

Public Prosecution Service for Northern Ireland

# Annual Report & Resource Accounts 2012-13



Independent, Fair and Effective



Public Prosecution Service for Northern Ireland

# Annual Report & Resource Accounts 2012-13

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# Annual Report and Resource Accounts



# Contents

<b>Foreword by the Attorney General for Northern Ireland</b>	<b>5</b>
<b>Foreword by the Advocate General for Northern Ireland</b>	<b>6</b>
<b>PPS Vision and Aim</b>	<b>7</b>
<b>Part 1: Annual Report</b>	
<b>Director's Report</b>	<b>10</b>
<b>Management Commentary</b>	<b>13</b>
<b>Overview of Performance for the year 2012-13</b>	<b>16</b>
Strategic Priority 1: Delivering an efficient and effective prosecution service	17
Strategic Priority 2: Building the confidence and trust of the community we serve	24
Strategic Priority 3: Strengthening our capability to deliver	27
Strategic Priority 4: Building the capability of our people	31
<b>Financial Performance during 2012-13</b>	<b>34</b>
<b>Remuneration Report</b>	<b>36</b>

## Part 2: Resource Accounts

<b>Statement of Accounting Officer’s Responsibilities</b>	<b>46</b>
<b>Governance Statement</b>	<b>47</b>
<b>The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly</b>	<b>62</b>
<b>Financial Statements for the Year Ended 31 March 2013</b>	<b>65</b>
<b>Notes to the Financial Statements</b>	<b>71</b>

## Part 3: Annexes

<b>Annex A: PPS Organisation Chart</b>	<b>106</b>
<b>Annex B: Summary of Performance against Key Milestones 2012-13</b>	<b>107</b>
<b>Annex C: Summary of Performance against Key Delivery Targets 2012-13</b>	<b>111</b>



# Foreword

## by the Attorney General for Northern Ireland

Once again it is a pleasure to be asked to contribute a foreword to the annual report of the Public Prosecution Service. It is a pleasure, also, to be able to work with the Director and his colleagues.

Like its predecessors this annual report affords the public an opportunity to learn more about the work of the PPS and I hope it will have a wide and attentive readership.

Section 8 (1) of the Justice (Northern Ireland) Act 2004 requires me to issue guidance on international human rights standards to a range of criminal justice organisations including the PPS. Guidance has already been made for all such organisations drawing attention to their obligations in international law to protect the life of their officials and employees. Specific guidance has also been made for Forensic Science Northern Ireland and the State Pathologist's Department.

I will shortly be consulting the Director on draft guidance for the PPS. One of the aims of section 8 guidance is to ensure an interlinked and shared commitment to international human rights standards across the criminal justice system.

Human rights standards are designed to make life better for individuals and communities and they should not become, nor be viewed as, burdens to competent professionals conscientiously carrying out their duties. When competent professionals are working diligently to the high standards set by their own disciplines they will almost invariably comply with human rights standards. This guidance is designed to assist professionals by offering them a framework within which their own professional standards can safely operate.

Prosecutors are human rights lawyers. In the discharge of their duties they respect and balance the rights of victims and the rights of those suspected or charged with criminal offences within the wider perspective of the public interest. It has been a privilege to see something of the legal excellence that can be found in the PPS under the leadership of the Director, and I hope the public will be encouraged by this annual report to learn more about this vital public service.



**John F Larkin QC**

Attorney General for Northern Ireland



**John F Larkin QC**

*Attorney General for Northern Ireland*

# Foreword

by the Advocate General for Northern Ireland

It is with pleasure that I welcome this Annual Report for the Public Prosecution Service. It is my third as Advocate General for Northern Ireland.

The Public Prosecution Service was brought into being in 2005 as the successor to the Department of the Director of Public Prosecutions. It was a child of the Good Friday Agreement and the Criminal Justice Review. The Criminal Justice Review gave the then Government the unique opportunity to take an all-encompassing look at the criminal justice system in Northern Ireland and its implementation brought significant change. The old Department of the Director of Public Prosecutions was statutorily subject to the then Attorney General's superintendence and direction. Powers of superintendence were always exercised lightly in Northern Ireland and the prosecuting authority carried out its functions with independence. The publication during the last year of Sir Desmond de Silva's Report into the death of Pat Finucane set out in graphic terms how the independence of the Director was maintained through the most difficult times.

But times change and the Criminal Justice Review concluded that what suited the conditions in Northern Ireland best was a prosecution service free from any power of superintendence. It was a bold proposal but one accepted by the Government of the time. On devolution of justice and policing in April 2010, the PPS entered into a new, consultative relationship with the Attorney General for Northern Ireland and the Advocate General.

The PPS now enters its fourth year under the new arrangements and I am pleased that the child born of the Review is now a proven and capable prosecution model that continues to play a fundamental role in criminal justice and the rule of law. It has achieved a great deal but every prosecutor faces a constantly changing environment. Whether the challenge comes from social change or financial constraint, the prosecutor must continually adapt and improve if public confidence is to be maintained. This Report sets out how the PPS is going about that task under the leadership of its Director, Barra McGrory QC. It makes interesting reading for anyone with an interest in criminal justice in Northern Ireland and I recommend it.



**The Rt Hon Dominic Grieve QC MP**  
Advocate General for Northern Ireland



**Dominic Grieve QC MP**  
*Advocate General for Northern Ireland*

# PPS Vision and Aim

## Our Vision

To be recognised as providing a first class prosecution service for the people of Northern Ireland.

## Our Aim

The aim of the Public Prosecution Service is to provide the people of Northern Ireland with an independent, fair and effective prosecution service.

- **Independence**

The Service will be wholly independent of both police and Government; its decisions will be impartial, based on an independent and impartial assessment of the available evidence and the public interest.

- **Fairness**

All actions will be undertaken with complete impartiality, to the highest ethical and professional standards. All persons, including those accused of offences, will be treated fairly. All victims and witnesses will be treated with respect and sensitivity.

- **Effectiveness**

All prosecution decisions will be taken and every prosecution conducted in an effective and efficient manner. We will provide value for money, while delivering a timely and quality service.



# Part 1: Annual Report



# Director's Report

## Introduction

The Public Prosecution Service (PPS) presents its Annual Report and Resource Accounts for the financial year ended 31 March 2013. The accounts demonstrate the resources that have been used in delivering the PPS's objectives.

The accounts have been prepared in accordance with the guidance set out in the Government Financial Reporting Manual, guidance as directed by the Department of Finance and Personnel and on the basis of PPS being a going concern.

## Accountability Arrangements

The Public Prosecution Service was established on 13 June 2005 by the Justice (Northern Ireland) Act 2002. The Service is headed by the Director of Public Prosecutions for Northern Ireland, Barra McGrory QC, who was appointed on 7 November 2011. The responsibilities of the Director are specified in the 2002 Act.

Since the devolution of policing and justice to the Northern Ireland Assembly in April 2010, the PPS has been designated as a non-ministerial government department. Funding for the PPS is provided by the Northern Ireland Assembly through the bi-annual Estimate process (main and supplementary). As Accounting Officer, the Director of Public Prosecutions is responsible for ensuring that the public monies provided are used efficiently and effectively. All members of staff are Northern Ireland Civil Servants.

In May 2010 John Larkin QC was appointed as the Attorney General for Northern Ireland, as part of the devolved justice arrangements. The Justice (Northern Ireland) Act 2002 provides for the Director and Attorney General to consult with each other from time to time on any matter for which the Attorney General is accountable to the Northern Ireland Assembly. In accordance with the 2002 Act the functions of the Director shall be exercised by him independently of any other person.

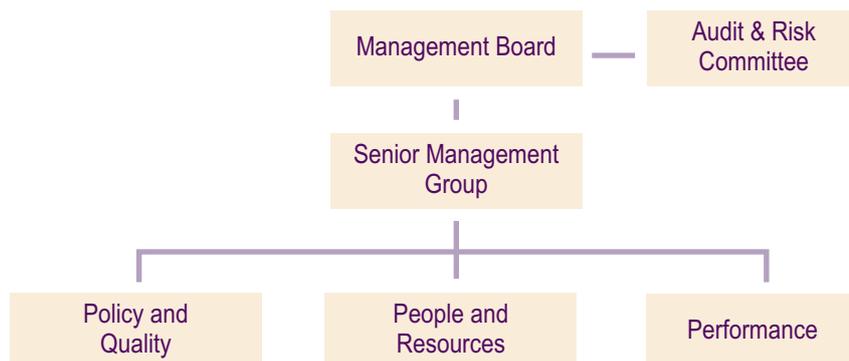
At present a number of prosecutorial matters are reserved to Parliament at Westminster. Duties in respect of these matters are performed by the Advocate General for Northern Ireland, the Rt. Hon. Dominic Grieve QC MP, who is the Attorney General for England and Wales.

## Management Structures

The PPS Management Board comprises the PPS Senior Management Team (Director, Deputy Director and Senior Assistant Directors) and two independent members. The Board is assisted by the Audit and Risk Committee (ARC), the remit of which is to provide assurances to the Director that governance arrangements within the PPS are operating

effectively. There are also four sub-committees, which play key roles in the overall governance of the PPS (see organisation chart below). All sub-committees are chaired by a Management Board member and have clear terms of reference, covering the scope of any decision making and the reporting requirements for the Board.

### PPS Board Structure 2012-13



Details of the Management Board's membership and key activities during 2012-13 are set out later in this report (see 'Governance Statement', page 47). Information regarding the membership and remit of the ARC and the Board's sub-committees is also provided.

### Corporate Governance

The PPS is committed to high standards in corporate governance. The policy of the PPS is to ensure that effective risk management processes are maintained which serve to improve the quality of decision making and the ability to deliver on strategic and operational objectives. The PPS risk management framework complements the current Corporate Plan, Annual Business Plans and financial management arrangements which together provide the systems to manage the PPS's resources.

### Inspection and Internal Audit

The PPS is subject to review by Criminal Justice Inspection Northern Ireland (CJINI), within the provisions of Part 3 of the Justice (Northern Ireland) Act 2002.

Internal Audit provision within the PPS is provided by the Internal Audit Branch of the Department of Justice (DoJ). An annual programme of audits is agreed with the PPS Audit and Risk Committee, in consultation with the DoJ's Head of Internal Audit. The internal audit service is provided in accordance with the Government Internal Audit Standards. Details of audit activity during 2012-13 are set out at page 58.

### Register of Interests

All members of the Management Board are required to disclose significant interests or anything which may conflict with their responsibilities as Board members. A register of interests is

maintained by the Service and conflicts of interest are declared at each Management Board meeting. Access to the register can be arranged by email request to [info@ppsni.gsi.gov.uk](mailto:info@ppsni.gsi.gov.uk).

### **Pension Liabilities**

The treatment of pension costs and liabilities is disclosed in the Remuneration Report and Notes 1.7, 8 and 21.1 to the accounts.

### **Disabled Persons**

The PPS follows the NICS Code of Practice on the Employment of Disabled People and aims to ensure that disability is not a bar to recruitment or advancement.

### **Equal Opportunities**

The PPS is committed to pursuing the NICS Equal Opportunities Policy whereby all staff have equality of opportunity for employment and advancement on the basis of their ability, qualifications and aptitude for the work.

### **Payment of Suppliers**

PPS is committed to the prompt payment initiative which sets out a target for Northern Ireland Departments to pay supplier invoices within 10 working days of receipt. For the year to March 2013, PPS paid 82% of invoices within 10 working days.

The PPS has now introduced a Central Fees Team to administer all payments to external Counsel and it is anticipated that this will assist in improving prompt payment performance during 2013-14.

### **External Audit**

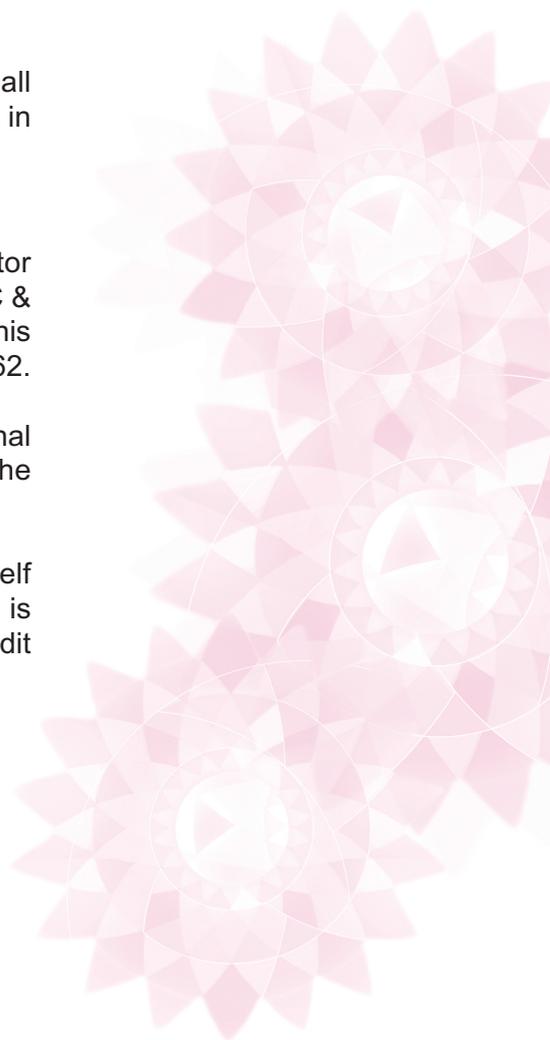
The Service's accounts are audited by the Comptroller and Auditor General (C & AG) as head of the Northern Ireland Audit Office. The C & AG and his staff are wholly independent of the PPS and he reports his findings to the Assembly. The C & AG's certificate is set out at page 62.

The audit of the financial statements for 2012-13 resulted in a notional audit fee of £40,500 and is included in the programme costs in the Statement of Comprehensive Net Expenditure.

As Accounting Officer I have taken appropriate steps to make myself aware of relevant audit information and to establish that the C & AG is aware of that information. To my knowledge there is no relevant audit information of which the C & AG is unaware.



**Barra McGrory QC**  
Accounting Officer  
21 June 2013



# Management Commentary

## **PPS Function and Role**

The PPS is the principal prosecuting authority in Northern Ireland. In addition to taking decisions as to prosecution in cases investigated by the police in Northern Ireland, it also considers cases investigated by other statutory authorities, such as HM Revenue and Customs.

The primary role of the PPS is to reach decisions to prosecute or not to prosecute and to have responsibility for the conduct of criminal proceedings. A range of additional services are available which have been designed to enhance the effectiveness of the Service, including the provision of prosecutorial and pre-charge advice and an enhanced service to victims and witnesses.

## **PPS Structures**

The PPS is a regionally based organisation. There are four regions, each coterminous with one or more court divisions. Each of the four regions is headed by a Regional Prosecutor (Assistant Director). The Regional Prosecutor has overall responsibility for decisions as to prosecution and for the conduct of all prosecutions in that region, with the exception of those cases which are considered by prosecutors in Headquarters.

There are also a number of other sections within the Service, each headed by an Assistant Director, which deal with specialised areas of work. These include Central Prosecutions, Fraud and Departmental Prosecutions, Policy and Information and High Court and International Matters.

Corporate Services is responsible for support services such as Finance, Human Resources and ICT (see Organisation Chart, Annex A).

### *Regional Offices*

The PPS has opened six regional offices, known as 'Chambers'. These are located in Belfast (which serves as the headquarters of the PPS), Ballymena, Lisburn, Londonderry, Omagh and Newry. An additional Belfast office, Linum Chambers, accommodates the various Corporate Services functions, as well as the Belfast Victim and Witness Care Unit.

