(s) DBS check customers free-of-charge.

DBS is expected to make neither a surplus nor deficit. In advance of each financial year, a budget is set which includes estimated costs to deliver our services and priorities for that year, reflecting estimates of service demand, efficiency, service transition timeframes, and risk.

We seek to reduce our fees where possible and pass savings back to customers. As a result of the surplus made in 2021-22, fee changes were implemented for 2022-23 as the commercial risk to DBS as a result of the COVID-19 pandemic has reduced. There are no changes being implemented to the fee regime for 2023-24. Further detail surrounding fee setting can be found under the financial performance within the performance summary section.

Consideration was given by both DBS and the Home Office during 2018-19 as to how our historical, current, and potential future year surpluses are to be remitted to the Home Office (and ultimately to Treasury's

Consolidated Fund as a 'consolidated fund extra receipt'), in line with HM Treasury's ['Managing Public Money' requirements](#). During 2022-23, DBS partially settled the 2021-22 surplus, retaining a balance to ensure it met its financial working capital requirements over the following year. Refer to note 10 for further detail.

Parliamentary accountability disclosures

Losses and special payments (audited)

There were 5 cases of fruitless payments during 2022-23, totalling less than £1k, and one fruitless payment in 2020-21, totalling less than £1k. There were 174 cases of Ex-Gratia and 6 other special payment totalling £64k in 2022-23. There were 47 cases of Ex-Gratia and 1 other special payment in 2021-22 totalling £37k.

These payments relate to legal cases and claims from DBS customers for loss of earnings as a result of delays in processing DBS checks and claims for maladministration. Ex-Gratia payments are restricted to delays related solely to DBS processing.

In addition to the above, there were constructive losses totalling £2.0m in 2022-23 (£nil: 2021-22) relating primarily to a cancellation charge in respect of hosting arrangements. These costs are included in the Statement of Comprehensive Net Expenditure.

These financial statements have been prepared in accordance with the Protection of Freedoms Act 2012 and are subject to audit by the Comptroller and Auditor General. The audit fee for this reporting period for DBS was £109k (2021-22: £103k). No remuneration was paid to the National Audit Office for non-audit work.

Gifts (audited)

No gifts were made or received during the reporting period that meet the reporting requirements prescribed in HM Treasury’s ‘Managing Public Money’.

Remote contingent liabilities (audited)

There were no remote contingent liabilities as

at 31 March 2023. Note 17 of the accounts provides further disclosures relating to contingent liabilities.

Fees and charges (audited)

DBS has a financial objective to achieve full cost recovery.

Table 27: DBS fees and charges

Activity	2022-23					2021-22
	Income	Costs	Surplus/(deficit)	Actual % recovery	Planned % recovery	Surplus/(deficit)
	£'000	£'000	£'000			£'000
Basic DBS checks	47,772	(46,055)	1,717	104%	100%	18,460
Standard DBS checks	6,978	(6,878)	100	101%	100%	3,666
Enhanced DBS checks	141,595	(120,066)	15,529	112%	100%	28,943
Update Service	19,732	(17,012)	2,720	116%	100%	3,219
DBS Adult First	1,002	(847)	155	118%	100%	45
Other*	0	0	0	n/a	100%	45
Total	217,079	196,858	20,221	110%	100%	54,492

* ‘Other’ relates primarily to income (and associated costs) for applications by Registered Bodies and counter-sinatories.

A description of the key DBS products can be found in the 'performance report' section of this annual report.

Total costs are apportioned to each product, based on the share of those applicable. Where appropriate, barring costs are now allocated directly to the source of costs, and otherwise across all products based on full-time equivalent headcount.

The cost of delivering services for volunteers are allocated to the original source product.

This information is provided for the fees and charges requirements of HM Treasury only, and not for International Financial Reporting Standards (IFRS) 8 purposes.

IFRS 8 disclosures relating to operating costs by operating segment are included in note 2 of the accounts.

Table 28: Notional cost per paid application received in 2022-23

	Costs £'000	Applications (000)	Notional Cost (£)
Basic DBS checks	46,055	2,644	17.42
Standard DBS checks	6,878	386	17.84
Enhanced DBS checks*	126,066	3,718	33.91
Update Service subscriptions	17,012	1,518	11.21

Depreciation charges apply to all products whilst the cost of capital is excluded.

*Total volumes include 277k of COVID-19 checks (267k Enhanced and 10k Standard) which were free to the applicant but paid for by the Department of Health and Social Care – this compares to 369k in 2021-22.

Paid checks this year were 81.4% of the total Enhanced DBS checks compared with 81.3% in prior year reflecting the stabilisation of volunteer applications post-pandemic.

Table 29: Notional cost per paid and volunteer applications received in 2022-23

	Costs £'000	Applications (000)	Notional Cost (£)
Basic DBS checks	46,055	2,644	17.42
Standard DBS checks*	6,878	401	17.13

	Costs £'000	Applications (000)	Notional Cost (£)
Enhanced DBS checks*	126,066	4,570	27.59
Update Service subscriptions	17,012	2,644	7.35

*The cost of processing a paid DBS check recovers the free-of-charge volunteer applications (18.6% Enhanced, 4% Standard, 34.4% Update Service and 0% Basic) based on full cost recovery methodology.

The cost allocation for the product fees has been realigned for FY23 due to the cost allocation relating to the specific IT costs relating to the Disclosure and Basic products.

The change in methodology would have resulted in the change in prior year product costing as reported in table 30.

