

# Ministry of Justice: Judicial Pension Scheme

## Introduction

This Supplementary Estimate is required for the following purposes:

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Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
A4: Increase in Judges Pension Provision as result of Supreme Court ruling in a legal case.	2,000,000,000		
A4: Increase in Current Service Costs	4,633,000		
A4: Increase in Contributions Receivable		-6,582,000	
A4: Reduction in Interest Cost		-5,000,000	
<b>Total change in Resource AME (Voted)</b>	<b>2,004,633,000</b>	<b>-11,582,000</b>	<b>1,993,051,000</b>
B4: Increase in Current Service Costs	6,949,000		
<b>Total change in Resource AME (Non-Voted)</b>	<b>6,949,000</b>		<b>6,949,000</b>

**Part I**

£

	Voted	Non-Voted	Total
<b>Departmental Expenditure Limit</b>			
Resource	-	-	-
Capital	-	-	-
<b>Annually Managed Expenditure</b>			
Resource	1,993,051,000	6,949,000	2,000,000,000
Capital	-	-	-
<b>Total Net Budget</b>			
Resource	1,993,051,000	6,949,000	2,000,000,000
Capital	-	-	-
<b>Non-Budget Expenditure</b>	-		
<b>Net cash requirement</b>	-		

Supplementary amounts required in the year ending 31 March 2013 for expenditure by Ministry of Justice: Judicial Pensions Scheme on:

**Annually Managed Expenditure:**Expenditure arising from:

Pensions etc, in respect of members of Judicial Pensions Scheme, and for other related services.

Income arising from:

Accruing Superannuation Liability Charges (ASLCs); and scheme members' pension contributions.

**Ministry of Justice: Judicial Pensions Scheme** will account for this Estimate.

## Part II: Changes Proposed

£'000

Present		Net Resources Changes		Revised		Present	Net Capital Changes	Revised
Admin 1	Prog 2	Admin 3	Prog 4	Admin 5	Prog 6	7	8	9
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted Expenditure</b>								
-	76,637	-	1,993,051	-	2,069,688	-	-	-
<i>Of which:</i>								
A Judicial Pension Scheme								
-	76,637	-	1,993,051	-	2,069,688	-	-	-
<b>Non Voted Expenditure</b>								
-	70,800	-	6,949	-	77,749	-	-	-
<i>Of which:</i>								
B Judicial Pension Scheme								
-	70,800	-	6,949	-	77,749	-	-	-
<b>Total Spending in AME</b>								
		- 2,000,000						
<b>Total for Estimate</b>								
		- 2,000,000						
<i>Of which:</i>								
<b>Voted Expenditure</b>								
		- 1,993,051						
<b>Non Voted Expenditure</b>								
		- 6,949						

£'000

	Present Plans	Changes	Revised Plans
<b>Net Cash Requirement</b>	<b>-46,535</b>	<b>-</b>	<b>-46,535</b>

## Part II: Revised subhead detail including additional provision

£'000

						Revised Plans		
Resources						Capital		
Administration			Programme					
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
1	2	3	4	5	6	7	8	9
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted expenditure</b>								
-	-	-	2,162,233	-92,545	2,069,688	-	-	-
<i>Of which:</i>								
A Judicial Pension Scheme								
-	-	-	2,162,233	-92,545	2,069,688	-	-	-
<b>Non-voted expenditure</b>								
-	-	-	77,749	-	77,749	-	-	-
<i>Of which:</i>								
B Judicial Pension Scheme								
-	-	-	77,749	-	77,749	-	-	-
<b>Total Spending in AME</b>								
-	-	-	2,239,982	-92,545	2,147,437	-	-	-
<b>Total for Estimate</b>								
-	-	-	2,239,982	-92,545	2,147,437	-	-	-
<i>Of which:</i>								
<b>Voted Expenditure</b>								
-	-	-	2,162,233	-92,545	2,069,688	-	-	-
<b>Non Voted Expenditure</b>								
-	-	-	77,749	-	77,749	-	-	-

**Part II: Resource to cash reconciliation**

£'000

	Present Plans	Changes	Revised Plans
<b>Net Resource Requirement</b>	<b>147,437</b>	<b>2,000,000</b>	<b>2,147,437</b>
<b>Net Capital Requirement</b>	-	-	-
<b>Accruals to cash adjustments</b>	<b>-123,172</b>	<b>-1,993,051</b>	<b>-2,116,223</b>
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-162,200	-1,999,633	-2,161,833
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-	-	-
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	39,028	6,582	45,610
<b>Removal of non-voted budget items</b>	<b>-70,800</b>	<b>-6,949</b>	<b>-77,749</b>
<i>Of which:</i>			
Consolidated Fund Standing Services	-70,800	-6,949	-77,749
Other adjustments	-	-	-
<b>Net Cash Requirement</b>	<b>-46,535</b>	<b>-</b>	<b>-46,535</b>

## Part III: Note A - Forecast Combined Revenue Account & Reconciliation Table

£'000

	Revised Plans
Gross Programme Costs	2,239,982
<i>Of which:</i>	
Increases in liability	2,051,833
Interest on scheme liability	110,000
Other expenditure	78,149
<i>Less:</i>	
Contributions received	-92,545
Transfers in	-
Other income	-
<b>Net Programme Costs</b>	<b>2,147,437</b>
<b>Total Net Operating Costs</b>	<b>2,147,437</b>
<i>Of which:</i>	
Resource DEL	-
Capital DEL	-
Resource AME	2,147,437
Capital AME	-
Non-budget	-
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the FCRA	-
<i>Adjustments to remove:</i>	
Capital in the FCRA	-
Non-Budget Consolidated Fund Extra Receipts in the FCRA	-
Other adjustments	-
<b>Total Resource Budget</b>	<b>2,147,437</b>
<i>Of which:</i>	
Resource DEL	-
Resource AME	2,147,437
<i>Adjustments to include:</i>	
Prior period adjustments	-
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
<b>Total Resource (Estimate)</b>	<b>2,147,437</b>

**Part III: Note B - Analysis of Departmental Income**

£'000

Revised  
Plans

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<b>Voted Resource AME</b>	<b>-92,545</b>
<i>Of which:</i>	
Programme	
Pensions	-92,545
<i>Of which:</i>	
A: Judicial Pension Scheme	-92,545
Total Programme	<u>-92,545</u>
<b>Total Voted Resource Income</b>	<b><u>-92,545</u></b>

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### **Part III: Note C - Analysis of Consolidated Fund Extra Receipts**

No CFER income or receipts are expected in 2012-13.



## Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

**Accounting Officer:** Ursula Brennan - Permanent Secretary

Ursula Brennan - Permanent Secretary has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.

## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
<p>Fee Paid Judicial Office Holders' Pension Rights: The MoJ is involved in a number of Employment Tribunal (ET) cases relating to fee paid judicial office holders claiming retrospective pension rights. The lead case was heard in the UK Supreme Court (SC) in June 2010 and the case was referred to the European Court. The European Court gave judgment in March 2012 and the matter was referred back to the SC. In July SC ruled that the appellant was a worker. At a further hearing on 21 November 2012 the SC considered what issues should be remitted to the Employment Tribunal and the judgment is still awaited.</p>	<p>Up to £2bn</p> <p><i>conditional on SC and ET decisions about the length of service and the number of claimants.</i></p>