## **Caseload**

A total of 49,628 cases were received in 2012-13 compared with 53,308 in 2011-12.

## **Prosecution Decisions**

Prosecutions are instituted or continued only where the public prosecutor is satisfied that the Test for Prosecution is met. The Test for Prosecution is met if:

- The evidence which can be adduced in court is sufficient to provide a reasonable prospect of conviction – the Evidential Test; and
- Prosecution is required in the Public Interest – the Public Interest Test.

The Test for Prosecution is the key element in the Code for Prosecutors issued under Section 37 of the 2002 Act. The Code gives guidance on the general principles to be applied in determining in any case whether criminal proceedings should be brought, what charges should be preferred and how prosecutions should be conducted. It also sets out the standards of conduct that the PPS requires from prosecutors including external counsel instructed on behalf of the Director.

The evidential test was met in the majority of cases considered by public prosecutors during 2012-13. Of the 61,955 persons subject to a prosecutorial decision during 2012-13, more than seven-tenths (72%) were issued with a decision for prosecution or for diversion from the courts. This was a similar outcome to the previous year (72%).

## **Conduct of Prosecutions**

Normally prosecutions in the Magistrates' and Youth Courts, and appeals at the County Court, are conducted by Public Prosecutors. Generally, external counsel represent the PPS at the Crown Court, High Court and the Court of Appeal. In performing this role members of external counsel are essential to the effective delivery of PPS services.

The PPS has established a panel scheme for the instruction of external counsel. Where possible, all counsel instructed by the PPS are drawn from this panel. All panel members are required to comply with the policies and guidance of the Director in the conduct of prosecutions, the PPS Advocacy Standards and with the PPS Code of Ethics.

### **Working in Partnership: Criminal Justice System Northern Ireland (CJSNI)**

The PPS works in partnership with the Police Service of Northern Ireland, the Northern Ireland Courts and Tribunals Service, the Northern Ireland Prison Service, the Probation Board for Northern Ireland, the Youth Justice Agency and the Department of Justice, as part of the Criminal Justice System Northern Ireland. The PPS is represented on the Criminal Justice Board which comprises the Heads of these Services.

The Director is a member of the Criminal Justice Delivery Group which is chaired by the Minister of Justice. This was established by the Minister to improve engagement between the most senior leaders within the criminal justice system, and to provide strategic oversight to the work of the Criminal Justice Board.

# Overview of Performance for the Year 2012-13

## PPS Corporate Plan 2011 - 2014

The current PPS Corporate Plan, published in June 2011, is based around four strategic priorities. Within each priority area a number of objectives have been set out as the focus of our work programme for the three year period and which will progress the delivery of our vision for the Service.

### Strategic Priority 1:

#### Delivering an efficient and effective prosecution service

- To promote the highest standard of prosecutorial decision-making and case preparation and, where appropriate, prosecute in the most effective manner (Objective 1.1).
- To work with partners to improve our service delivery and reduce avoidable delay (Objective 1.2).
- To develop and embed our advocacy strategy (Objective 1.3).

### Strategic Priority 2:

#### Building the confidence and trust of the community we serve

- To provide an enhanced service to victims and witnesses (Objective 2.1).
- To engage effectively with stakeholders and the wider community (Objective 2.2).

### Strategic Priority 3:

#### Strengthening our capability to deliver

- To provide value for money through the improved management of resources and the development of our resource planning (Objective 3.1).
- To strengthen our accountability as a non-ministerial department by developing and maintaining a transparent and effective governance framework (Objective 3.2).



## Strategic Priority 4:

### Building the capability of our people

- To develop our staff and promote a culture of continuous improvement (Objective 4.1).

### Key Performance Milestones and Delivery Targets for 2012-13

2012-13 was the second year covered by the current Corporate Plan. The Annual Business Plan for the year set out how the PPS objectives were to be taken forward and included thirty-eight performance milestones for the year, spanning the four PPS strategic priorities. Twenty-four of these milestones were achieved and a further five were achieved in part. One milestone was not achieved and eight were deferred to 2013-14 as they could not be completed due to external factors or other dependencies (see below and Annex B).

The Annual Business Plan for 2012-13 also included a total of nineteen key delivery targets against which the performance of the Service was to be measured. Details of the PPS's performance for the year are presented at Annex C.

## Strategic Priority 1:

### Delivering an efficient and effective prosecution service

### Legal Quality Assurance

#### *Quality Assurance Team*

The Legal Quality Assurance Team's work programme for 2012-13 included a number of thematic reviews. These focused on a variety of case types, such as decisions taken for no prosecution and the prosecution of hate crime.

Each quality assurance report sets out relevant issues for the PPS to address, as well as recommendations for service improvement.

During 2012-13 an administrative quality assurance service has also been established to conduct free-standing administrative reviews or to manage those parts of legal thematic reviews which concern operational processes.

#### *Dip Sampling*

A key component of the PPS's legal quality assurance arrangements is the dip sampling of cases by Regional Prosecutors and Assistant Directors.

During the year, 764 cases were dip sampled. An analysis of the findings has shown the quality of decision-making to be generally high, with 98% of decisions assessed as being 'within the range' a

prosecutor could reasonably take, as specified in the Code for Prosecutors. An independent analysis by HM Crown Prosecution Service Inspectorate, undertaken as part of a wider CJINI inspection of corporate governance within the PPS, indicated compliance in 96% of cases. Inspectors noted that this compared favourably with the 93% average achieved by the Crown Prosecution Service in England and Wales.

### *Guidance to Prosecutors*

Guidance was issued to prosecutors on a range of legislative, policy and case handling issues. Arrangements are in place for all significant judgments delivered by the Court of Appeal, Supreme Court and European Court of Human Rights to be passed to Policy Section to ensure that any learning points are identified and promulgated to staff.

### **Policy Development**

A new policy statement on the handling of cases involving human trafficking was published for consultation in June 2012. This policy statement addresses the significant degree of public concern about this class of offending. Release of the final policy document was deferred due to the number of competing demands on the Policy and Information Section, including liaison with CJINI and a range of new initiatives brought forward by the Department of Justice. This will now be published later in 2013.

A review of the Code for Prosecutors has been taken forward and, following consultation with the Attorney General and Advocate General, the revised document will be published during 2013. This is an important document which sets out clearly the roles and responsibilities of prosecutors and the standards and levels of service which all stakeholders can expect.

A planned revision of the PPS Victims and Witnesses Policy was deferred pending a review of the policy on the 'Giving of Reasons for No Prosecution', and also to allow for any lessons learned from the Belfast Victim and Witness Care Unit Pilot (see page 24).

A new policy in relation to the handling of cases involving youth offenders has also been deferred, pending an evaluation of a CJSNI Youth Engagement Pilot Scheme, which has materially changed the arrangements for offering alternatives to prosecution to young people.

During the year an initiative was launched to enable witnesses from FSNi to give their evidence by live link. Early indications show that this project is already delivering system efficiencies. A full evaluation will be conducted during 2013-14.

## Tackling Avoidable Delay

### *Faster, Fairer Justice Programme*

The Justice Minister, David Ford MLA, has signalled his commitment to speed up criminal cases by tackling the causes of avoidable delay. In support of this priority, the Department of Justice and the criminal justice agencies are remodelling the system so that it is more efficient, while meeting the needs of the community.

The PPS is participating in the Faster, Fairer Justice Programme which provides the strategic context and framework for the range of initiatives which are underway. The work is wide-ranging and covers a number of different strands. Key issues under consideration include:

- Procedural reforms: Reforming how the PPS initiate proceedings, the use of streamlined files and PSNI gatekeepers.
- Encouraging earlier guilty pleas: Encouraging those persons who are guilty of an offence to admit their guilt at an earlier stage in proceedings.
- Reform of committal proceedings: Abolishing the use of oral evidence in committal proceedings and allowing the direct transfer of certain cases to the Crown Court.
- Alternatives to prosecution: Dealing with less serious offending where it is not considered proportionate to proceed with a court prosecution (for example, the use of 'conditional cautions' or prosecutorial fines by PPS).
- Statutory case management: Providing the judiciary with enhanced case management powers.
- Vulnerable and Intimidated Witness Working Group: Registered Intermediaries pilot.

Other initiatives relate to Statutory Time Limits (STLs), extending the use of video links, the provision of forensic evidence and improving the experience of victims and witnesses.

Not all of the initiatives will require legislation. However, for those that do, it is intended to legislate in a Faster, Fairer Justice Bill. It is anticipated that the Bill will be introduced to the Northern Ireland Assembly around summer 2013.

### *Expediting Prosecution Cases*

While the PPS is working in partnership within the Faster, Fairer Justice Programme, the Service has also maintained an internal focus on improving service delivery, and in particular improvement in the time taken to issue prosecution decisions. During the year, a number of measures have been introduced which are aimed at improving performance. A key change has been the extension of the role of the Deputy Director to include taking the lead in

performance issues, as well as the establishment of a new Performance Sub-Committee, chaired by the Deputy Director. The Performance Sub-Committee is sponsoring a range of initiatives in areas such as performance management, the identification of key performance measures and supporting data, process enhancements and training and development.

Performance in respect of timeliness is monitored by senior management on an ongoing basis. The PPS's Annual Business Plan for 2012-13 included six timeliness targets, covering the issue of indictable prosecution decisions, summary prosecution decisions and diversions. Four of the six targets were met. The two targets which were not met related to indictable decisions, which reflect the most serious categories of case considered by prosecutors. This performance must be viewed in context. While there has been a reduction in the overall number of cases received compared with 2011-12, the increase in the most serious case categories, previously reported in the 2011-12 Annual Report, has been sustained. The overall number of cases received in 'case weight' categories 1 – 4 (including homicide, serious sexual offences, serious fraud / dishonesty and other grave offences) was 5,864, which compared with 4,098 in 2010-11. An analysis for 2012-13 against 2011-12 also shows an increase in the volume of indictable decisions from 2,143 to 2,295, a rise of 7.1%.

#### *Decision Information Requests*

A Decision Information Request (DIR) is issued by PPS to police where the evidence and information contained in an investigation file is incomplete and a further written report or action from the police is required. The time taken for DIRs has been identified as a key issue in delay, particularly in more serious cases, over half of the indictable prosecution decisions issued by PPS during 2012-13 required one or more DIRs. An improvement in the preparation of investigation files by police should provide significant efficiency savings and PPS continue to work with PSNI to address the issue.

A new initiative has been progressed which is aimed at achieving a reduction in the volume of DIRs in indictable cases. The initiative, to be introduced on a pilot basis in the early summer of 2013, will involve PPS prosecutors engaging with police early in the case preparation stage. This will ensure that investigators have a clear understanding of the PPS's evidential requirements in the event of a prosecution.

Implementation had been planned for 2012-13 but was deferred in order to allow for the appointment of PSNI gatekeepers (i.e. PSNI Inspectors whose role will be to review case material prior to submission). It is anticipated that the new scheme, working in parallel with the gatekeepers, should lead to a substantial reduction in the number of incomplete files.



### *Youth Engagement*

The PPS is working with the Youth Justice Agency, PSNI and other partners in piloting a new 'Early Youth Engagement' initiative. The underlying idea is that if the young person is provided with more support early in the process to help them to make a properly informed decision about the offer of a diversion, it should be possible to avoid cases being taken to court that do not need to be there. In turn, it is hoped that this should create capacity in the Youth Courts and allow the judiciary and the wider system to focus more effort on cases that are not suitable for diversion. It should be noted that previous proposals for an immediate youth conferencing scheme have now been subsumed within this initiative.

The pilot has been taken forward on a phased basis, and was initially launched in one part of PSNI's B District on 1 October 2012. Arrangements have since been extended to the remainder of that District and also to A District. The pilot will run until the end of May, and subject to a positive evaluation, it is anticipated that rollout across Northern Ireland will commence in the autumn.

### *Assistant Public Prosecutor*

An internal working group has examined the potential for a new Assistant Public Prosecutor (APP) role, which would sit at a lower grade than the existing Public Prosecutor (PP). The primary role of the APP would be to take decisions in respect of the less complex cases submitted to the PPS Regional Offices.

The scoping study has been completed and a detailed job description developed. While there were several advantages in introducing the role, including financial savings, senior management has decided not to proceed with the initiative at this time. One of the main reasons for this decision was that the initiative would mean a smaller PP complement which would in turn reduce flexibility, particularly in terms of the resourcing of the Magistrates' and Youth Courts.

## **Criminal Justice Inspection Northern Ireland**

The Chief Inspector has published a number of reports which focused on the work of the PPS and/or its interface with partner agencies. Among these were:

- *Telling Them Why: an Inspection of the Public Prosecution Service for Northern Ireland Giving of Reasons for its Decisions* (May 2012);
- *Early Youth Intervention: An inspection of the contribution the criminal justice agencies in Northern Ireland make to preventing children and young people from entering the criminal justice system* (July 2012);
- *The use of early guilty pleas in the criminal justice system in Northern Ireland* (February 2013); and
- *A Corporate Governance Inspection of the Public Prosecution Service* (April 2013).

Where appropriate the Service has responded to the inspection reports by producing detailed action plans.

## **Working Arrangements with Partner Agencies**

### *Development of Protocols and Service Level Agreements*

In addition to taking decisions as to prosecution in cases investigated by the police in Northern Ireland, the PPS also considers cases investigated by other statutory authorities. The Service is seeking to establish a series of service level agreements (SLAs) which will set out the working arrangements, roles and responsibilities of the PPS and relevant Departments and Agencies. This exercise has required detailed discussions with the individual bodies, for example, regarding charging arrangements. Therefore it has not been possible to finalise all SLAs. However it should be noted that the SLAs completed to date together account for over four-fifths of the cases received by PPS Departmental Section.

### *PPS / PSNI Protocol*

PPS is committed to building and maintaining effective working relationships with police. A protocol governing the relationship between PPS and police has been in place since 2003. Due to the large number of issues covered within the Protocol, a new approach has been agreed whereby PPS and police will now develop a series of individual SLAs outlining roles and responsibilities in specific areas, such as the investigation, prosecution and management of individual case types. The SLA framework will be supported by an overarching Memorandum of Understanding.

### *Participation in CJSNI Working Groups*

PPS is involved in a wide range of inter-agency working groups, all designed to improve the efficiency and effectiveness of the Criminal Justice System and to ensure that all key interests are represented and considered during policy development and implementation. Examples include the Vulnerable and Intimidated Victim and Witness Working Group and the various sub-groups responsible for progressing the Faster, Fairer Justice Programme and other procedural reform initiatives.

### *Organised Crime*

During the year the PPS has continued to build effective working relationships with those criminal justice investigative agencies which have a particular focus on proceeds of crime issues, including restraint and confiscation. An SLA has been agreed with one agency in relation to restraint and confiscation matters and discussions are to continue with others with a view to agreeing further SLAs in 2013-14. Representatives from PPS actively participate in regular meetings of the Organised Crime Task Force (OCTF), including the Strategy Group and the various sub-groups within the OCTF.

The PPS has also expanded its network of contacts to assist in obtaining mutual legal assistance from other jurisdictions. Obtaining essential evidence in this way contributes to the effective investigation and subsequent prosecution of all types of offences. Such co-operation is also paramount in effecting the restraint and confiscation of assets representing the proceeds of crime, particularly where the criminality has been conducted in more than one jurisdiction or where the proceeds of crime have been transferred to another jurisdiction.

### *Training*

During the year PPS has delivered a programme of training to PSNI and other key stakeholders, including voluntary sector partners.