Table 30: Notional cost per paid and volunteer applications received in 2021-22 restated

	FY22 as reported		FY22 as restated	
	Paid (£)	Paid & Volunteer (£)	Paid (£)	Paid & Volunteer (£)
Basic DBS checks	31.16	25.18	32.13	25.96
Standard DBS checks	13.73	12.80	13.82	12.88
Enhanced DBS checks*	10.57	6.93	10.57	6.93
Update Service subscriptions	16.06	16.06	14.85	14.85

The volumes above differ marginally to those disclosed within the 'analysis of performance section' due to timing issues arising from how volumes are recorded in our operations process compared to the financial system.



Eric Robinson, Accounting Officer, 14 July 23





The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Disclosure and Barring Service (DBS) for the year ended 31 March 2023 under the Protection of Freedoms Act 2012.

The financial statements comprise DBS's:

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Expenditure, 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 DBS's affairs as at 31 March 2023 and its net expenditure for the period; and
- have been properly prepared in accordance with the Protection of Freedoms Act 2012 and Secretary of State 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 Bodies in the United Kingdom (2022). 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 am independent of DBS 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 DBS'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 DBS'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 DBS 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 is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements nor my auditor's certificate. 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.

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 Secretary of State directions issued under the Protection of Freedoms Act 2012.

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 Secretary of State directions made under the Protection of Freedoms Act 2012; and
- 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 DBS 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:

- Adequate accounting records have not been kept by DBS or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; 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 Responsibility, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within DBS from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give

a true and fair view and are prepared in accordance with Secretary of State directions made under the Protection of Freedoms Act 2012;

- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the Protection of Freedoms Act 2012; and
- assessing DBS'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 Accounting Officer anticipates that the services provided by DBS 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 Protection of Freedoms Act 2012.

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, I:

- considered the nature of the sector, control environment and operational performance including the design of DBS's accounting policies.
- inquired of management, Government Internal Audit Agency and those charged with governance, including obtaining and reviewing supporting documentation relating to DBS's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including DBS's controls relating to DBS's compliance with the Protection of Freedoms Act 2012 and Managing Public Money;
- inquired of management, Government Internal Audit Agency and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;

- they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal specialists, including IT audit, 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 DBS for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and timings of income recognition. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of DBS's framework of authority and other legal and regulatory frameworks in which DBS operates. I focused 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 DBS. The key laws and regulations I considered in this context included Protection of Freedoms Act 2012, Managing Public Money, employment law, tax Legislation, The Police Act 1997 and The Serious Organised Crime and Police Act 2005.

I considered specific risk assessments performed in respect of significant risks relating to fraud: risk-based sampling of manual journals to identify those presenting higher risk of fraud, informed by planning risk assessment and review of outturn against budget; review of estimates presented within the accounts; analysis of individual income streams to address the potential risk of fraud in revenue recognition.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed 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, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- substantive testing of manual journals including journals with fraud characteristics; reviewing estimates within the account and challenging underlying assumptions and methodologies; substantive testing of income streams to address risk of fraud in revenue recognition.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists 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 expenditure and income 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.

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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: 14 July 2023

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



Financial Statements

Statement of Comprehensive Net Expenditure for the Year Ended 31 March 2023

	Note	2022-23 £'000	2021-22 £'000
Revenue from contracts with customers	5	(217,079)	(219,052)
Other operating income		(0)	(45)
Total operating income		(217,097)	(219,097)
Staff costs	3	52,476	47,012
Purchase of goods and services	4	133,798	111,345
Depreciation and impairment charges	6,7	9,446	5,765
Provision expense	12	157	(248)
Interest Expense	15	33	-
Other operating expenditure	4	948	731
Total operating expenditure		196,858	164,605
Net expenditure for the period		(20,221)	(54,492)
Other comprehensive net expenditure			
Items which will not be reclassified to net operating costs:			
Less net (gain)/loss on revaluation of property plant and equipment	6	(18)	(58)
Less net (gain)/loss on revaluation of intangible assets	7	(215)	115
Comprehensive net expenditure for the period		(20,454)	(54,435)

The notes on pages 135 to 158 form part of these accounts.

Statement of Financial Position
as at 31 March 2023

	Note	2022-23 £'000	2021-22 £'000
Non-current assets:			
Property, plant, and equipment	6	3,161	709
Intangible assets	7	12,865	16,320
Total non-current assets:		16,026	17,029
Current assets:			
Trade and other receivables	9	22,734	19,835
Cash and cash equivalents	10	72,622	88,342
Total current assets:		95,356	108,177
Total assets		111,382	125,206
Current liabilities:			
Trade and other payables	11	(73,086)	(90,949)
Provisions	12	(227)	(106)
Lease liabilities	15	(990)	-
Total current liabilities		(74,303)	(91,055)
Total assets less current liabilities		37,079	34,151
Non-current liabilities:			
Provisions	12	(603)	(603)
Lease liabilities	15	(2,139)	-
Total non-current liabilities		(2,742)	(603)
Total assets less total liabilities		34,337	33,548
Taxpayers' equity and other reserves:			
General fund		34,098	33,374
Revaluation reserve		239	174
Total equity		34,337	33,548



The financial statements on pages 129 to 158 were approved by the DBS board on 13 July 2023. Approved by Eric Robinson as Accounting Officer for the Disclosure and Barring Service. The notes on pages 135 to 158 form part of these accounts.