## **Advocacy**

### *Advocacy Standards*

The PPS Advocacy Working Group has been tasked with developing the Service's Advocacy Strategy. Monitoring of advocacy standards is a key element in the strategy and plans have been put in place to address the need to have formal quality review systems. At present the performance of Public Prosecutors in the Magistrates' and Youth Courts is monitored and assessed by Senior Public Prosecutors. In the future this will be complemented by a new Advocacy Monitoring Team, comprising two experienced prosecutors. The Working Group has also examined potential arrangements to assess the advocacy standards of external counsel, and a new framework will be introduced in conjunction with the Bar Council.

### *Higher Court Advocacy*

Another important element within the Advocacy Strategy is the extended use of in-house prosecutors as advocates in Crown Court cases. Four Higher Court Advocates (HCAs) were appointed during 2012-13 and, subject to evaluation of the posts, it is anticipated that additional appointments will be made during 2013-14.

### *Panel Counsel Scheme*

In 2009 the PPS established a Panel Scheme for the instruction of external counsel. A refresh of the scheme has been taken forward, via an open competition, with new panels of junior and senior counsel appointed in November 2012.

## Strategic Priority 2:

### Building the confidence and trust of the community we serve

#### Services to Victims and Witnesses

##### *Victim and Witness Care Units*

Improving services and support is vital to building effective relationships between victims and witnesses, the PPS and the criminal justice system.

A key initiative in this area is the implementation of new Victim and Witness Care Units (VWCUs) which are being developed with police and other partners, including the Department of Justice and Victim Support. The purpose of the VWCU model is to improve the experience of victims and witnesses by, for example, providing a single point of contact and identifying particular needs at an early stage. The Management Board recognises the importance of the VWCU initiative in terms of engaging with this key stakeholder group.

An initial pilot was established in November 2012, covering the Magistrates', Youth and County Courts in Belfast. Pilot arrangements in the Belfast Crown Court were subsequently implemented in April 2013. An evaluation will be conducted to refine procedures, prior to consideration of the concept across Northern Ireland, in 2014.

##### *Victim and Witness Task Force*

The PPS is a member of the inter-agency Victim and Witness Taskforce (VWTF) and has contributed to the new five year 'Making a Difference' Strategy.

##### *Intermediaries Scheme*

Work was advanced during the year to plan for the introduction of a new special measure, Registered Intermediaries. The intermediaries will assist witnesses and defendants who have communication difficulties and who may otherwise be unable to give their best evidence.

##### *Witness Expenses*

PPS is responsible for the payment of expenses to prosecution witnesses arising from their attendance at court in respect of proceedings to which they have been summoned. The rates of witness expenses payable are equivalent to those paid by the Crown Prosecution Service in England and Wales.

Total PPS witness expenses for 2012-13 were £394k (£345k in 2011-12). The target set for the year, to have 95% of claims processed and authorised for payment within seven working days, was achieved.



A planned review of court witness expenses was deferred until 2013-14. This was to allow the PPS Finance Team to focus on the detailed preparatory work needed to join Account NI and to implement new arrangements for the payment of fees to external counsel (see below).

### **Revised Arrangements for the ‘Giving of Reasons’**

PPS policy has been developed so that in a number of specific case categories, detailed reasons for a decision not to prosecute are given to all victims and their families, irrespective of whether such a request has been made. The categories of cases include homicide, sexual offences, hate crime and those involving victims who are vulnerable on account of their age or mental or physical incapacity.

During the financial year the operation of these arrangements was reviewed by CJINI. An internal review has also been conducted by the PPS Quality Assurance Team and a pilot commenced whereby those victims, who do not at present receive detailed reasons, were invited to contact the PPS should they wish to obtain more information. This pilot sought to assess the level of demand for provision of more detailed reasons and to identify whether the arrangements for the Giving of Reasons should be:

- (i) extended to automatically give detailed reasons in all cases;
- (ii) extended to a wider range of offence types than set out in the current policy; or
- (iii) continued unamended.

Evaluation of the pilot has been completed and the findings are presently the subject of further discussion with CJINI.

### **Requests for Review**

Information concerning the process by which a review of a prosecutorial decision can be initiated is contained in the Code for Prosecutors. During 2012-13 there were 126 requests for review of a prosecution decision, nine of which resulted in the original decision being changed.

### **Complaints**

#### *Complaints Dealt with in 2012-13*

All complaints about the service delivered by the PPS (i.e. non-prosecutorial complaints) are monitored centrally and are used to identify areas for improvement in service delivery.

During the year, a total of 80 complaints were received by the PPS. The majority of complaints received (77) have been dealt with, of which 15 were upheld and 5 partially upheld.

#### *Independent Assessor of Complaints*

The role of the Independent Assessor of Complaints is to review a complaint where the complainant is not satisfied with the way in which the PPS has decided to deal with the matter.

The Independent Assessor, Mr Alasdair MacLaughlin, produced his eighth formal report on 31 March 2013, covering complaints received during the 2012 calendar year. The report is available via the PPS website.

## **Community Outreach**

The PPS Community Outreach Strategy for 2012-2014 published in July 2012 includes a number of key milestones which the Service will seek to achieve in order to deliver the objectives of the strategy.

Over the course of 2012–13 there was a series of outreach events and activities throughout Northern Ireland. These included:

- Meetings with victims and witnesses and victim and witness groups;
- Presentations to various groups within the CJSNI and to voluntary sector, community and minority groups such as NI Council for Ethnic Minorities, Domestic Violence Partnership and Women's Aid;
- Representation on many working groups both within the criminal justice system and outside agencies such as the Sexual Referral Centre Project Board, the Council for the Homeless and a cross border working group on the Mutual recognition of Penalty Points;
- Meetings with elected representatives such as MPs and MLAs;
- Presentations to prosecutors from other jurisdictions;
- Participation in Business in the Community initiatives such as the annual 'Hospice Shop Challenge' (in aid of Marie Curie) and redecorating a women's shelter;
- Participation in community events, such as MELA and Belfast Pride;
- Radio and television broadcasts and articles in newspapers and journals; and
- Facilitating visits by lawyers and students from the USA, Staffordshire and Leeds.

Between 1 April 2012 and 31 March 2013 a total of 396 outreach activities and events were recorded, involving a total staff contribution of approx 1,531 hours.

## **Public confidence: Northern Ireland Omnibus Survey**

In January 2013, the PPS commissioned questions for inclusion in the Northern Ireland Omnibus Survey, which is carried out by the Central Survey Unit of the Northern Ireland Statistics and Research Agency (NISRA). A total of seven questions were included in the survey to gauge public awareness of the PPS and its role. Just under seven-tenths (68%) of those who had heard of the PPS were very or fairly confident regarding the fairness and impartiality of the Service. This compared with 70% in 2012 and 67.5% in 2011. Confidence levels among Catholic and Protestant respondents in 2013 were at the same level (68%).



The results of the survey, which were published in April 2013, are being considered by the Management Board and will help to inform the development of PPS policy.

### **Disability Action Plan**

The Service's current Disability Action Plan (DAP) covers the three year period to 31 March 2014. The plan sets out a range of actions through which the PPS will seek to implement its disability duties in areas such as communication, partnership working and staff training. Issues addressed during the year included a review of the correspondence issued to victims and witnesses and publication of a guide to stakeholder consultation. However several matters, such as a planned review of special measures, were deferred until 2013-14. This was mainly due to the availability of resources.

### **PPS Equality Scheme**

A new PPS Equality Scheme, which sets out how the PPS proposes to fulfil its obligations under s.75 of the Northern Ireland Act 1998, was approved by the Equality Commission on 28 March 2012. The Service has also published a detailed equality action plan covering the period to the end of the 2013-14 financial year. Key objectives achieved during 2012-13 included the launch of the Victim and Witness Care Unit Pilot. Any outstanding issues, such as the provision of training for PPS staff in respect of mental health, will be addressed during 2013-14.

The Annual Progress Report on section 75 of the NI Act 1998 and Section 49A of the Disability Discrimination Order (DDO) 2006 was sent to the Equality Commission in September 2012.

## **Strategic Priority 3: Strengthening our capability to deliver**

### **Financial Management**

#### *Savings Delivery Planning*

The Budget 2010 settlement, covering the period 1 April 2010 - 31 March 2015, reduces PPS current expenditure year on year, resulting in an 8.4% reduction by year 4 of the Budget 2010 period. Taking into account estimated inflationary increases of between 2% and 2.5% per annum the PPS budget will experience a reduction in real terms of 18% by the fourth year.

This represents a challenging settlement which has required the PPS to review its expenditure and operational processes. The nature of the services provided means that remaining within budget is not solely within the control of the PPS. The necessary costs arising from the delivery of prosecution services are demand-led and, to that extent, difficult to forecast. It had been assumed for

planning purposes that there would not be an increase in the levels of crime which impact most significantly on costs such as serious organised crime and terrorist cases. Casework volumes have changed quite dramatically, with a decrease in more routine summary cases and an increase in more complex indictable cases. Such trends in the casework profile have increased the pressures on the organisation to deliver within a tightening budget.

The PPS published its final Savings Delivery Plan in February 2012 and performance against target is monitored on a bi-annual basis by the Department of Finance and Personnel. The bulk of the savings over the Budget period will be delivered through procurement savings, including savings derived from the general procurement of goods and services, the use of external counsel and the introduction of a new fee scheme for the remuneration of counsel. The remaining savings are forecast from a review of Senior Civil Service posts within the PPS and from revisions to the PPS estate.

The financial performance of the PPS during 2012-13 is outlined later in this report (see 'Financial Performance during 2012-13', page 34).

#### *Incentivisation*

The PPS is an approved recipient of incentivisation receipts under the Department of Justice's Asset Recovery Incentivisation Scheme and as such is eligible for 22.5% of funds recovered from confiscations secured on conviction under the Proceeds of Crime Act 2002. Incentivisation receipts totalled £304k in 2009-10, £635k in 2010-11, £613k in 2011-12 and £245k in 2012-13.

The realisation of cash has become increasingly difficult in the current economic environment and therefore these funds are not easy to forecast. In 2012-13 the majority of the funds were attributable to March 2013 and were received after year end. However as they are not subject to End of Year Flexibility the PPS has had to surrender these to HM Treasury.

#### *Account NI*

The purpose of Account NI is to provide an integrated Resource Accounting and Budgeting System for all NICS Departments. PPS joined Account NI on 2 July 2012. While the project was resource intensive, implementation was achieved successfully and to the agreed schedule.

Further work continues in developing financial reporting from the system and in preparing for the technical refresh of the system during July 2013.



### *Payment of Counsel Fees*

The PPS introduced a new fees payment scheme for external counsel on 5 November 2012. The new scheme broadly aligns PPS fees with the Northern Ireland Courts and Tribunals Service (NICTS) rates paid to the defence, and has brought with it the benefits of clearly evidenced value for money and greater predictability for this demand-led area of spend.

Implementation of the scheme was accompanied by comprehensive guidance which sets out the arrangements for the remuneration of external counsel and covers cases heard in the Magistrates' and Youth Courts, Appeals to the County Court, cases committed to the Crown Court, High Court bail applications, Court of Appeal cases, restraint and confiscation hearings, pre-committal preparation and opinions.

In the medium term it is intended that both defence and prosecution rates should align with those paid in England and Wales. Under the new Prosecution Fee Scheme the PPS has introduced rates payable in the Magistrates' and Youth Courts which are similar to England and Wales. This has led to the withdrawal of services from these courts by members of the Northern Ireland Bar and PPS has implemented measures to ensure that all sittings are covered.

The defence remuneration scheme is due to be reviewed during 2013-14 and over the coming months there will be further discussions between PPS, NICTS and DoJ officials to ensure the schemes progress in tandem to deliver fair remuneration to external counsel, while delivering the required savings in overall costs.

### *Payment of Suppliers*

PPS is committed to the government prompt payment initiative which sets out a target for Northern Ireland Departments to pay suppliers within 10 working days of receipt of approved invoices. PPS payment processing is now carried out by Account NI.

For the year ended March 2013, PPS paid 82% of invoices within 10 working days. PPS performance against the government target has steadily improved over 2012-13 and reached 91% for the month of March 2013. Performance is expected to reach 95% during 2013-14 as new processes bed in across the Service.

## **Corporate Governance**

### *Review of the PPS Senior Management Structure*

The Director commissioned an independent review of the PPS senior management structure which commenced in the summer of 2012. The purpose of the review was to ensure that management structures met the needs of the Service as a non-ministerial department and that all senior civil service posts continued to represent value for money.

The review was completed in March 2013 and all senior posts have been subject to review by a 'JESP' (Job Evaluation for Senior Posts) Panel, in accordance with NICS guidance. A recruitment exercise has now commenced to fill all vacant posts.

#### *Relationship with the Attorney General*

The Department of Justice has carried out a consultation on behalf of the Northern Ireland Executive, on the future governance of the Public Prosecution Service and in particular the nature of the relationship between the PPS and the Attorney General for Northern Ireland. The Director, who responded in detail to the consultation, is committed to ensuring that future relationships with the Attorney General, Ministers and the Assembly are as constructive and helpful as possible.

It is anticipated that the outcome of the consultation exercise will be released later in 2013.

### **Security Policy Framework**

#### *Information Assurance*

The PPS is committed to improving its information assurance capability and ensuring that arrangements are driven by the Cabinet Office Security Policy Framework (SPF), the Data Protection Act and issues identified in PPS Information Risk Registers.

An overarching Information Assurance and Risk Policy is in place that links all the PPS's information assurance policies and procedures and sets out the governance structure. During 2012-13 all relevant policies and procedures have been reviewed to ensure compliance with the SPF.

#### *Business Resilience*

The resilience capability of the PPS has been significantly enhanced with the completion of important work in respect of the Causeway Data Sharing Mechanism. A series of exercises were conducted during 2012-13 to test this resilience at key points.

### **Sustainable Development**

The PPS continued to deliver on the commitments in its Sustainable Development Action Plan. During 2012-13 further energy usage assessments were carried out in respect of all PPS buildings. This provided the information which is contained in the Display Energy Certificates (DECs) which are displayed in each building in line with the regulatory requirements.

As part of the 'green housekeeping' agenda the PPS continues to promote and encourage recycling in all offices and this has seen an increase in the volume of waste products which are now recycled. The Service has also promoted travel planning amongst

staff by circulating all offices with information on car sharing and also on 'park and ride' facilities available across Northern Ireland.

PPS Property Management adheres to Sustainable Development in Public Sector Procurement.

### Information and Communications Technology (ICT)

During the financial year, there has been ongoing investment in ICT systems, including the Case Management System (CMS), which supports the PPS's business processes and the enhancement of key elements of the ICT infrastructure.

## Strategic Priority 4:

### Building the capability of our people

#### Staffing Levels and Recruitment

As at 31 March 2013, there were 563 staff employed within the PPS, including 11 temporary staff. This compares with a total staff complement of 572 at the end of 2011-12 financial year. The 'whole time equivalent' figure at 31 March 2013 was 538.7. The agreed complement of the Service is 590. The table below provides a breakdown of staff by grade.

#### PPS Staff Complement by Grade\*

Substantive Grade**	Position at:	
	31/3/12	31/3/13
Senior Assistant Director / Assistant Director	7	6
Senior Public Prosecutor and equivalent grades (6/7)	62	71
Public Prosecutor and equivalent grades (Deputy Principal)	128	122
Staff Officer	28	28
EOI / EOII	102	100
Administrative Officer / Administrative Assistant	245	236
<b>Total</b>	<b>572</b>	<b>563</b>

\* Excludes Director and Deputy Director. \*\* Excludes temporary promotions.

The PPS's 2012-13 recruitment programme involved the use of external recruitment and elective transfers. A total of 32 persons have been recruited during the year. A total of 41 staff left the PPS during 2012-13 as a result of elective transfers, promotion, retirement and temporary contracts coming to an end.

### **Managing Attendance**

The PPS manages sickness absence in line with NICS Sickness Absence Policies. Departmental HR also carried out a review of internal sickness absence procedures during 2012-13 and issued detailed guidance to staff on their roles and responsibilities within this area. All line managers are also attending mandatory training in managing sickness absence.

The Minister for Finance and Personnel has set sickness absence targets for all NICS Departments covering the period 2010 to 2015. The PPS target for 2012-13 was 8.1 working days lost per whole time equivalent member of staff. The outcome for the year (based on estimated NICS data) was an average of 10.2 days lost per member of staff.

### **Training and Development**

#### *Corporate Training Priorities*

The development of the 2012-13 corporate training plan was built around training needs identified via the PPS business planning process.

During the year the Departmental HR has worked with the Centre for Applied Learning (CAL) in the delivery of generic NICS training. For 2012-13 the PPS moved from a 'pay-as-you-go' to a 'one off - up front' payment system with CAL, in line with other NICS Departments.

### **Investors in People**

The PPS recognises the Investors in People (IIP) standard as a benchmark for the quality of its people management and training and development. IIP re-accreditation was achieved in August 2012. The assessment report included a number of recommendations for continuous improvement which are being developed as part of an action plan.

### **Health and Safety**

PPS is committed to adhering to the Health and Safety at Work (NI) Order 1978 and all subordinate legislation to ensure that staff and service users enjoy the benefits of a safe environment. Throughout the year a range of health and safety assessments were carried out, not only on an individual level, but in relation to buildings and various facets of the work within the PPS. The Health and Safety Executive for Northern Ireland (HSENI) carried out inspections of all PPS premises during 2012. A full programme of



inspections was also carried out on PPS accommodation in the regional courthouses.

A number of minor accidents were investigated over the course of the year with assistance and advice from the Departmental Solicitor's Office.

During 2012-13 HSENI carried out a Stress at Work Survey within the PPS. A working group has been established by the People and Resources Sub-Committee to consider the findings and recommendations and ensure that priority issues are addressed as a matter of urgency.

## **Internal Communication**

### *Staff Roadshows*

A number of roadshows were held across the PPS regional offices during 2012-13. The roadshows, led by members of the PPS senior management team, covered a wide range of corporate issues including performance management, panel counsel, counsel fees, Higher Court Advocates and the Victim and Witness Care Unit Pilot.

### *Staff Brief*

The PPS Staff Brief, launched in June 2011, is published every two months and used as the basis for team meetings throughout the PPS. Staff also have an opportunity to raise issues for inclusion in the Brief and to provide feedback.

## **Business Improvement Team**

During the year a number of efficiency and effectiveness reviews have been carried out by the PPS Business Improvement Team. Reviews conducted have included the Belfast Crown Room, where the team has worked closely with the NICTS to identify new listing arrangements and to align working practices in order to ease the transition of cases through the Crown Courts. These new arrangements have been implemented with the approval of the Lord Chief Justice and have led to substantial improvements in administrative arrangements.

In addition, reviews have been completed in a number of Headquarter functions. The Team has also contributed to the development of processes for the new Victim and Witness Care Unit Pilot.

## **Working within the NICS**

As a non-ministerial department, PPS is fully engaged with the NICS on HR matters and is represented on a range of committees and working groups. The Senior Assistant Director for Finance and Resources is a member of the HR Directors' Group and the Finance Directors' Group which comprise senior officials from across the NI Departments.

# Financial Performance during 2012-13

## Statement of Parliamentary Supply

As a Non Ministerial Department the PPS is financed directly from the Northern Ireland Consolidated Fund through the supply process operated by the Department of Finance and Personnel.

Each year the PPS is given approval for its expenditure when the NI Assembly votes the Main Supply Estimates. As set out in the Statement of Assembly Supply, the Department was voted a Resource Estimate Provision of £36,235k for 2012-13 (£38,923k, 2011-12).

The PPS outturn of £35,442k shown in the Statement of Assembly Supply reflects the achievement of its operational objectives and an effective financial management performance for the year. This is a saving of £793k against Estimate. £104k of this variance derived from savings in pay costs. The remaining £689k related to savings across a range of non staff costs including counsel fees, accommodation running costs and general overheads. A substantial proportion of these savings have arisen from the demand led nature of the service and the decreased number of sizeable cases conducted in 2012-13 as against the previous year.

The reconciliation of resources to net cash requirement (note 4) highlights a saving of £284k. The main reasons are a saving in the PPS resource outturn of £793k, along with an increase in working capital required of £706k resulting from a reduction in payables.

## Statement of Comprehensive Net Expenditure

The Statement of Comprehensive Net Expenditure represents the total net administration and programme resources consumed. The net operating costs during 2012-13 were £35,442k (2011-12, £35,976k) as follows:

Staff Costs	£20,926k	(2011-12 £21,735k)
Other Administration Costs	£338k	(2011-12 £321k)
Other Programme Costs	£14,536k	(2011-12 £14,736k)
Income	£358k	(2011-12 £816k)

Where relevant the PPS complies with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance and adheres to the guidelines on fees and charges contained within Managing Public Money NI.

## Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

	2012-13 £k	2011-12 £k
<b>Net Resource Outturn (Estimates)</b>	<b>36,235</b>	<b>38,923</b>
Adjustments:		
Non Voted Expenditure in the resource account		
IFRS Adjustments		
Include Consolidated Fund Extra Receipts in the Operating Cost Statement		
Other Adjustments	(793)	(2,947)
<b>Net Operating Costs (Accounts)</b>	<b>35,442</b>	<b>35,976</b>
Adjustments:		
Voted Expenditure outside budget	(52)	(41)
Remove Consolidated Fund Extra Receipts in the Operating Cost Statement		
IFRS Adjustments		
Other Adjustments		
<b>Resource Budget Outturn (Budget)</b>	<b>35,390</b>	<b>35,935</b>
of which:		
Departmental Expenditure Limits (DEL)	35,220	35,746
Annually Managed Expenditure (AME)	170	189

### Statement of Financial Position

The Department was in a net equity position of £1.9m at 31 March 2013 (£0.2m, 2011-12). Total assets comprised property, plant and equipment, intangibles, trade receivables and cash of £11.3m (£14.9m 2011-12). The Department had net liabilities and provisions of £9.3m (£14.7m 2011-12).

During the year investments were made in fixed assets of £379k as set out in notes 13 and 14.

### Contingent Liabilities requiring Disclosure

Note 23 details contingent liabilities disclosed.

The Department has no further contingent liabilities required to be disclosed under Assembly Reporting Requirements.

### Future Developments

The main factor influencing the future financial performance of the PPS will be the need to operate within the Budget 2010 settlement which reduces the PPS resource budget by 8.4% by 2014-15, the fourth year of the settlement period. The PPS has prepared a Savings Delivery Plan to enable it to achieve this aim and this is available from the website at [www.ppsni.gov.uk](http://www.ppsni.gov.uk).

# Remuneration Report

## 1. Scope of Responsibility

The salaries of the Director and Deputy Director are set in line with the Judicial Appointments Scale as determined by the Department of Finance and Personnel.

The Non Executive Directors are remunerated on the basis of a per diem rate. This was uplifted by 1% from 1 April 2012 to £505 per day and again by a further 1% on 1 August 2013 to £510 per day (2011-12 per diem rate of £500). Both uplifts are in line with the recommendations of the Senior Salary Review body. In addition they are entitled to travel and subsistence expenses at NICS rates incurred while on departmental business.

The Non Executive Directors' remuneration is paid through the Public Prosecution Service payroll and Employers' National Insurance and PAYE accounted for at source.

## 2. Remuneration Policy

The Public Prosecution Service became a Non Ministerial Department at the point of devolution on 12 April 2010. The majority of PPS staff underwent assimilation to NICS terms and conditions with a small minority choosing to remain under the same conditions applicable to the Northern Ireland Office.

The remuneration of Senior Civil Servants (SCS) is set by the Minister for Finance and Personnel. The Minister approved a restructured SCS pay settlement broadly in line with the Senior Salaries Review Board report which he commissioned in 2010. The commitment to a Pay and Grading Review for SCS was the second phase of the equal pay settlement approved by the Executive.

## 3. Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

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

Further information about the work of the Civil Service Commissioners can be found at [www.nicscommissioners.org](http://www.nicscommissioners.org).

There has been some change to the PPS Senior Management team within the 2012-13 period. Ms Pamela Atchison, formerly Senior Assistant Director, was appointed as Deputy Director by the Attorney General on 2 April 2012, following the retirement of the previous Deputy Director, James Scholes, on 29 March 2012. For ease of disclosure her salary and pension have been treated as if her appointment was from 1 April 2012.

Consultants from the Department of Finance and Personnel conducted a review of the PPS senior civil service structure during the period. The recommendations of the review will be implemented during 2013-14 and all vacant posts appointed through open competition.

Awaiting the outcome of the review, the two posts at Senior Assistant Director (SAD) level have been filled by temporary appointments made by the Director and Acting Director. The PPS is currently undertaking recruitment for these posts and formal appointments will be made during 2013-14.

Mr Ian Hearst held the post of Acting Senior Assistant Director for Finance and Resources throughout the year.

The post of Acting Senior Assistant Director for Regional Prosecutions was covered by Mr Stephen Burnside from 1 April 2012 until 31 August 2012 and by Mr Ronnie McCarey from 17 September 2012 until 31 March 2013.

These temporary appointments are due to cease, unless further extended, on 30 June 2013. On cessation the individuals would automatically revert to their substantive grades.

### **Salary and Pension Entitlements**

The following sections provide details of the remuneration and pension interests of the senior management of the department.

Only those in post during the period need to be included in the 2011-12 comparative figures.

## Remuneration (audited information)

	2012-13			2011-12		
	Salary (£'000)	Bonuses (£'000)	Benefits in Kind (£100)	Salary (£100)	Bonuses (£'000)	Benefits in Kind (£100)
<b>Statutory Appointments</b>						
<b>Mr Barra McGrory QC</b> <i>Director of Public Prosecutions</i>	170-175	-	-	65-70 (170-175 full year equivalent)	-	-
<b>Pamela Atchison</b> <i>Deputy Director of Public Prosecutions - appointed 2 April 2012</i>	135-140	-	-	-	-	-
<b>Officials</b>						
<b>Pamela Atchison</b> <i>Senior Assistant Director of Central Prosecutions - ceased 1 April 2012</i>	-	-	-	85-90	-	-
<b>Ian Hearst</b> <i>Acting Senior Assistant Director of Finance and Resources</i>	80-85	-	-	80-85	-	-
<b>Stephen Burnside</b> <i>Acting Senior Assistant Director of Regional Prosecutions - ceased 31 August 2012</i>	30-35 (80-85 full year equivalent)	-	-	80-85	-	-
<b>Ronnie McCarey</b> <i>Acting Senior Assistant Director of Regional Prosecutions - commenced 17 September 2012</i>	40-45 (80-85 full year equivalent)	-	-	-	-	-
<b>Non Executive Directors</b>						
<b>Christopher Welford</b>	10-15	-	-	5-10	-	-
<b>David Hughes Hallett</b>	10-15	-	-	5-10	-	-
<b>Band of Highest Paid Director's Total Remuneration</b>	170-175	-	-	170-175	-	-
<b>Median Total Remuneration</b>	25,850	-	-	23,536	-	-
<b>Ratio</b>	6.7	-	-	7.3	-	-

## Salary

Salary includes gross salary; overtime; reserved rights to London weightings or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation and any gratia payments.

## Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. The PPS does not provide any benefits in kind to staff.

## Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2012-13 relate to performance in 2012-13 and the comparative bonuses reported for 2011-12 relate to the performance in 2011-12.

## Pay Multiples

The Public Prosecution Service, in line with all government bodies, is required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded annualised remuneration of the highest-paid director in PPS in the financial year 2012-13 was £170-175k (2011-12, £170-175k). This was 6.7 times (2011-12, 7.3) the median remuneration of the workforce, which was £25,850 (2011-12, £23,536).

The size and composition of the workforce has remained materially consistent between year ends. During 2012-13 the remuneration of the highest paid Director remained fixed while all non senior civil service staff were in receipt of a scale point salary increase. This accounted for the variation in the ratio of pay multiples between comparative years.

Total remuneration for this purpose includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

## **Pension Benefits**

### **Broadly By Analogy Pension Scheme**

The former Directors and Deputy Directors of Public Prosecutions were members of the Broadly By Analogy (BBA) Pension Scheme of public appointments within the Northern Ireland Office Departmental Boundary. On devolution their benefits were retained with this scheme.

The BBA pension arrangements entitle the recipient to benefits similar to the Classic Scheme in the Principal Civil Service Pension Scheme (Northern Ireland). The scheme has now been closed to new entrants however the scheme still exists in respect of two former PPS Deputy Directors who are drawing their pensions. The details of movements within the scheme, in respect of PPS, are covered under Note 21.1.

### **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 CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. This is nil for the BBA due to the fact that there are no members in service and hence in receipt of employer contributions.

The newly appointed Director of Public Prosecutions and the temporary Senior Assistant Director for Finance and Resources are members of the nuvos pension scheme. All other senior managers of the PPS are members of the classic scheme.



## Pension Entitlements (audited information)

	Accrued pension at age 60 as at 31/3/13	Related lump sum at age 60 as at 31/3/13	Real increase in pension at age 60	Real increase in related lump sum at age 60	CETV at 31/3/13	CETV at 31/3/12*	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Statutory Appointments</b>							
<b>Barra McGroary QC</b> <i>Director of Public Prosecutions</i>	5-10	-	2.5-5	-	69	19	39
<b>Pamela Atchison</b> <i>Deputy Director of Public Prosecutions - appointed 2 April 2012</i>	50-55	155-160	20-22.5	60-62.5	1,183	713	461
<b>Officials</b>							
<b>Ian Hearst</b> <i>Acting Senior Assistant Director of Finance and Resources</i>	10-15	-	0-2.5	-	118	89	17
<b>Stephen Burnside</b> <i>Acting Senior Assistant Director of Regional Prosecutions - ceased 31 August 2012</i>	20-25	65-70	0-2.5	0-2.5	408	385	7
<b>Ronnie McCarey</b> <i>Acting Senior Assistant Director of Regional Prosecutions - commenced 17 September 2012</i>	40-45	120-125	0-2.5	5-7.5	878	835	47

\* The change in the actuarial factors used to calculate the CETV was not applied for the completion of the 2011-12 accounts. Instead this has been reflected in 2012-13. The opening CETV at 31 March 2012 therefore will not be the same as the corresponding closing figure shown in last year's report (2011-12).

### Northern Ireland Civil Service (NICS) Pension Arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 pensions payable under classic, premium and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the nuvos arrangement or they can opt for a partnership pension account. Nuvos is a 'Career Average Revalued

Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI. For 2013, public service pensions will be increased by 2.2% with effect from 8 April 2013. Employee contributions are determined by the level of pensionable earnings. The current rates are as follows:

Members of classic:

Annual pensionable earnings (full-time equivalent basis)	New 2013 contribution rate before tax relief
Up to £15,000	1.50%
£15,001-£21,000	2.70%
£21,001-£30,000	3.88%
£30,001-£50,000	4.67%
£50,001-£60,000	5.46%
Over £60,000	6.25%

Members of premium, nuvos and classic plus:

Annual pensionable earnings (full-time equivalent basis)	New 2013 contribution rate before tax relief
Up to £15,000	3.50%
£15,001-£21,000	4.70%
£21,001-£30,000	5.88%
£30,001-£50,000	6.67%
£50,001-£60,000	7.46%
Over £60,000	8.25%

Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. 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 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of classic, premium, and classic plus and 65 for members of nuvos. Further details about the CSP arrangements can be found at the website [www.dfpni.gov.uk/civilservicepensions-ni](http://www.dfpni.gov.uk/civilservicepensions-ni).