Statement of Cash Flows

for the Year Ended 31 March 2023

	Note	2022-23 £'000	2021-22 £'000
Cash flows from operating activities			
Retained income for the year	SoCNE	20,221	54,492
Adjustments for non-cash transactions		9,519	5,515
(Increase)/decrease in trade and other receivables	9	(2,899)	1,645
Less movements in receivables not passing through the statement of comprehensive net expenditure		94	1
Increase/(decrease) in trade payables and other payables	11	(17,864)	13,791
Less movements in payables relating to items not passing through the statement of comprehensive net expenditure		25,877	(14,703)
Use of provisions		(78)	(808)
Net cash inflow from operating activities		34,870	59,933
Cash flows from investing activities			
Purchase of intangible assets		(4,720)	(2,837)
Net cash outflow from investing activities		(4,720)	(2,837)
Cash flows from financing activities			
Capital element of payments in respect of lease liabilities		(903)	-
Interest element of payments in respect of lease liabilities		33	-
Consolidated fund extra receipts payable (funding returned to Home Office)		(45,000)	(42,019)
Net financing		(45,870)	-
Net increase/(decrease) in cash and cash equivalents in the period		(15,720)	15,077
Cash and cash equivalents at the beginning of the period	10	88,342	73,265
Cash and cash equivalents at the end of the period	10	72,622	88,342

The notes on pages 135 to 158 form part of these accounts.

**Statement of Changes in Taxpayers' Equity
for the Year Ended 31 March 2023**

	Note	General Fund £'000	Revaluation Reserve £'000	Taxpayers Equity £'000
Balance at 1 April 2021	SoFP	32,730	447	33,177
Comprehensive net expenditure for the year	SoCNE	54,492		54,492
Amounts payable to the consolidated fund	11	(54,064)		(54,064)
Non-Cash Adjustments:				
Net gain/(loss) on revaluation	6,7		(57)	(57)
Movement in reserves:				
Transfers between reserves		216	(216)	-
Balance at 31 March 2022	SoFP	33,374	174	33,548
Adjustment on transition to IFRS 16	15	108		108
Balance at 1 April 2022	SoFP	33,482	174	33,656
Comprehensive net expenditure for the year	SoCNE	20,221		20,221
Amounts payable to the consolidated fund	11	(19,773)		(19,773)
Non-cash adjustments:				
Net gain/(loss) on revaluation	6,7		233	233
Movement in reserves:				
Transfers between reserves		168	(168)	-
Balance at 31 March 2023	SoFP	34,098	239	34,337

The notes on pages 135 to 158 form part of these accounts.





Notes to the Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2022-23 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of DBS for the purpose of giving a true and fair view has been selected. The particular policies adopted by the DBS for the financial year ended 31 March 2023 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

DBS operates in accordance with the Protection of Freedoms Act 2012. The accounts have been prepared in accordance with the direction given by the Secretary of State 2 May 2013 in accordance with the Protection of Freedoms Act.

1.1 Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention modified to account for the revaluation of property, plant, equipment, and intangible assets.

1.2 Going concern

In accordance with the FReM, the Accounting Officer's responsibilities are to prepare these financial statements on a going concern basis. In concluding that the going concern basis is appropriate, the Accounting Officer considered that as at the Statement of Financial Position date, and on the date these

financial statements were authorised for issue, DBS maintained a net asset position. In addition, the Accounting Officer considered that DBS prepares an annual breakeven budget which forecasts a breakeven position for the year ending 31 March 2024 as at the date these financial statements are authorised for issue. The Accounting Officer also considered that there are no expectations that DBS is likely to be wound up.

1.3 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements and assumptions that affect the amounts reported for assets and liabilities at the year ending 31 March 2023, and for amounts reported for income and expenses during the year. In the process of applying DBS' accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Re-lifing of assets

DBS reviewed and revised the estimated remaining life of its non-current assets, also reflecting the extended use of existing assets. The impact of these changes was immaterial in year ending 31 March 2023.

Impairment of assets

DBS assesses whether there are any indicators of impairment for all financial and non-financial assets at each reporting date. Assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value 'in use' calculations are undertaken, if the asset is not held for the

purpose of generating cash flows, value 'in use' is assumed to be equal to the cost of replacing the service potential provided by the asset, unless there has been a reduction in service potential.

Service Concession arrangements

DBS was party to a PFI arrangement that ceased on 31 March 2020.

Tata Consultancy Service is in dispute with DBS regarding the application of the pricing mechanism in the contract for services, and this dispute remains ongoing at the balance sheet date (refer to Contingent Liability Note 17).

Development costs

Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed.

There were no key sources of estimation uncertainty.

1.4 Intangible assets

In line with the capitalisation policy, assets both tangible and intangible are individual items normally costing or valued at or above a threshold of £5,000, and with an expected life of more than one year.

An annual revaluation exercise has been conducted in accordance with appropriate Office for National Statistics indices and where a material revaluation is deemed necessary this has been taken to the revaluation reserve and/or Statement of Comprehensive Net Expenditure (SoCNE) as appropriate.

Development expenditure has been recognised as an intangible asset in accordance with IAS 38 – Intangible Assets. All non-current assets being developed and not in operation at the year-end were capitalised as an asset under construction. Until the asset is ready for use, no amortisation is recognised; however, once the asset is available for use, amortisation

is charged with the asset being transferred to the relevant 'Non-Current Asset' register immediately. DBS did not revalue assets under construction.

Under the provisions of IAS 36, DBS undertakes an impairment review of all intangible assets at least on an annual basis. This involves the use of a discounted cashflow model to consider future cashflows arising from the ongoing use of the asset against current net book value. Where it is found that the value in use is lower than the net book value at the balance sheet date an impairment would be required.

A review of assets under construction was undertaken in March 2023 to ensure that the purpose for which the assets was being constructed, and its associated valuation, was appropriate.