### **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 CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### **Compensation for loss of office**

The PPS did not have any payments made under compensation for loss of office in 2012-13 (2011-12 Nil).



**Barra McGrory QC**  
Accounting Officer  
21 June 2013



# Part 2: Resource Accounts

# Statement of Accounting Officer's Responsibilities

## For the Year Ended 31 March 2013

Under the Government Resources and Accounts (Northern Ireland) Act 2001 the Department of Finance and Personnel has directed the Public Prosecution Service for Northern Ireland (PPS) to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Service during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the PPS, and of the net resource outturn, the application of resources, changes in taxpayers' equity 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 Department of Finance and Personnel, 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 accounts; and
- Prepare the accounts on a going concern basis.

The Department of Finance and Personnel has appointed the Director of Public Prosecutions as Accounting Officer of the PPS. 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 PPS assets, are set out in Managing Public Money NI issued by the Department of Finance and Personnel.

# Governance Statement

1. Introduction
2. The Purpose of the Governance Framework
3. The PPS Management Board
4. Committees of the Board
5. Risk Management
6. Effectiveness of the PPS Governance Framework
7. Information Security
8. Criminal Justice Inspection
9. DoJ Consultation: Governance and Accountability of the PPS
10. Internal Audit
11. External Audit
12. Significant Internal Control Issues
13. Declaration

## 1. Introduction

The Public Prosecution Service (PPS) was established on 13 June 2005 by the Justice (Northern Ireland) Act 2002 ('the 2002 Act'). The Act creates the Public Prosecution Service and defines its statutory duties and commitments and the legislative framework within which it provides its services.

The Director of Public Prosecutions is the Accounting Officer for the Service. As Accounting Officer, the Director is responsible for maintaining a sound system of internal control that supports the achievement of the PPS's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which he is personally responsible.

This Statement sets out how these responsibilities have been carried out during the course of the year.

## 2. The Purpose of the Governance Framework

The Service's governance framework is designed to drive performance and to promote efficiency and effectiveness in the delivery of our services. It comprises the systems and processes,

culture and values by which the PPS is directed and controlled. It enables the Service to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and cost effective services to the public as part of the wider criminal justice system in Northern Ireland.

The governance framework is based on an ongoing process designed to identify and prioritise the risks to the achievement of PPS policies, aims and objectives; to evaluate the likelihood of those risks being realised; the impact should they be realised; and to manage them efficiently, effectively and economically. It is designed to manage risk to a reasonable level rather than to eliminate all risk of failure and can therefore only provide reasonable and not absolute assurance of effectiveness.

### 3. The PPS Management Board

The Management Board supports the Director in his leadership of the PPS and in reaching decisions on its strategic direction. The Board's objectives are to: ensure the Service achieves its strategic vision and aim; ensure accountability for the Service's performance; and provide assurances that the PPS is managed effectively.

Members of the Management Board and individual's attendance at Board meetings in 2012-13 were as follows:

Board Memeber /Title	Attendance (Out of eight meetings)	Notes
<b>Barra McGrory QC</b> Director (Chair of Management Board)	7	
<b>Pamela Atchison</b> Deputy Director	7	<i>Appointed from 2 April 2012.</i>
<b>Ian Hearst</b> Senior Assistant Director (SAD) for Finance and Resources	8	<i>Temporary appointment as SAD from 12 April 2010.</i>
<b>Stephen Burnside</b> SAD for Regional Prosecutions	2	<i>Temporary appointment as SAD from 23 August 2010 - 31 August 2012.</i>
<b>Ronnie McCarey</b> SAD for Regional Prosecutions	5	<i>Temporary appointment as SAD from 17 September 2012.</i>
<b>Christopher Welford</b> Independent Board Member	8	
<b>David Hughes Hallett</b> Independent Board Member	8	

As set out above, a number of positions on the Board at SAD level were filled by temporary appointments by the Director. Several posts at Assistant Director (AD) level were also filled by way of temporary promotion during the year. These appointments were made pending completion of a review of all senior civil service posts within the PPS, undertaken by DFP's Business Consultancy Service (BCS). The final recommendation of the review team was that a senior structure of two SAD posts and eight AD posts was appropriate to the business needs of the PPS. A JESP Panel, convened in January 2013, confirmed the grading of the SAD posts as SCS Grade 3 and the AD posts as SCS Grade 5. A recruitment exercise commenced in April 2013 in order to fill all posts on a permanent basis.

All members of the Management Board are required to disclose significant interests or anything which may conflict with their responsibilities as Board members. A register of interests is maintained by the Board Secretariat. No specific actions were required at Board level in 2012-13 due to a declaration of interest.

#### *Corporate Planning*

On an annual basis the Board members meet to discuss in depth the corporate business plan for the Service for the year ahead. This is an opportunity to agree strategic priorities and objectives and to ensure that these are aligned with the available funding. At their meeting in January 2013, the Board were pleased to confirm the successful implementation of the Service's Savings Delivery Plans to date. Whilst the baseline position of the PPS is still under-funded, the Board noted the assurances of DFP to meet these needs as they arise in-year, with their further commitment to reconsider the position under the next Spending Review.

In addition the Board identified the following as key issues for the organisation:

- The Board should ensure that there are effective change management arrangements in place across the Service. This will be taken forward, via the development of a change management strategy and programme which will specify responsibilities for programme and project management within the Service. Following the senior management review, the non-legal SAD role has been redesigned to include responsibility for change matters. The 'SAD for Resources and Change' will now be responsible for establishing and managing the governance and reporting arrangements for the change programme agreed by the Management Board.
- There is a need to improve PPS engagement with the public and to enhance external communication more generally. This issue has been identified by the Board as a corporate risk for the PPS. In response, BCS was commissioned to carry out a review of the PPS Media and Communications function, to include staffing and structures, as well as the PPS approach to communication. The review was completed in June 2013 and the recommendations are being considered by the Board.

- The Service must review its performance management arrangements, both at a strategic and an operational level. These issues are being considered by the Performance Sub-Committee and an action plan will be agreed by the end of May 2013.

### *Board Evaluation*

The Board undertakes an annual evaluation of its performance. The most recent evaluation was conducted in January 2013 and was structured around six key themes, including: Board size and structure; leadership; decision-making; performance monitoring and financial management; risk management and governance; and delegation and communication.

All members were satisfied with the overall compliance of the Board in each of these areas, including:

- The frequency of meetings;
- The membership of the Board;
- The organisation of agendas; and
- The quality and frequency of the financial, performance and other management information provided to members.

However a number of specific issues were raised, as follows:

- There is need to improve management capacity and capability within the organisation at a senior level. There is also a need to improve Board induction training, both for executive and non-executive members. As a starting point, the Board will ensure that all existing and newly appointed SCS staff participate in management and governance training currently offered by the Department of Finance and Personnel. The induction training will also be reviewed during 2013-14. In future consideration will be given to more regular rotation of Assistant Directors (SCS Grade 5) to ensure that there is an opportunity to gain experience in a range of operational and headquarters areas.
- There is a need to review arrangements for the assessment of individual Board members' performance. Revised arrangements have now been implemented, whereby the Director will meet formally with all Board members on a one to one basis at half-yearly intervals. Meetings will also provide members with an opportunity to feed back issues to the Director as Chair of the Board.
- A more robust approach is needed to the recording and monitoring of actions identified by the Board in order to ensure that actions are expedited and that members are clear as to the steps that have been taken. A new monitoring framework was introduced in April 2013 and will be reviewed later in the year.

Where appropriate, the PPS governance framework aligns with the key principles set out in the Cabinet Office's Code of Corporate Governance. The Management Board has approved a corporate governance framework document which provides detailed information on the system of direction and control within the PPS.

#### 4. Committees of the Board

##### *Audit and Risk Committee*

The Management Board is assisted by the Audit and Risk Committee (ARC). During 2012-13 the ARC consisted of three independent non-executive members, Christopher Welford (Chair), David Hughes Hallett and Marian Killen. Christopher Welford and David Hughes Hallett also sit on the Management Board.

The ARC functions in accordance with best practice contained in HM Treasury's Audit Committee Handbook and Corporate Governance Code of Good Practice. It operates under agreed terms of reference which are reviewed annually. Meetings are attended by representatives of the Northern Ireland Audit Office and by the Head of Internal Audit. The remit of the ARC is to provide assurances to the Director that governance arrangements within the Service, including the management of risk, are operating effectively.

During the financial year, the ARC met on four occasions and dealt with a wide range of issues relating to internal control, risk management, governance and accountability. These included the consideration of:

- Risks reported by way of the corporate risk register;
- Corporate reputational risk;
- The quarterly statements of assurance;
- Internal audit work plans and reports;
- Information assurance; and
- The annual report and resource accounts for 2011-12.

During the year the ARC received regular updates from the Head of Internal Audit. The Committee also examined progress against previous audit reports and were satisfied that recommendations were being adequately addressed.

##### *Board Sub-Committees*

The Board has four sub-committees, which play key roles in the governance of the PPS. All sub-committees are chaired by a Management Board member and have clear terms of reference, covering the scope of any decision making and the reporting requirements for the Board. These are as follows:

- The Senior Management Group (SMG), comprising the Deputy Director (as Chair) and the Senior Assistant Directors, meets on

a monthly basis. SMG's purpose is to ensure there is (i) effective co-ordination and decision-making across the full range of PPS operational and policy issues and (ii) effective communication between the Management Board, the PPS senior management team and all Board Sub-Committees. The SMG met on ten occasions during 2012-13.

- The People and Resources Sub-Committee, chaired by the SAD for Finance and Resources, considers the key financial and resource issues impacting on the Service. The Sub-Committee met on eight occasions during 2012-13.
- The Policy and Quality Sub-Committee, chaired by the Deputy Director, is responsible for considering the key legal policy issues impacting on the PPS. The Sub-Committee met on three occasions during 2012-13.
- The Performance Sub-Committee, chaired by the Deputy Director, supports the Board in meeting key organisational performance standards and targets. The Sub-Committee was reconstituted in September 2012 to provide greater focus on corporate performance issues, particularly in respect of the Service's indictable casework, and the various changes have been reflected in amended terms of reference for the Sub-Committee. The Sub-Committee met on a total of seven occasions during 2012-13 (five of which were post September 2012).

## **5. Risk Management**

The PPS risk management policy sets out the framework for the management of risk and promotes a consistent approach across the Service. The Director, supported by the PPS Management Board, has overall responsibility for ensuring that an effective risk management process is established and maintained and is responsible for agreeing the Service's Risk Management Framework and defining its risk appetite.

The Senior Management Group undertakes regular and detailed oversight of the key corporate risks and the Service's risk management capability. Regional Prosecutors and Assistant Directors (SCS Grade 5) and Corporate Services Business Heads are responsible for maintaining effective risk management arrangements within their own areas. The quarterly statements of assurance include an assessment of local risk management practice against the PPS risk management policy.

*Corporate Risk Profile*

The Corporate Risk Register is aligned with the four strategic priorities of the PPS. The key risk areas identified during 2012-13 were as follows:

Strategic Priority	Risk Area
<b>Efficiency and effectiveness</b>	<ul style="list-style-type: none"> <li>• Tackling delay in indictable cases.</li> <li>• Assurances provided via the legal quality assurance framework.</li> </ul>
<b>Public confidence</b>	<ul style="list-style-type: none"> <li>• The delivery of services to victims and witnesses.</li> <li>• Communication with stakeholders and the public.</li> </ul>
<b>Capability to deliver</b>	<ul style="list-style-type: none"> <li>• The management of change.</li> <li>• Uncertainty regarding future funding.</li> <li>• Future PPS accountability arrangements.</li> <li>• Our ability to deliver on commitments under the Security Policy Framework.</li> <li>• Pressures on the Departmental HR function.</li> </ul>
<b>People</b>	<ul style="list-style-type: none"> <li>• Effectiveness of the performance management framework.</li> <li>• The inexperience of new and temporary staff.</li> </ul>

One risk was added during the year (in respect of the inexperience of new staff). This was in response to the number of new legal staff recruited, including temporary appointments, as well as the use of temporary promotion to fill senior posts.

One risk was 'closed' during the year which related to pressures on the PPS Departmental HR function. Following the successful completion of a number of major exercises, including the procurement of Panel Counsel, the Board considered that this issue was no longer likely to impact on the Service's ability to meet its objectives.

All risks set out at corporate level are owned by members of the Management Board.

The risk management framework is complemented by a range of other control measures:

- An Incident Management Plan and a Business Continuity Plan.
- An Anti-Fraud Policy and Fraud Response Plan. A number of revisions were made to the policy during 2012-13, for example to clarify lines of reporting and escalation. These changes were approved by the Management Board in March 2013. No incidents of fraud were reported during the year.
- The Service updates financial policy as required and makes staff aware of their changing obligations.

- More detailed Business Case guidance was issued in March 2013, complemented by the training of key staff to improve the quality of business cases.
- A register of gifts and hospitality and a register of interests are maintained covering all senior staff.

## **6. Effectiveness of the PPS Governance Framework**

As Accounting Officer, I have reviewed the effectiveness of governance and control systems within the PPS. My review has been informed by the work of the internal auditors and the executive managers within the PPS, who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their management letter and other reports.

I have also been advised by the Management Board and the Audit and Risk Committee and am assured that there are plans to address any weaknesses and ensure continuous improvement of the controls currently in place.

Assurances as to the adequacy of the governance, management and controls have been provided by:

### **Independent Parties**

- The ARC, through feedback by its Chair at Management Board meetings and by review of the Committee's minutes and Annual Report.
- The Head of Internal Audit who has provided an independent opinion on the adequacy and effectiveness of the Service's system of internal control, and an opinion on significant control issues. Details of the audits completed during the financial year are set out below (see section 10).
- Criminal Justice Inspection Northern Ireland who provide an independent review of business efficiency and effectiveness. During 2012-13 the Chief Inspector has undertaken a programme of thematic reviews to promote good practice and has published a number of inspection reports (see section 8).
- DFP, covering the shared services provided to PPS. At present this includes HR Connect which provides transactional HR work and a payroll service for the PPS, the Centre for Applied Learning, the Central Procurement Directorate and also Account NI, which PPS joined in July 2012.
- The Central Procurement Directorate which has conducted all procurement over £30,000 on behalf of the PPS under a service level agreement.

- The Independent Assessor of Complaints who produced his eighth formal report in April 2013.

### **Management**

- The SAD for Finance and Resources who is a member of the Management Board and acts as the Principal Establishment and Finance Officer (PEFO) for the Service. In this role the SAD is responsible for ensuring that proper controls are in place to safeguard public funds and departmental assets.
- The detailed statements of assurance which have been provided on a quarterly basis by senior managers who have responsibility for the development and maintenance of the internal control framework in their respective areas. Significant internal control issues highlighted during the year have been recorded at Section 12.
- The regular financial and performance reports provided to the Board and senior management.

### **Policy and process**

- The PPS Quality Assurance Team which aims to provide an independent assessment of the quality of decision-making, case preparation and presentation within the Service. The work of the QA Team has been complemented by dip sampling by Regional Prosecutors and Assistant Directors. All cases found to be below the acceptable standard have been followed up by the SAD for Regional Prosecutions.
- The PPS Business Improvement Team which has been commissioned to conduct a number of efficiency and effectiveness reviews during 2012-13, including the Crown Room, Central Casework, Policy and Information and High Court and International.
- Re-accreditation under the Investors in People (IIP) Standard which was gained during the year.
- All statistical and financial information is provided by professionally qualified teams within Corporate Services. For example all casework and performance statistics are provided by statisticians from the Northern Ireland Statistics and Research Agency, seconded to PPS. Data are extracted from the PPS Case Management System (CMS), the bulk of which are received via Causeway from CJSNI partners. Financial information is provided in accordance with the Government Financial Reporting Manual and guidance from the Department of Finance and Personnel.

### ***Ministerial Directions***

During the year no ministerial directions were given to the PPS.

## 7. Information Security

Since the establishment of the Service as a non-ministerial department in April 2010, steps have been taken to reinforce PPS information assurance arrangements, to improve information security awareness and disseminate best practice. The SAD for Finance and Resources has been appointed as Senior Information Risk Owner. All senior managers have been designated as Information Asset Owners to provide further assurance that information assets are properly managed.

Information assurance is a standing item on the agendas of the Management Board and Audit and Risk Committee and senior managers are required to review information security compliance and to highlight any new assets or risks within their business areas in their quarterly statements of assurance.

The PPS Business Assurance Team co-ordinates the development of the information assurance framework and data handling and security arrangements across the Service. The team also has responsibility for all aspects of security within the PPS including physical and personnel, IT Security policy and the accreditation of ICT systems in line with government requirements.

Business Assurance is working with Human Resources to co-ordinate the delivery of Information Assurance refresher training through the new NICS e-learning contract.

The PPS is required to ensure that PPS information systems are formally assessed against Information Assurance standards. The PPS ICT Risk Management Accreditation Document Set (RMADS), which is the key component of this ICT Risk Management, has been reviewed and accreditation signed off until October 2014, subject to yearly IT health checks.

### *Personal Data Related Incidents*

During the year there were no reported personal data losses involving PPS staff.

Four data incidents have been reported during the last 12 months.

One incident, whilst not directly under the control of the PPS, involved the hacking of the Bar Library web-hosting service which resulted in the usernames and passwords used to access to Bar Library e-mail accounts being published on the internet. This service is also used by members of the PPS's Panel Counsel. This incident was reported to the Information Commissioner by the Bar Library.

Information Assurance Standards and practices between the Bar Library and PPS have been developed. An Information Assurance briefing has been provided to members of the PPS Panel Counsel and Terms of Engagement, including a schedule to cover the protection /

handling of PPS data, has been agreed between the Bar Library and PPS. Discussions are ongoing between the PPS and the Bar Library to further develop information assurance capabilities, such as the use of Criminal Justice Secure Mail (CJSM).

In relation to the second incident the PPS received notification of a complaint from a member of the public via the Office of the Police Ombudsman (OPONI) regarding the continued receipt of summons and documentary evidence. The individual named on the documents did not live nor had ever lived at the complainant's address. Investigations were undertaken to determine the root cause of the address inaccuracies. Information was provided to the Police Ombudsman's Office to allow them to take forward further enquiries on behalf of the complainant with the PSNI. A change request has been implemented for the PPS Case Management System to reduce the risk of occurrence of any similar incidents.

In the third incident, a member of external counsel left a notebook in a retail outlet. This was subsequently passed to Belfast Harbour Police, and then to PPS. The notebook contained details of a closing argument in relation to a PPS case, and also contained the names of a number of victims and witnesses who were subject to reporting restrictions. PPS is satisfied that the incident was spotted quickly and that none of the personal data contained within the notebook was compromised in any way. A reminder of responsibilities under the Panel Counsel Terms of Engagement has been issued. This incident was reported to the Information Commissioner by the Bar Library.

In the final incident a defendant complained that papers relating to his case had been sent to the wrong address. These papers included a copy of his criminal record. This problem was caused by inconsistencies between the address information originally held on the PPS Case Management System and further information that was subsequently shared with the PPS. A CMS change request has now been implemented to reduce the risk of any similar incidents arising in the future.

## **8. Criminal Justice Inspection**

In April 2013 Criminal Justice Inspection published the results of its review of corporate governance within the PPS. The inspection also focused on the standards of prosecutorial decision-making and advocacy within the Service.

The inspection team recognised that there was a sound governance framework in place which had met the needs of the Service during its period of expansion and development. However, given the current fiscal environment in Northern Ireland and the increasing demands being placed on the Service by stakeholders, there was a need to develop the framework in a number of key areas, including the performance management regime and the accountability framework.

Performance in respect of prosecutorial decision-making was assessed as excellent. As for prosecuting cases, the independent assessment rated the in-house advocacy skills of in-house prosecutors as competent, although there were some examples where performance could be improved. Whilst inspectors found that external counsel provided a high level of service, it was concluded that PPS would benefit from introducing a more comprehensive assessment process.

CJINI made three strategic recommendations and identified a further 11 areas for improvement. The Service has responded to the inspection by way of an action plan which will be taken forward over the course of 2013-14.

It should be noted that plans are in place to address the need to have formal quality review systems in respect of advocacy.

A copy of the CJINI report is available at [www.cjini.org](http://www.cjini.org).

## **9. DoJ Consultation: Governance and Accountability of the PPS**

The Department of Justice has conducted a public consultation on behalf of the NI Executive, focusing on the future governance and accountability of the PPS. PPS provided a detailed response to this consultation. As yet the results of the consultation have not been published.

## **10. Internal Audit**

During the financial year Internal Audit conducted a number of audit assignments. Four audit reports were produced, focusing on the following areas:

- Absence Management (April 2012).
- Procurement (July 2012).
- Procurement (Follow-up) and Contract Management (May 2013).
- Legal Quality Assurance - Dip sampling of Case Files (June 2013).

Overall assurance levels provided in respect of procurement and legal quality assurance were limited.

It should be noted that the initial audit of procurement related to activity in the 2011-12 financial year and no contracts were found to have been improperly let. The audit report made a series of recommendations in relation to procedures and record-keeping that the PPS accepted. All recommendations have now been implemented.



A follow up review was conducted, during April and May 2013, on the basis of 2012-13 activity. The overall audit opinion remains at limited assurance although it was acknowledged some improvements have been achieved. The audit report recognised that progress was hampered by the fact that the key position of Procurement Officer had been vacant since May 2012 and is not expected to be filled until Autumn 2013, despite concerted effort. A number of Priority 2 (important but not crucial) and Priority 3 (minor issues) recommendations have been made which PPS will address as quickly as possible.

The dip sampling process established by PPS in respect of legal casework was found to be satisfactory. However it was found that sampling was not being completed consistently across the regional offices. Steps taken to address this issue will include the reinforcement of procedures by the Management Board and improved reporting arrangements to increase the transparency of all dip sampling undertaken.

Whilst internal audit found that absence management procedures within the PPS were satisfactory, there has been an increase in the level of absence during 2012-13 compared with the previous year, and the target (not to exceed an average of 8.1 days per whole time equivalent staff member) has not been met. Senior management moved to reinforce procedures at an early stage and there was a significant improvement in performance during the second half of the year. Steps taken have included the introduction of a mandatory 2 day attendance management course for all line managers.

It should be noted that Internal Audit has also provided advice and guidance on the role of Public Prosecutors.

PPS has established a robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity, and by the DOJ Internal Audit team operating to Government Internal Audit Standards. They deliver an agreed prioritised programme of systems based audits covering PPS systems over time. The Head of Internal Audit provides an Annual Report and his professional opinion on the level of assurance that he can provide based on the work done. The Head of Internal Audit forms his professional opinion on the basis of the Internal audit work completed over a three year period and has provided overall satisfactory assurance.

## **11. External Audit**

PPS senior management has reviewed the Northern Ireland Audit Office's Report to those Charged with Governance which sets out the results of their audit work on the PPS Resource Accounts for 2012-13 and their recommendations for action.

Two key issues were highlighted in the 2012-13 interim report:

- The first related to duplicate payments made to external counsel. This had occurred in a small number of cases during the transition to the new Prosecution Fee Scheme implemented in November 2012. It was the result of human error during the cut over from existing to new payment arrangements. The risk of duplication had arisen as it was necessary to maintain the original payments systems, running in parallel with the new system while it was being tested. PPS has identified all duplicates (15 in total) and put arrangements in place to recover all relevant payments.
- The second issue related to the briefing of a member of junior counsel in the Magistrates' Court. While the individual was not a member of the current PPS Counsel Panel, there was no written approval of a Direct Award Contract to cover the expenditure. The retrospective approval of the Accounting Officer has now been documented. Following the introduction of the new fee scheme in November 2012, briefing instructions now oblige PPS staff to offer work in the lower courts to members of the junior counsel panel or panel reserve list in the first instance.

In their 2011-12 management letter a number of issues were raised by NIAO in respect of external Counsel. PPS management had undertaken to take forward a number of initiatives in this area and these have now been implemented, including:

- Introduction of the new Prosecution Fees Scheme which is administered through a Central Fees Team, ensuring the consistent application of the scheme and the maintenance of all necessary records.
- A refresh of the Counsel Panel in November 2012. The number of counsel on the Panel has been reduced and this position will be monitored on an ongoing basis and appropriate action taken in the event that a shortage of resources is identified.
- Under the terms of engagement for the new Panel, provision has been made for the timely submission of all fee notes which has assisted the Central Fees Team in the monitoring of accruals.

The NIAO further recommended a formal quality review of the performance of independent counsel at the end of each case, which would allow underperforming individuals to be identified and weaknesses addressed. Performance management arrangements were not included within the Terms of Engagement of the new panel but will now be set out in a separate document to be agreed between the PPS and the Bar Council for Northern Ireland.

## 12. Significant Control Issues

As stated above, the PPS introduced a fee scheme for the remuneration of independent counsel which came into effect on 5 November 2012. This scheme sought to align the value of prosecution fees and the mechanisms for their determination with those of the defence and fees paid in England and Wales. This initiative has given rise to a number of issues.

One of the major changes in the new fees scheme was the introduction of sessional rates in the Magistrates', Youth and County Courts. In recent years members of Junior Counsel have been used in these courts (albeit on a limited basis), for example, where contested cases were identified as particularly complex or where there were local resourcing issues. Following the introduction of sessional rates, and consultation with the Bar Council, a number of members of Junior Counsel withdrew from this area of work, with the result that in-house prosecutors have had to cover the above courts. This has been managed successfully through the filling of current vacancies at the Public Prosecutor grade and by the use of temporary and agency staff.

Nominated senior counsel have expressed concerns regarding the fees payable in the most complex cases. It has been necessary for PPS to seek DFP approval for special payments in respect of retrials of cases previously briefed under the former hourly rate scheme. Revised arrangements are being considered by the Department of Justice in respect of payments to the defence and this will present PPS with an opportunity to re-examine their payment arrangements for prosecuting counsel.

## 13. Declaration

The governance framework as outlined has been in place in the PPS throughout the year ended 31 March 2013 and up to the date of approval of the Annual Report and Resource Accounts, and accords with DFP guidance.

During the financial year, with the exception of those matters highlighted at Section 12 above, no significant internal control weaknesses or issues have been identified, and no significant failures have arisen in the expected standards for good governance, risk management and control.



**Barra McGrory QC**  
Accounting Officer

21 June 2013

# The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

I certify that I have audited the financial statements of the Public Prosecution Service for Northern Ireland for the year ended 31 March 2013 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. I have also audited the Statement of Assembly Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## **Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to examine, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Financial Reporting Council's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the

accounting policies are appropriate to the Public Prosecution Service for Northern Ireland's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Public Prosecution Service for Northern Ireland; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against Assembly control totals and that those totals have not been exceeded.

In addition, 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 the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Opinion on Regularity**

In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2013 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the Public Prosecution Service for Northern Ireland's affairs as at 31 March 2013 and of its net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued thereunder.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Finance and Personnel directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Director's Report and the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

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; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance and Personnel's guidance.

## Report

I have no observations to make on these financial statements.



**KJ Donnelly**  
Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast BT7 1EU

26 June 2013

# Financial Statements

For the Year Ended 31 March 2013



## Statement of Assembly Supply

### Summary of Resource Outturn 2012-13

Request for Resources	Estimate			Outturn			2012-13 £000	2011-12 £000	
	Note	Gross Expenditure	Accruing Resources	Net Total	Gross Expenditure	Accruing Resources	Net Total	Net Total Outturn compared with Estimate: saving/(excess)	Net Total
A	2	37,021	(786)	36,235	35,800	(358)	35,442	793	35,976
<b>Total Resources</b>	<b>3</b>	<b>37,021</b>	<b>(786)</b>	<b>36,235</b>	<b>35,800</b>	<b>(358)</b>	<b>35,442</b>	<b>793</b>	<b>35,976</b>
<b>Non-operating cost Accruing Resources</b>		-	-	-	-	-	-	-	-

### Net cash requirement 2012-13

	Note	Estimate	Outturn	2012-13 £000	2011-12 £000
				Net Total Outturn compared with Estimate: saving/(excess)	Outturn
Net cash requirement	4	36,816	36,532	284	32,863

### Summary of income payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Note	Income	2012-13 Forecast £000 <i>Receipts</i>	Income	2012-13 Outturn £000 <i>Receipts</i>
Total	5	-	-	-	-

Explanations of variances between Estimate and Outturn are given in Note 2 and in the Management Commentary.

The notes on pages 71 to 103 form part of these accounts.

## Statement of Comprehensive Net Expenditure

### For the Year Ended 31 March 2013

	Note	Staff Costs	Other Costs	2012-13 £000 Income	2011-12 £000
<b>Administration costs</b>					
Staff costs	8	1,661			1,807
Other administration costs	9		338		321
Operating income	11			-	-
<b>Programme costs</b>					
Staff costs	8	19,265			19,928
Programme costs	10		14,536		14,736
Income	11			(358)	(816)
<b>Totals</b>		<b>20,926</b>	<b>14,874</b>	<b>(358)</b>	<b>35,976</b>
<b>Net Operating Cost for the year ended 31 December 2012</b>				<b>35,442</b>	<b>35,976</b>

## Other Comprehensive Expenditure

	2012-13 £000	2011-12 £000
Net (gain) / loss on revaluation of Property, Plant & Equipment	(133)	(185)
Net (gain) / loss on revaluation of intangibles	(45)	2
<b>Other Comprehensive Net Expenditure</b>	<b>(178)</b>	<b>(183)</b>
<b>Total Comprehensive Net Expenditure for the period ended 31 March 2013</b>	<b>35,264</b>	<b>35,793</b>

All income and expenditure is derived from continuing operations.

The notes on pages 71 to 103 form part of these accounts.

## Statement of Financial Position

As at 31 March 2013

	Note	2012-13 £000	2011-12 £000 Restated
<b>Non-current assets</b>			
Property, plant and equipment	13	9,779	10,510
Intangible assets	14	368	534
<b>Total non-current assets</b>		<b>10,147</b>	<b>11,044</b>
<b>Current assets</b>			
Trade and other receivables	17	1,121	3,274
Cash and cash equivalents	18	-	566
<b>Total current assets</b>		<b>1,121</b>	<b>3,840</b>
<b>Total assets</b>		<b>11,268</b>	<b>14,884</b>
<b>Current Liabilities</b>			
Trade and other payables	20	(6,023)	(11,143)
Cash and cash equivalents	18	(214)	-
<b>Total current liabilities</b>		<b>(6,237)</b>	<b>(11,143)</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>5,031</b>	<b>3,741</b>
<b>Non-current liabilities</b>			
Provisions	21	(3,108)	(3,591)
Other payables	20	-	-
<b>Total non-current liabilities</b>		<b>(3,108)</b>	<b>(3,591)</b>
<b>Total Assets less liabilities</b>		<b>1,923</b>	<b>150</b>
<b>Taxpayers' equity and other reserves:</b>			
General fund		743	(1,164)
Revaluation reserve		1,180	1,314
<b>Total equity</b>		<b>1,923</b>	<b>150</b>



**Barra McGrory QC**  
Accounting Officer

21 June 2013

The notes on pages 71 to 103 form part of these accounts.