1.5 Amortisation

Assets under construction are not amortised until the asset is available for use and are amortised on a straight-line basis over their estimated useful lives. The useful economic lives of non-current assets are reviewed annually. The current asset lives to be applied are:

- information technology – from date of recognition to end of useful economic life (3 to 15 years)
- software licenses – from date of recognition to end of useful economic life (3 to 15 years)

1.6 Revenue and revenue recognition

Revenue represents fees charged to:

- applicants for applications for Enhanced and Standard DBS checks of prescribed criminal record information
- applicants for applications for Basic DBS checks of prescribed criminal record

information

- register corporate bodies and signatories to access the criminal record process
- Registered Bodies for DBS Adult First
- applicants for Update Service subscriptions
- rental income and recharges

Recognition of revenue

IFRS 15 provides a comprehensive standard for revenue recognition. This standard establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer.

DBS recognises revenue primarily from the provision of DBS checks and Update Service subscriptions. In accordance with IFRS 15, revenue is recognised as control is passed, either over time or at a point in time; with control being defined as the ability to direct the use of and obtain substantially all of the remaining benefits from the asset.

Performance obligations

The table below sets out, for each material revenue stream, when performance obligations are typically satisfied, the significant payment terms, and the nature of the goods or services which DBS supplies. All revenue streams usually have a contract of a duration of one year or less, with only one single performance obligation.

Revenue Stream	Description of Revenue Stream	Performance Obligation	Payment terms
Enhanced and Standard DBS checks - submitted via a Registered Body	Supply of DBS checks to individuals	Issue of certificate to customer	Invoiced to registered bodies in arrears
Basic DBS checks - submitted via a Responsible Organisation	Supply of DBS checks to individuals	Issue of certificate to customer	Invoiced to registered bodies in arrears
Basic DBS check - direct online application to DBS	Supply of DBS checks to individuals	Issue of certificate to customer	Payment made on application
Update Service	Subscription to online Update Service	Performance obligation over the 12-month period of subscription	Payment made on application

Department of Health and Social Care reimbursement of free-of-charge checks

To aid the Department of Health and Social Care (DHSC) COVID-19 response, the Home Office and DBS have put temporary arrangements in place, to provide volunteer Standard and Enhanced DBS checks, and fast-track emergency checks of the Adults' and Children's Barred Lists, free-of-charge. Where the DHSC has confirmed reimbursement for such free-of-charge checks, this funding will be treated as revenue, to the extent that the above performance obligations have been satisfied.

1.7 Grant-in-aid

Grant-in-aid is recognised in accordance with applicable FReM guidance and IAS 20 Accounting for Government Grants and Disclosure of Government Assistance which applies as interpreted for the public sector. Accordingly, grants-in-aid are accounted for as a source of financing and credited to reserves, and not income.

1.8 Pensions

Principal Civil Service Pension Scheme (PCSPS)

DBS recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

Partnership and stakeholder schemes

The employer made a basic contribution of between 8% and 14.75% of pensionable earnings from 1 October 2015 (3% and 12.5% of pensionable earnings up to 30 September 2015) depending on the age of the member. This contribution is paid into a stakeholder pension product chosen by

the employee from a panel of 3 providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable pay from 1 October 2015 (0.8% of pensionable pay to 30 September 2015) to cover the cost of centrally provided risk benefit cover (death in service and ill-health retirement).

Details of the annual pension contribution are provided in note 3 with additional information relating to pensions being included within the remuneration report.

1.9 VAT (Value Added Tax) and Corporation Tax

DBS registered for VAT during 2017-18 as invoices raised for recharges of salary costs to other government departments exceeded the VAT threshold. However, the vast majority of figures in the accounts continued to be stated inclusive of VAT as DBS had little scope to reclaim VAT on costs. DBS became de-reregistered for VAT in December 2022 as the recharges for salary costs to other government departments is expected to fall below the VAT thresholds over the next 12 months.

DBS is subject to corporation tax on rental income however, no surplus is reported on this income.

1.10 Financial instruments

IFRS 9 includes requirements for classification, recognition, and measurement, impairment, derecognition and general hedge accounting. DBS does not operate hedge accounting, so the specific requirements of IFRS 9 for hedge instruments do not apply.

The significant majority of the DBS financial instruments are trade receivables and payables. Receivables are shown net of expected credit losses. These accounts do

not include transition disclosures in respect of IFRS 9, due to the effect of IFRS 9 not being significant for DBS. This is because DBS receivables with customers are held for collecting cash in the normal course of business.

Receivable items for DBS includes only trade receivables, prepayments, and accrued income, all of which are due within the next 12 months. On this basis, no impairments in accordance with the requirements of HM Treasury's Financial Reporting Manual and IFRS 9 are required.

DBS believe the fair value of its receivable items is noted in the accounts, with no requirement to adjust the carrying value for estimated future flow of repayment. This is based on historical collection rates.

1.11 IFRS 16 Leases

The International Accounting Standards Board (IASB) has issued the final version of IFRS 16 which replaces IAS 17 and IFRIC 4 determining whether an arrangement contains a lease for annual periods beginning on or after 1 January 2019. The FReM deferred implementation of IFRS 16 until 1 April 2022, and therefore this standard affects the 2022-23 financial statements for the first time.

IFRS 16 Leases provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases. From 1 April 2022, DBS policy will be to recognise right-of-use assets and corresponding lease liabilities by applying the provisions of IFRS 16 as interpreted for public sector in the FReM.

Contracts entered into before 1 April 2022, that were not previously identified as leases under IAS 17 and IFRIC 4 were not reassessed. DBS policy is to:

- apply IFRS 16 to tangible assets only. These are assets with a physical substance such as buildings

- apply IFRS 16 practical expedients on short term and low value leases as mandated by the FReM

- separate lease and non-lease components and apply IFRS 16 to lease components only unless it is not practical or cost effective to make the distinction.