## Statement of Cash Flows

For the year ended 31 March 2013

	Note	2012-13 £000	2011-12 £000 Restated
<b>Cash flows from operating activities</b>			
Net operating cost	12	(35,442)	(35,976)
Adjustment for non-cash transactions	10	1,603	1,647
(Increase) in trade and other receivables	17	2,153	(1,791)
Increase/(Decrease) in Trade Payables	20	(5,120)	3,929
<i>Less movements in receivables relating to items not passing through the SCNE</i>	17	214	
<i>less movements in payables relating to items not passing through the SCNE</i>	20	3,007	(2,777)
Use of provisions	21	(162)	(176)
<b>Net cash outflow from operating activities</b>		<b>(33,747)</b>	<b>(35,144)</b>
<b>Cash flows from investing activities</b>			
Proceeds of disposal of property, plant and equipment	7	-	-
Proceeds of disposal of intangible assets	7	-	-
Purchase of property, plant and equipment	13	(235)	(198)
Purchase of intangible assets	14	(66)	(5)
<b>Net cash outflow from investing activities</b>		<b>(301)</b>	<b>(203)</b>
<b>Cash flows from financing activities</b>			
From the Consolidated Fund (Supply) - current year		33,268	35,834
From the Consolidated Fund (Supply) - prior year		-	-
From the Consolidated Fund (non-supply)		-	-
<b>Net financing</b>		<b>-</b>	<b>-</b>
		<b>33,268</b>	<b>35,834</b>
<b>Net increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund</b>		<b>(780)</b>	<b>487</b>
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		-	(17)
<b>Net increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>		<b>(780)</b>	<b>470</b>
<b>Cash and cash equivalents at the beginning of the period</b>	18	<b>566</b>	<b>96</b>
<b>Cash and cash equivalents at the end of the period</b>	18	<b>(214)</b>	<b>566</b>

The notes on pages 71 to 103 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2013

	Note	General Fund £000	Revaluation Reserve £000	Total Reserves £000
<b>Balance at 31 March 2011</b>		<b>1,760</b>	<b>1,143</b>	<b>2,903</b>
<b>Changes in taxpayers' equity for 2011-12 Restated</b>				
Net Assembly Funding - drawn down		35,834	-	35,834
Net Assembly Funding - deemed		339	-	339
Supply (payable) / receivable adjustment		(3,050)	-	(3,050)
CFERs payable to the Consolidated Fund		-	-	-
Comprehensive expenditure for the year	12	(35,977)	-	(35,977)
Net gain / (loss) on revaluation of property, plant & equipment		-	185	185
Net gain / (loss) on revaluation of intangibles		-	(2)	(2)
<b>Non-Cash Adjustments:</b>				
Non-cash charges - auditor's remuneration	10	41	-	41
Actuarial gain/(loss) on pension liability		(123)	-	(123)
<b>Movements in Reserves:</b>				
Transfers between reserves		12	(12)	-
Actuarial gain / (loss) on pension liability		-	-	-
<b>Balance at 31 March 2012</b>		<b>(1,164)</b>	<b>1,314</b>	<b>150</b>
O/Bal Adjustment (2)		-	(38)	(38)
<b>Revised Opening Balance</b>		<b>(1,164)</b>	<b>1,276</b>	<b>112</b>
<b>Changes in taxpayers' equity for 2012-13</b>				
Net Assembly Funding - drawn down		33,268	-	33,268
Net Assembly Funding - deemed		3,050	-	3,050
Supply (payable) / receivable adjustment	20	214	-	214
CFERs payable to the Consolidated Fund		-	-	-
Comprehensive expenditure for the year	12	(35,442)	-	(35,442)
Net gain / (loss) on revaluation of property, plant & equipment		-	133	133
Net gain / (loss) on revaluation of intangibles		-	45	45
<b>Non-Cash Adjustments:</b>				
Non-cash charges - auditor's remuneration	10	40	-	40
Non-cash charges - other notional	10	12	-	12
Actuarial gain / (loss) on pension liability	21	491	-	491
<b>Movements in Reserves:</b>				
Transfers between reserves		274	(274)	-
<b>Balance at 31 March 2013</b>		<b>743</b>	<b>1,180</b>	<b>1,923</b>

O/Bal Adjustment (2) - see fixed asset notes 13 & 14 for detail.  
The notes on pages 71 to 103 form part of these accounts.

# Notes to the Financial Statements

## Notes to the Departmental Resource Accounts

### 1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2012-13 *Government Financial Reporting Manual* (FReM) issued by the Department of Finance and Personnel. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) 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 the Public Prosecution Service for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Public Prosecution Service are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the Department to prepare one additional primary statement. The *Statement of Assembly Supply* and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

#### 1.1 Accounting convention

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

The accounts are stated in sterling, which is the Department's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

#### 1.2 Property, plant and equipment

Property, plant and equipment comprise building fit out costs, plant and machinery, computer equipment and assets under construction.

### *Consolidation of asset categories*

The property, plant and equipment note requires the amalgamation of asset categories under the Plant and Machinery heading. The asset categories represented by this heading include:

- Furniture and fittings
- Office equipment
- Security equipment

### **1.3 Valuation of property, plant and equipment**

Property, plant and equipment are stated at the lower of replacement cost and recoverable amount. All property, plant and equipment are restated to current value each year by reference to indices compiled by the Office for National Statistics (ONS).

Land and buildings are restated to current value using independent professional valuations, in accordance with IAS 16 *Property, Plant and Equipment*, every 5 years and in the intervening years by the use of indices provided by Land and Property Services (LPS), specific to the Northern Ireland property sector. The valuations are carried out by members of the Royal Institute of Chartered Surveyors (RICS) in accordance with procedures laid out in the RICS Appraisal and Valuation Manual. Costs classified as Buildings within the Public Prosecution Service relate to fit out costs of leased premises. These are depreciated over the term of the lease and there is no requirement for quinquennial revaluation in respect of these costs.

Assets under construction are shown at cost, and relate to assets which are incomplete but for which the Department has incurred a liability.

Expenditure on property, plant and equipment of over £1,000 is capitalised. Within the Department the grouping of a range of property, plant and equipment has also been undertaken in respect of some personal computers, printers, office furniture and equipment.

In compliance with IAS 16, subsequent expenditure on an asset which does not meet the criteria of enhancement or improvement is treated as revenue.

Upward revaluations are credited to the Revaluation Reserve and permanent reductions in the value of property, plant and equipment are charged to the Statement of Comprehensive Net Expenditure. Any subsequent revaluation of assets is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses previous revaluation decreases recognised as an expense in the Statement of Comprehensive Net Expenditure.

## 1.4 Depreciation

All property, plant and equipment and intangible assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Assets in the course of construction are depreciated from the point at which the asset is brought into use.

Estimated useful lives, which are reviewed regularly, are:

Asset category	Useful Life
Buildings : Fit out costs	Lease term – generally 15 - 25 years
Plant and Machinery	10 - 15 years
Information Technology	5 – 6 years
Assets under construction	No depreciation
Intangible assets	3 - 5 years

## 1.5 Realised Element of Depreciation from Revaluation Reserve

Depreciation is charged to expenditure on the re-valued amount of property, plant and equipment. An element of depreciation therefore arises due to the increase in valuation and is in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to this excess is a realised gain on disposal and is transferred from the Revaluation Reserve to the General Fund.

## 1.6 Intangible assets

Intangible assets comprise development expenditure, software licenses and general information technology lasting more than one year and costing more than £1,000. Software licences are amortised over three to five years. Intangibles are revalued annually using indices provided by the ONS.

## 1.7 Pension costs

Past and present employees of the Department are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the PCSPS (NI). Each of these defined benefit schemes is unfunded and non-contributory except in respect of dependants benefits. The Department recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment of annual contributions to the PCSPS and the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and the PCSPS (NI).

The Public Prosecution Service has responsibility for the Broadly By Analogy (BBA) pension schemes of public appointments in respect of retired Directors and Deputy Directors of Public Prosecution. A BBA pension arrangement entitles the recipient to benefits similar to the classic and nuvos schemes in both the PCSPS and PCSPS (NI). The Department and members are obliged to make contributions in line with the PCSPS scheme. Provision has been made for the future cost of benefits under this scheme.

Further details regarding the above schemes are contained in Notes 8 and 21.1 to the Accounts.

The PPS did not have any of payroll engagements exceeding £58,200 per annum at 31 January 2012 nor were there any such arrangements at 31 March 2013.

## **1.8 Financing and Operating income**

### *Financing*

The Department is primarily resourced by funds approved by the NI Assembly through the annual Supply process. Resources are drawn down to meet expenditure requirements and are credited to the General Fund.

### *Operating Income*

Operating income is income which relates directly to the operating activities of the Department. It principally comprises receipts from the Asset Recovery Incentive scheme, recovery of court costs and fees and charges to other departments. It includes both income classified as Accruing Resources and income due to the Consolidated Fund, which in accordance with FReM, is treated as operating income. Operating income is stated net of VAT.

Operating income may be split under the following headings depending in the Statement of Comprehensive Net Expenditure:

- Administration costs
- Programme costs

## **1.9 Administration and Programme expenditure**

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. The classification of expenditure as administration or as programme follows the definitions set out by HM Treasury's *Consolidated Budget Guidance*. Broadly, administrative expenditure reflects the costs of running the Department while programme costs relate directly to service delivery activities.

## 1.10 Leases

### *Finance leases*

Leases of property, plant and equipment where the Department holds substantially all the risks and rewards of ownership are classified as finance leases.

Finance lease assets are capitalised at the commencement of the lease term at the lower of the present value of the minimum lease payments or the fair value of the leased asset. The corresponding lease commitment is included in the statement of financial position as a finance lease obligation. Depreciation on capitalised leased assets is charged in line with the depreciation policy for similar assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding obligation so as to achieve a constant rate of interest on the remaining balance of the liabilities.

### *Operating leases*

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals are charged to the Consolidated Statement of Comprehensive Net Expenditure on a straight-line basis over the period of the lease.

## 1.11 Provisions

The Department provides for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury (currently 3.5 %).

## 1.12 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, the Department discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the NI Assembly in accordance with the requirements of *HM Treasury's Financial Reporting Manual* and *Managing Public Money Northern Ireland*.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

### **1.13 Foreign exchange**

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

### **1.14 Value Added Tax**

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

### **1.15 Insurance**

Departments do not generally insure. No insurance is affected against the following: fire, explosion, common law, third party and similar risks. Notional insurance premiums are not charged to the Statement of Comprehensive Net Expenditure. Instead, expenditure in connection with uninsured risks is charged as incurred.

### **1.16 Notional charges**

Notional charges, in respect of services delivered to and received from other government departments/agencies, are included to reflect the full economic cost of services.

### **1.17 Staff Costs**

Under IAS19 *Employee Benefits*, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the costs of any untaken leave as at the year end. The cost of untaken leave has been determined using data from staff leave records. The PPS did not have any off payroll engagements exceeding £58,200 per annum at 31 January 2013 nor were there any such arrangements at 31 March 2013.

### **1.18 Financial Instruments**

#### **Recognition and de-recognition of financial assets and financial liabilities**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognised when, and only when, the Department becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Department no longer has rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.



## **Financial assets**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term (held for trading) or if so designated by management. Financial assets held in this category are initially recognised and subsequently measured at fair value, with changes in value recognised in the income statement in the line which most appropriately reflects the nature of the item or transaction.

### *Loans and receivables*

Loans and receivables are non derivative assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value less transaction costs and subsequently carried at amortised cost using the effective interest method, with changes in carrying value recognised in the Statement of Comprehensive Net Expenditure in a manner which most appropriately reflects the nature of the item or transaction.

### *Trade and other receivables*

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective method less provisions for doubtful receivables. Provisions are made specifically where there is objective evidence of a dispute or inability to pay.

### *Cash and cash equivalents*

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

For the purposes of the cash flow statement, cash and cash equivalents are as defined above net of outstanding bank overdrafts.

### *Impairment of financial assets*

The Department assesses at each reporting date whether a financial asset or group of financial assets are impaired. Where there is objective evidence that an impairment loss has arisen on assets carried at amortised cost, the carrying amount is reduced with the loss being recognised in the Statement of Comprehensive Net Expenditure. The impairment loss is measured as the difference between that asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is only reversed if it can be related objectively to an event after the impairment was recognised and is reversed to the extent that carrying value of the asset does not exceed its amortised cost at the date of reversal.

Impairment losses are assessed individually for financial assets that are individually significant and individually or collectively for assets that are not individually significant. In making collective assessment of impairment, financial assets are grouped into portfolios on the basis of similar risk characteristics. Future cash flows from these portfolios are estimated on the basis of the contractual cash flows and historical loss experience for assets with similar risk characteristics.

Impairment losses are recognised in the Statement of Comprehensive Net Expenditure and the carrying amount of the financial asset or group of financial assets reduced by establishing an allowance for impairment losses. If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognised, the previously recognised loss is reversed by adjusting the allowance. If a financial asset is deemed unrecoverable, the amount of the asset is reduced directly and the impairment loss recognised in the Statement of Comprehensive Net Expenditure to the extent a provision was not previously recognised.

## **Financial Liabilities**

### *Trade and other payables*

Financial liabilities within trade and other payables are initially recognised at fair value, which is usually the original invoiced amount, and subsequently carried at amortised cost using the effective interest method.

### *Loans and other borrowings*

Loans and other borrowings are initially recognised at fair value plus directly attributable transactions costs. Where loans and other borrowings contain a separable embedded derivative, the fair value of the embedded derivative is the difference between the fair value of the hybrid instrument and the fair value of the loan or borrowing. The fair value of the embedded derivative and the loan or borrowing is recorded separately on initial recognition.

## **1.19 Critical accounting estimates and key judgements**

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires the Public Prosecution Service to exercise its judgement in the process of applying the Department's accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts are discussed below.

***(i) Depreciation of property, plant and equipment***

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.4.

***(ii) Impairment of property, plant and equipment***

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

***(iii) Pension and other post retirement benefits***

The Department accounts for pension and other post retirement benefits in accordance with IAS 19. In determining the pension cost and the defined benefit obligation of the pension schemes a number of assumptions are used which include the discount rate, salary growth, price inflation, the expected return on the schemes' investments and mortality rates. Further details are contained in Notes 8 and 21.1.

**1.20 Accounting standards, interpretations and amendments to published standards adopted in the period ended 31 March 2013**

The Public Prosecution Service has reviewed the standards, interpretations and amendments to published standards that became effective during 2012-13 and which are relevant to its operations. The adoption of these standards has not had a significant impact on the financial position or results of the Department.

**1.21 Accounting standards, interpretations and amendments to published standards not yet effective**

In addition, certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Department's accounting periods beginning on or after 1 April 2013 or later periods, but which the PPS has not adopted early. Other than as outlined in the table below, the PPS considers that these standards are not relevant to its operations.