Practical expedients for short term and low value leases

In line with the practical expedients and FReM, DBS will not apply IFRS 16 to short term or low value leases and will expense lease payments as they fall due. These are defined as leases with

- a lease term of up to 12 months are considered short term leases.
- an underlying asset value of up to £5,000 are considered low value leases. This is consistent with DBS capitalisation threshold on purchases assets.

The total value of any short term or low value leases will be disclosed in the notes to the financial statements.

In scope leases

Leases of other tangible assets that do not qualify as short term or low value are recognised in the financial statements by recording a right-of-use asset and corresponding lease liability in the statement of financial position.

Lease liability

The lease liability is calculated as the total value of lease payments not yet made, discounted to present value using an appropriate interest rate.

The appropriate interest rate is the rate implicit in the contract. Where the rate implicit in the contract cannot be readily determined,

the incremental borrowing rate will be used.

The incremental borrowing rate for government departments is set by HM Treasury and communicated in HM Treasury PES paper releases. On transition, this rate was 0.95%.

The total value of lease payments excludes irrecoverable VAT. Irrecoverable VAT is expensed as it falls due.

Right-of-use asset

The right-of-use asset value includes:

- the present value of the lease liability
- initial direct costs
- payments made on or before the commencement date of the lease
- estimated restoration (dilapidations) costs
- cash lease incentives as a reduction to the total value of the right-of-use asset

Dilapidation costs only affect the right-of-use asset calculation relating to any new leases entered into from 1 April 2022. In line with the FReM, dilapidation costs relating to leases transitioning to IFRS 16 on 1 April 2022 were not included in the right-of-use asset calculation.

Depreciation

Right-of-use assets will be depreciated in line with the lease term and under the provisions of IAS 16.

1.12 New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2022 and not adopted early

IFRS 17 Insurance contracts

The IASB adapted IFRS 4 insurance

contracts as an interim measure between the introduction of IFRS 9 (2018-19) and the new insurance contracts accounting standard IFRS 17. The Financial Reporting Advisory Board agreed to endorse the IFRS 4 amendments without adaptation or interpretation.

IFRS 17 became mandatory from 1 January 2021. Application of IFRS 17 for government departments was expected to apply from the 2023-24 financial year. This has now been deferred until the 2025-26 financial year.

IFRS 17 is not expected to have a material impact on the financial statements.



2. Statement of operating costs by operating segment

	Expenditure £000	Income £000	Net expenditure /(income) £000
<p>Disclosure Services</p> <p>The Disclosure directorate is responsible for delivering an effective end-to-end disclosure service for applicants in England and Wales. We work in collaboration with all police forces, Registered Bodies, Responsible Organisations, and our key suppliers. We manage all aspects of service delivery and maintain strong links with all our stakeholders. Disclosure Services are pivotal role in safeguarding vulnerable groups, including children by enabling employers to make effective employment decisions.</p>	£81,167	(217,077)	(135,910)
<p>Technology and Innovation</p> <p>The Technology and Innovation directorate is responsible for Citizen-facing Technology, IT Service Management, Innovation, Architecture, Data Protection and Cyber Security. The Directorate plays a vital role in influencing, driving, and delivering the DBS strategy. Our primary goal is to promote technological advancements and innovation whilst ensuring the delivery of high-quality services to citizens and end users. Some of the key elements include the maintenance of existing technology, modernisation of DBS digital services, documenting, tracking technology changes and identifying opportunities to improve products and services via the Innovation framework. All of which align to the strategic vision for DBS, which is to 'make recruitment safer by being a visible, trusted and influential organisation, providing an outstanding quality of service to all our customers and</p>	59,323	-	59,323

	Expenditure £000	Income £000	Net expenditure /(income) £000
partners.’ The directorate works in close partnership with other directorates within DBS, suppliers, and a wide range of external and internal stakeholders			
Finance and Corporate Services Finance and Corporate Services is responsible for providing financial, commercial, risk and business continuity management, human resource, and legal advice across DBS, including the preparation of the Annual Report and Accounts. The directorate also includes Assurance and Facilities services.	21,741	(2)	21,739
Chairman and Chief Executive’s Office Chairman and Chief Executive’s Office is responsible for providing Corporate Governance for the organisation and encompasses the Office of the Chair and Chief Executive. Their services include freedom of information, parliamentary questions, Publication Scheme and leading on the relationship between DBS and Home Office sponsor unit. They also support the board members, chairman and directors through the Executive Assistant service and ensure that all corporate needs are fulfilled. The directorate is also home to the Executive Assistants who are a critical point of contact and the focal point for planning and scheduling work.	2,691	-	2,691
Barring and Safeguarding The Barring and Safeguarding directorate discharges DBS statutory functions for England, Wales, and Northern Ireland to manage the lists of people barred from working or volunteering in activities	14,890	-	14,890

	Expenditure £000	Income £000	Net expenditure /(income) £000
that involve regular and close contact with children and/or vulnerable groups (regulated activity). The directorate also makes decisions on whether to include a person in one or both Barred Lists along with decisions as to whether an individual should be removed from one or both lists. The directorate has wider responsibility for safeguarding and quality across DBS and has a key role in ensuring DBS maintains focus on our vision of Making Recruitment Safer and works alongside colleagues in other directorates in key areas such as, external relations, stakeholder engagement, communications, media, customer experience, strategy, policy, and business development.			
Strategy, Performance and Change In 2022, the newly formed Strategy, Performance and Change directorate established oversight for developing the DBS's strategy and business plan, ensuring performance to achieve strategic objectives in the business plan is managed effectively at an organisational level. On an organisational wide footprint, it also provides specialist communications, policy, and research services, and manages partnerships and stakeholder activity across the organisation. Integrated and alongside these functions, the directorate oversees all change activity undertaken within DBS, enabling, support or delivering projects and programmes to realise our vision and outcomes.	17,046	-	17,046
	196,858	(217,079)	(20,221)

3. Staff numbers and related costs	2022-23	2021-22
	Total	Total
	£'000	£'000
Staff costs comprise:		
Wages and salaries	39,144	35,643
Social security costs	4,079	3,327
Other pension costs	9,253	8,042
Total	52,476	47,012

The staff report within the accountability section contains a full breakdown of staff costs.

4. Other operating costs	2022-23	2021-22
	Total	Total
	£'000	£'000
Purchase of goods and services		
Postage and other outsourced services* costs	14,956	15,126
Police and other data source costs	47,680	43,111
Facilities management and staff services	3,200	4,854
Travel, subsistence, and other staff costs	730	351
Professional fees	8,242	4,761
Audit fees - external	109	103
IT - running and telephone costs	58,881	43,039
Total	133,798	111,345
Other operating expenditure	£'000	£'000
Other	948	731

*Other outsourced services include call centre and ID verifying costs.

5. Revenue from contracts with customers	2022-23	2021-22
	£'000	£'000
Basic DBS checks	47,772	61,148
Standard DBS checks	6,978	9,096
Enhanced DBS checks	141,595	130,883
Update Service	19,732	17,243
Other	1,002	682
Total revenue from contracts with customers	217,079	219,052

Further details regarding DBS fees and charges can be found in the accountability section of the annual report.

6. Property, plant, and equipment

	Right-of-use buildings £'000	Leasehold Improvements £'000	Information Technology £'000	Equipment, Furniture & Fittings £'000	Total £'000
Cost or valuation					
Balance at 31 March 2022	-	1,109	11,916	1,020	14,045
Adoption of IFRS 16 (refer to note 15)	3,489	-	-	-	3,489
Balance at 1 April 2022	3,489	1,109	11,916	1,020	17,534
Revaluations	-	39	-	-	39
At 31 March 2023	3,489	1,148	11,916	1,020	17,573
Depreciation					
Balance at 1 April 2022	-	(403)	(11,915)	(1,018)	(13,336)
Charged in-year	(850)	(202)	(1)	(2)	(1,055)
Revaluations	-	(21)	-	-	(21)
At 31 March 2023	(850)	(626)	(11,916)	(1,020)	(14,412)
Net Book Value at 31 March 2023	2,639	522	-	-	3,161
Net Book Value at 1 April 2022	3,489	706	1	2	4,198
Asset financing:					
Owned	-	522	-	-	522
Leased	2,639	-	-	-	2,639
Net Book Value at 31 March 2023	2,639	522	-	-	3,161

	Leasehold Improvements £'000	Information Technology £'000	Equipment, Furniture & Fittings £'000	Total £'000
Cost or valuation				
Balance at 1 April	1,217	11,916	1,020	14,153
Disposals	(202)	-	-	(202)
Revaluations	94	-	-	94
At 31 March 2022	1,109	11,916	1,020	14,045
Depreciation				
Balance at 1 April 2021	(373)	(11,913)	(899)	(13,185)
Charged in-year	(199)	(2)	(119)	(320)
Disposals	202	-	-	202
Revaluations	(33)	-	-	(33)
At 31 March 2022	(403)	(11,915)	(1,018)	(13,336)
Net Book Value at 31 March 2022	706	1	2	709
Net Book Value at 1 April 2021	844	3	121	968
Asset financing:				
Owned	706	1	2	709
Net Book Value at 31 March 2022	706	1	2	709

7. Intangible assets

	Information Technology £'000	Software Licenses £'000	Assets Under Construction £'000	Total £'000
Cost or valuation				
Balance at 1 April 2022	132,065	11,475	9,563	153,103
Additions	2,030	-	2,674	4,704
Transfer	(800)	-	817	16
Reclassifications	10,336	-	(10,336)	-
Revaluations	1,460	379	-	1,839
At 31 March 2023	137,528	11,475	7,704	156,706
Amortisation				
Balance at 1 April 2022	(125,889)	(10,895)	-	(136,783)
Charged in-year	(7,841)	(570)	-	(8,411)
Revaluations	(1,226)	(377)	-	(1,604)
At 31 March 2023	(134,956)	(11,843)	-	(146,798)
Net Book Value at 31 March 2023	10,135	12	2,718	12,865
Net Book Value at 1 April 2022	6,176	580	9,563	16,320
Asset financing:				
Owned	10,135	12	2,718	12,865
Net Book Value at 31 March 2023	10,135	12	2,718	12,865

	Information Technology £'000	Software Licenses £'000	Assets Under Construction £'000	Total £'000
Cost or valuation				
Balance at 1 April 2021	131,940	11,675	4,810	148,425
Additions	-	-	5,496	5,496
Transfer	743	-	(743)	-
Revaluations	(618)	(200)	-	(818)
At 31 March 2021	132,065	11,475	9,563	153,103
Amortisation				
Balance at 1 April 2021	(121,546)	(10,492)	-	(132,038)
Charged in-year	(4,857)	(591)	-	(5,448)
Revaluations	514	189	-	703
At 31 March 2021	(125,889)	(10,894)	-	(136,783)
Net Book Value at 31 March 2022	6,176	581	9,563	16,320
Net Book Value at 1 April 2021	10,394	1,183	4,810	16,387
Asset financing:				
Owned	6,176	581	9,563	16,320
Net Book Value at 31 March 2022	6,176	581	9,563	16,320

8. Financial instruments

As the cash requirements of DBS are met through the estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. Most financial instruments relate to contracts to buy non-

financial items in line with DBS's expected purchase and usage requirements and DBS is therefore exposed to little credit, liquidity, or market risk.

The impact arising from IFRS 9 on DBS financial statements is not material to trade receivables, financial and other assets.

9. Trade receivables and other assets

	2022-23 £'000	2021-22 £'000
Amounts falling due within one year:		
Trade receivables	17,095	17,779
Deposits and advances	12	5
Prepayments	4,678	761
Contract assets	949	1,290
Total	22,734	19,835

Trade receivables largely relates to balances due to DBS from registered bodies and responsible organisations for fees charged.

Prepayments increased due to timing differences in supplier billing from prior year.

10. Cash and cash equivalents

	2022-23 £'000	2021-22 £'000
Balance at 1 April	88,342	73,265
Net change in cash and cash equivalent balances	(15,720)	15,077
Balance at 31 March	72,622	88,342
The following balances were held at:		
Government Banking Service	72,622	88,342
Balance at 31 March	72,622	88,342

The year-end balance for 2022-23 includes Consolidated Fund Extra Receipts of £28.8m (2021-22: £54.1m). £45m was transferred during 2022-23 in respect of the balance relating to 2021-22. £9.1m and £19.7m relating to 2021-22 and 2022-23 respectively are held as a payable as disclosed in Note 11.

11. Trade payables and other current liabilities

Amounts falling due within one year:	2022-23 £'000	2021-22 £'000
Trade payables	3,482	3,532
Accruals	23,845	19,763
Contract liabilities	16,922	13,590
Payable to the Consolidated Fund	28,837	54,064
Total	73,086	90,949

Revenue is deferred where an application fee has been received but the application is still being processed by DBS.

During 2018-19 DBS and Home Office agreed an approach to remitting any in year annual surpluses reported by DBS after deducting cost of capital as a Consolidated Fund Extra Receipts. During the year ended 31 March 2023 DBS remitted Consolidated Fund Extra receipts of £45.0m relating to the financial years 2021-22, leaving £9.1m to remit in future years.

At 31 March 2023 total payables include an amount of £28.8m relating to the surrender of the Consolidated Fund Extra Receipts after deducting the cost of capital. This balance comprises £9.1m relating to 2021-22, and £19.7m relating to 2022-23.

12. Provisions for liabilities and charges

	Early Departure Costs £'000	Dilapidations £'000	Legal Costs £'000	Other Provision £'000	Total £'000
Balance at 1 April 2022	-	603	105	1	709
Provided in the year	-	-	169	100	269
Provisions not required written back	-	-	(70)	-	(70)
Provisions utilised in the year	-	-	(35)	(43)	(78)
Balance at 31 March 2023	-	603	169	58	830
Analysis of expected timing of discounted flows					
Not later than one year:	-	-	169	58	227
Later than 1 year and not later than 5 years:	-	603	-	-	603
Balance at 31 March 2023	-	603	169	58	830

For property provisions, DBS recognises a dilapidation provision for the leased premises occupied where it has an obligation to bring the property into a good state of repair at the end of lease.

12. Provisions for liabilities and charges

	Early Departure Costs £'000	Dilapidations £'000	Legal Costs £'000	Other Provision £'000	Total £'000
Balance at 1 April 2022	410	1,238	50	22	1,765
Provided in the year	-	-	70	-	70
Provisions not required written back	-	(317)	(1)	-	(318)
Provisions utilised in the year	(410)	(363)	(14)	(21)	(808)
Balance at 31 March 2022	-	603	105	1	709
Analysis of expected timing of discounted flows					
Not later than one year:	-	-	105	1	106
Later than 1 year and not later than 5 years:	-	603	-	-	603
Balance at 31 March 2022	-	603	105	1	709

13. Related-party transactions

The Home Office is the sponsor department of DBS and is regarded as a related party. For the year ended 31 March 2023, DBS had a number of material transactions with the Home Office and also with other entities for which the Home Office is regarded as the parent department – these are listed in the table below.

DBS asserts that these transactions were

conducted at arm’s length. In addition, DBS had a small number of material transactions with other government departments and other central government bodies.

No board members, key managers, or other related parties have undertaken any material transaction with DBS during the year. The Remuneration Report provides information on key management compensation.

	2022-23 £'000	2021-22 £'000	Nature of Transactions
Security Industry Authority	(2,591)	(3,329)	Revenue receivable for DBS checks carried out during the year
Home Office	(10,328)	(12,471)	Revenue received via Home Office for free-of-charge background checks on behalf of DHSC as part of the COVID-19 response
Home Office	7,144	7,760	Recharge of IT services, rent, and facilities management recharges, sponsorship costs and Home Office Technology Live Policing Services (for access to PNC checks)
Various police authorities (inc National Crime Agency)	47,473	43,080	Police costs incurred for work undertaken by police authorities to complete the disclosure process

14. Commitments under leases

Obligations under operating leases for the following periods comprise:	2022-23 £'000	2021-22 £'000
Buildings		
Not later than one year	168	1,142
Later than 1 year and not later than 5 years	335	3,789
	503	4,931

DBS operating leases related to 3 sites in 2021-22, but only one site in 2022-23, as detailed next.

On 1 April 2022, DBS adopted IFRS 16 for the first time. IFRS 16 was applied to the previously held operating leases on Shannon Court, Liverpool and 1 Tithebarn Street, Liverpool and form disclosure note 15.

The Stephenson House site is owned by the Home Office Property Group. DBS has a Licence of Occupation agreement with the Home Office Property Group effective from 1 April 2023 for a 3-year term. For the purposes of disclosure, we are treating this as an operating lease.

15. IFRS 16 Lease Liabilities

First time adoption of IFRS 16 – Leases IFRS 16, as adapted and interpreted by the FReM, is effective from 1 April 2022.

IFRS 16 determines that a lease liability is recognised in the statement of financial position at the present value of the future minimum lease payments, discounted at the incremental borrowing rate, along with a corresponding right-of-use asset.

The FReM mandates DBS utilise the modified retrospective approach without restatement of comparatives and with certain simplifications available upon adoption.

IFRS 16 defines the lease term as the non-cancellable period of a lease together with:

(a) periods covered by an option to extend the lease if the lessee is reasonably certain to

exercise that option; and

(b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

DBS utilised a practical expedient that permitted adoption of existing operating leases, and there are 2 leases that fell within the scope of IFRS 16:

- Shannon Court, Liverpool
- Tithebarn Street, Liverpool

DBS entered into a lease agreement with the owners of Shannon Court (Peel Land and Property Investments Plc) on 2nd August 2021 for a period of 10 years which has a break

after 5 five years' occupation at 1st August 2026.

DBS also has a lease agreement to occupy one floor of a building in 1 Tithebarn Street, held with Merakino Ltd. This lease was entered into on 27th March 2020 for a period of 5.5 years with a break clause after 3.5 years.

For the Shannon Court and Tithebarn Street leases, DBS has recognised a right-of-use (ROU) as at 1st April 2022 at an amount equal to the remaining lease liability for the periods ending as follows;

- Shannon Court: August 2026 – date of first break clause
- Tithebarn Street: September 2025 – full lease term

DBS has adjusted the value of the ROU assets by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 April 2022.

The non-recoverable VAT element of the lease payments will be charged to the statement of comprehensive income as an expense and has therefore been excluded in the calculation of the lease liabilities and ROU assets.

The right-of-use asset will be depreciated on a straight-line basis over the term of the lease with depreciation being charged to the statement of comprehensive income. The lease liability is remeasured when there is a change in future lease payments arising from a revision in substance to fixed lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

IFRS 16 requires that DBS also recognise interest payable on the lease payments, based on a discount rate applied to the Lease

Liability outstanding balance. Under IFRS 16, cash repayments of the lease liability are split into a principal portion (which reduces the amount of the balance sheet liability) and a notional interest payable portion which is chargeable to the statement of comprehensive income over the term of the lease.

It is not possible to determine an interest rate implicit in the lease agreements, therefore the discount rate used for both the Shannon Court and Tithebarn Street leases is based on guidance from HM Treasury.

On transition at 1 April 2022, the HM Treasury discount rate 0.95%. In line with the modified retrospective approach DBS will calculate the lease liability on transition as the present value of lease payments not yet paid at 1 April 2022 using the discount rate of 0.95%.

This resulted in additional assets of £3.5m recognised under Buildings in Note 6, and additional liabilities of £4.0m

IFRS 16 requires lessees to separate out rent charges from service charges, where this can be done without unnecessary expense. DBS has separated out the rent element from the service charge element for both the Shannon Court and Tithebarn Street leases and has capitalised only the rent element. Service charges are expensed separately and treated as running costs.

For new leases after 1 April 2022, where the lease is less than 12 months or within the low-value threshold of £5,000, the lease payments are charged to the statement of comprehensive net expenditure.

At the commencement date of any new lease, DBS will measure the lease liability at the present value of the lease payments. Right-of-use assets added after 1 April 2022 will be measured initially at cost, which will usually be equal to the initial measurement of the lease liability.

For disaggregation of the right-of-use assets, please refer to Note 6.

15.1 Obligations under finance leases for the period

Building	2022-23 £'000
	<hr/>
Not later than one year	1,014
Later than 1 year and not later than 5 years	2,159
Less interest element	(44)
Present Value of Obligations	3,129

15.2 Reconciliation of liabilities

	2022-23 £'000
	<hr/>
Liabilities created on adoption	4,033
Interest charged in SoCNE	33
Less interest repaid	(33)
Less principal of lease liability	(904)
Closing lease liabilities	3,129

15.3 Reconciliation of operating leases to finance leases

	2022-23 £'000
	<hr/>
Operating leases disclosed at 31 March 2022	4,931
Adjustments from IAS 17 to IFRS 16:	
Impact of discounting	(77)
Adjustment for irrecoverable VAT reported within IAS17	(822)
IFRS 16 opening balance lease liabilities at 1 April 2022	4,032

16. Other financial commitments

	2022-23 £'000
Not later than one year	13,157
Later than 1 year and not later than 5 years	-
Later than 5 years	-
Total Commitments	13,157

At 31 March 2023 DBS had non-cancellable financial commitments of:

- £4.6m for application management services and service integration
- £2m for digital build and run services
- £4.7m for document handling services
- £1.8m for other non-cancellable contracts under £1m each

17. Contingent liabilities

The financial implications of the delay and non-delivery of the modernised system, R1, remains a matter of dispute between DBS and its supplier. At the balance sheet date, and at the date of signing these accounts, this dispute remains ongoing, and DBS considers disclosure under IAS 37 of any contingent assets or liabilities could prejudice seriously these discussions.

As a result, no further disclosures under IAS 37 have been made. Tata Consultancy Services is also in dispute with DBS regarding

the application of the pricing mechanism in the contract for services, and this dispute remains ongoing at the balance sheet date. The difference between the amounts invoiced by Tata Consultancy Services and the amounts paid/recognised by DBS over the periods 2016-17 to 2018-19 totals £14m.

18. Events after the reporting period

The Accounting Officer authorised these statements for issue on the date that the accounts were certified by the Comptroller and Auditor General.

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