## Accounting Standards Issued But Not Yet Effective

Standard	Description of Revision	Effective Date	Comments
IAS 1 - Presentation of financial statements (Other Comprehensive Income (OCI))	Requiring items of OCI to be grouped on the basis of whether they might at some point be reclassified ('recycled') from OCI to profit (e.g. cash flow hedges) or where they will not (e.g. gains on property revaluation). This will make it clearer to users what their potential effect on profit or loss will be in future. Amendments also allow simplified reporting for discontinued operations and OCI tax grouping. The IAS also provides clarification of the requirements for comparative information.	1 June 2012	The application of the IAS 1 amendments interpreted (for terminology) and adapted (requiring a single Statement of Comprehensive Net Expenditure rather than separate Other Comprehensive Expenditure, unless agreed by the Relevant Authority) for the public sector context is effective from 1 April 2013. The clarification re comparatives does not change the minimum requirements.
IFRS 9 – Financial Instruments	The project has three phases: Phase 1 addresses classification and measurement issues. Phase 2 addresses impairments – in particular how impairments of financial assets should be calculated and recorded. Phase 3 addresses hedge accounting. IAS 39 previously contained guidance on Hedge Accounting – this will be updated with more detailed guidance.	1 January 2015 (as per exposure draft issued 4 August 2011 – not yet EU adopted)	There are likely to be elements of the proposals that will require further review by HM Treasury and the other Relevant Authorities before due process and consultation.  However, this due process cannot commence until a final IFRS has been issued.
IFRS 10 (Consolidated Financial Statements), 11 (Joint Arrangements), 12 (Disclosure of Interests in Other Entities), IAS 27 (Separate Financial Statements), IAS 28 (Investments in Associates and Joint Ventures)	International Accounting Standards Board (IASB) have issued new and amended standards that affect the consolidation and reporting of subsidiaries, associates, joint ventures and investment entities: <ul style="list-style-type: none"> <li>• IFRS 10 definition of control requires more judgement, notably of agency-principal relationships.</li> <li>• IFRS 11 provides a principles-based definition of joint arrangements (joint operations or joint ventures) based on rights and obligations.</li> <li>• IFRS 12 requires more disclosure of the financial effects on, and risks to, the consolidating entity.</li> </ul>	1 January 2013 (EU adoption from 1 January 2014)	The application of these IFRS changes is subject to further review by HM Treasury and the other Relevant Authorities before due process consultation.  Accounting boundary IFRS's are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on Office of National Statistics control criteria, as designated by Treasury. Trading funds and NDPBs apply IFRS in full.  With the continuation of current adaptations, the impact on departments is expected to focus around the disclosure requirements under IFRS 12.

Standard	Description of Revision	Effective date	Comments
	<ul style="list-style-type: none"> <li>Investment entities. IASB updated the reporting requirements effective on or after 1 January 2014, providing guidance on exceptions to consolidation.</li> </ul>		The impact on the consolidation boundary of NDPBs and trading funds will be subject to review, in particular.
IFRS 13 - Fair Value Measurement	IFRS 13 has been prepared to provide consistent guidance on fair value measurement for all relevant balances and transactions covered by IFRS (except where IFRS 13 explicitly states otherwise). The standard defines fair value, provides guidance on fair value measurement techniques, and sets out the disclosure requirements.	1 January 2013 (not yet EU adopted)	The application of IFRS 13 is subject to further review by HM Treasury and the other Relevant Authorities following proposals put to the FRAB in December 2012. Further due process consultation will take place in 2013.
IAS 16 Property, Plant and Equipment	Classification of servicing equipment – items such as spare parts, stand-by equipment and servicing equipment are recognised under IAS 16 when they meet the definition of property, plant or equipment. They are otherwise classified as inventory under IAS 2.	1 January 2013	The FReM is expected to apply this change in full.
IAS 19 – Post-employment benefits (pensions)	<p>The amended IAS 19 introduces a number of changes including:</p> <ul style="list-style-type: none"> <li>Recognition – the elimination of the option to defer the recognition of gains and losses resulting from defined benefit plans (the 'corridor approach');</li> <li>Presentation – the elimination of options for the presentation of gains and losses relating to those plans; and</li> <li>Disclosures – the improvement of disclosure requirements that will better show the characteristics of defined benefit plans and the risks arising from those plans.</li> </ul> <p>It also modifies accounting for termination benefits, including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment and affect the recognition and measurement of termination benefits.</p>	1 January 2013	<p>To be made effective from 2013-14 FReM. The corridor approach is not permitted by the FReM so the main impact of the change will not be relevant.</p> <p>There is an impact on defined benefit pension scheme accounts and other entities consolidating defined benefit schemes due to the new presentation and disclosure requirements.</p> <p>Entities may also be impacted by modifications to accounting for termination benefits.</p>

The PPS has considered the remaining additional or revised accounting standards and new (or amendments to) interpretations contained within *FReM* 2013-14. The PPS considers that these changes are not relevant to its operations.

## 1.22 Going Concern

The PPS is a non-ministerial department funded by the NI Assembly. While the liabilities of the PPS are relatively high the going concern concept applies to the activities of the Service and future funding will not be effected.

## 2. Analysis of net resource outturn by function

	2012-13							2012-13	2011-12	
	Outturn							£000	£000	
	Admin	Other current	Grants	Gross resource expenditure	Accruing resources	Outturn Net Total	Estimate Net Total	Net Total Outturn compared with Estimate	Net Total Outturn compared with estimate adjusted for virements	Prior-year Outturn
<b>Request for Resources A</b>										
<b>Spending in Departmental Expenditure Limits (DEL)</b>										
PP & Legal Services	1,999	33,579	-	35,578	(358)	35,220	35,970	750	750	35,746
<b>Non Budget</b>										
Notional Charge	-	52	-	52	-	52	55	3	3	41
<b>Spending In Annually Managed Expenditure (AME)</b>										
PP & Legal Services	-	170	-	170	-	170	210	40	40	189
<b>Resource Outturn</b>	<b>1,999</b>	<b>33,801</b>	<b>-</b>	<b>35,800</b>	<b>(358)</b>	<b>35,442</b>	<b>36,235</b>	<b>793</b>	<b>793</b>	<b>35,976</b>

### Explanation of the variation between Estimate and Outturn for each Request for Resource

A saving of £0.793m was made on the total net outturn as compared to estimate with regards to the resource spend. The main reasons for this saving are outlined below.

#### Request for Resources A - £0.793m

##### Spending in Departmental Expenditure Limits

##### Counsel Fees - £663k

Savings of £663k in counsel fee expenditure as a result of some cases being postponed into the New Year along with other cases not actually going to trial.

### Operating Costs - £130k

This under spend is largely due to savings in pay costs as a result of unfilled vacant posts along with small savings across a range of non staff costs including accommodation running costs and general overheads.

### Adjustment to the 2011-12 Consolidated Fund Supply payable

The 2011-12 amounts issued from the consolidated fund but not spent at year end has been adjusted by £79k. The impact of this on the financial statements is as follows:

	2011-12	2011-12 Restated
Note 20 - Amounts issued to the consolidated fund but not spent at year end	2,970	3,050
Cash Flow - Increase/(Decrease) in trade payables	3,849	3,929
Cash Flow - less movements in payables relating to items passing through the SCNE	2,698	2,777

Further details regarding financial performance are contained within the Management Commentary.

## 2.1 Analysis of net expenditure by segment

In the opinion of the Management Board, PPS operates only one reportable segment and all income and expenditure as shown in the Statement of Comprehensive Net Expenditure is attributable to the overall services provided by PPS. PPS is funded by the Department of Finance and Personnel and has a single Request for Resources. All non-current assets are located in Northern Ireland.

## 3. Reconciliation of outturn to net operating cost and against Administration Budget

### 3.1 Reconciliation of net resource outturn to net operating cost

	Note	Outturn	Supply Estimate	2012-13 £000 Outturn compared with Estimate: saving/ (excess)	2011-12 £000 Outturn
Net Resource Outturn	2	35,442	36,235	793	35,976
Prior Period Adjustments		-	-	-	-
Non-supply Expenditure		-	-	-	-
<b>Net Operating Cost</b>		<b>35,442</b>	<b>36,235</b>	<b>793</b>	<b>35,976</b>

Net resource outturn is the total of those elements of expenditure and income that are subject to Assembly approval and included in the Department's Supply estimate. The outturn against Estimate is shown in the Statement of Assembly Supply. Net operating cost is the total expenditure and income appearing in the Statement of Comprehensive Net Expenditure.

### 3.2 Outturn against final Administration Budget

	Budget	2012-13 £000 Outturn	2011-12 £000 Outturn
Gross Administration Budget	2,332	1,999	2,128
Income allowable against the Administration Budget	-	-	-
<b>Net outturn against final Administration Budget</b>	<b>2,332</b>	<b>1,999</b>	<b>2,128</b>

### 4. Reconciliation of net resource outturn to net cash requirement

	Note	Estimate	Outturn	2012-13 £000  Net Total Outturn compared with estimate: saving/(excess)
Resource Outturn	2	36,235	35,442	793
<i>Capital:</i>				
Acquisition of non-current assets	13,14	663	301	362
<i>Non-operating Accruing Resources:</i>				
Proceeds of asset disposals		-	-	-
<i>Accruals adjustments:</i>				
Non-cash items	10	(1,786)	(1,603)	(183)
Changes in working capital other than cash	17,20	1,523	2,229	(706)
Changes in other payables falling due after more than one year	20	-	-	-
Use of provision	21	181	163	18
<b>Net cash requirement</b>		<b>36,816</b>	<b>36,532</b>	<b>284</b>

Further details regarding financial performance are contained within the Management Commentary.

## 5. Income payable to the Consolidated Fund

### 5.1 Analysis of income payable to the Consolidated Fund

In addition to Accruing Resources, the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics)

	Note	Forecast 2012-13		Outturn 2012-13	
		Income	£000 <i>Receipts</i>	Income	£000 <i>Receipts</i>
Operating income and receipts – excess Accruing Resources	6	-	-	-	-
Other non-operating income not classified as Accruing Resources		-	-	-	-
Non-operating income and receipts – excess Accruing Resources	7	-	-	-	-
Amounts collected on behalf of the Consolidated Fund		-	-	-	-
Excess cash surrenderable to the Consolidated Fund		-	-	-	-
<b>Total income payable to the Consolidated Fund</b>		-	-	-	-

### 5.2 Consolidated Fund Income

Consolidated Fund income shown in Note 5.1 above does not include any amounts collected by the Department where it was acting as agent for the Consolidated Fund rather than as principal. The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from these financial statements) were:

	Note	2012-13 £000	2011-12 £000
Fines and penalties		-	-
Amount payable to the Consolidated Fund		-	-
Balance held at the start of the year		-	17
Payments into the Consolidated Fund		-	(17)
<b>Balance held on trust at the end of the year</b>		-	-

## 6. Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund

	Note	2012-13 £000	2011-12 £000
Operating income	11	358	816
Gross income		358	816
Income authorised to be Accruing Resources	2	(358)	(816)
<b>Operating income payable to the Consolidated Fund</b>	<b>5</b>	<b>-</b>	<b>-</b>

## 7. Non-operating income - Excess Accruing Resources

	Note	2012-13 £000	2011-12 £000
Proceeds on disposal of property, plant and equipment	5	-	-
<b>Non-operating income – excess Accruing Resources</b>		-	-

Consolidated Fund Extra Receipts which do not fall to be treated as operating income are payable directly to the Consolidated Fund. These amounts comprise sundry receipts, which have not been incorporated into the Estimate due to their irregular nature and/or uncertainty of receipt.

## 8. Staff numbers and related costs

### 8.1 Staff costs

Staff costs comprise:

	Total	Permanently Employed Staff	Others	Ministers	2012-13 £000 Special advisers	2011-12 £000 Total
<b>Administration staff costs</b>						
Wages and salaries	1,210	1,210				1,329
Social security costs	99	99				105
Other pension costs	243	243				258
<b>Sub Total</b>	<b>1,552</b>	<b>1,552</b>	-	-	-	<b>1,692</b>
Inward Secondments	109	109				115
<b>Total Administration</b>	<b>1,661</b>	<b>1,661</b>	-	-	-	<b>1,807</b>
<b>Programme staff costs</b>						
Wages and salaries	14,770	14,770				15,281
Social security costs	1,144	1,144				1,246
Other pension costs	3,383	3,383				3,427
<b>Sub Total</b>	<b>19,297</b>	<b>19,297</b>	-	-	-	<b>19,954</b>
Outward secondments	(32)	(32)				(26)
<b>Total Programme</b>	<b>19,265</b>	<b>19,265</b>	-	-	-	<b>19,928</b>
<b>Total Staff Costs*</b>	<b>20,926</b>	<b>20,926</b>	-	-	-	<b>21,735</b>

\*Of the total, £Nil (2011-12: £Nil) has been charged to capital

The Principal Civil Service Pension Scheme (PCSPS) and PCSPS(NI) are unfunded multi-employer defined benefit schemes but the Public Prosecution Service is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuations of both the PCSPS and PCSPS(NI) were carried out as at March 2007. Details of the PCSPS valuation can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservic.go.uk/my-civil-service/pensions](http://www.civilservic.go.uk/my-civil-service/pensions)). Details of the PCSPS(NI) valuation can be found in the PCSPS(NI) resource accounts.

For 2012-13, employers' contributions of £4,340,597.97 (2011-12: £2,969,131) were payable to the PCSPS (NI) and PCSPS at one of four rates in the range 16.7% to 24.3% of pensionable pay for PCSPS and 18% to 25% of pensionable pay for PCSPS(NI), based on salary bands. The difference between this amount and the amount disclosed above relates to pension costs recouped on seconded staff and pension contributions to the Broadly By Analogy schemes detailed below. The PCSPS Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The PCSPS (NI) Actuary reviews employer contributions every 4 years following a full scheme valuation. From 2012-13, the rates will be in the range 18% to 25%. The contribution rates are set to meet the cost of the benefits accruing during 2012-13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account; a stakeholder pension with an employer contribution. Employers' contributions of £2,504 (2011-12: £2,592) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £259 (0.8%) of pensionable pay were payable to the PCSPS(NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting date were £nil, as the contributions are paid over to the pension providers on a monthly basis. Contributions prepaid at that date were £nil.

No persons retired early on ill-health grounds and the total additional accrued pension liabilities in the year amounted to £ nil.

The Public Prosecution Service has responsibility for the Broadly By Analogy (BBA) pension schemes of public appointments in respect of retired Directors and Deputy Directors of Public Prosecution. A BBA pension arrangement entitles the recipient to benefits similar to the classic scheme in both the PCSPS and PCSPS (NI). The scheme liabilities were calculated by the Government Actuary's Department in April 2013 and amount to £3.591m at 31 March 2013 (2011-12: £3.591m).

## 8.2 Provisions included within Note 8 - Staff Costs

	2012-13 £000	2011-12 £000
<b>Broadly By Analogy (BBA) pension schemes:</b>		
Provided in year	-	-
Provisions not required written back	-	-
<b>Pension provisions provided in year - Notes 10</b>	<b>-</b>	<b>-</b>

Further details are contained in Note 21.

### 8.3 Average number of persons employed

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

			2012-13			2011-12
	Total	Permanent Staff	Others	Ministers	Special Advisers	Total
RfR A Objective A	539	539				567
<b>Total</b>	<b>539</b>	<b>539</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>567</b>

### 9. Other Administration Costs

	Note	2012-13 £000	2011-12 £000
<b>Rentals under operating leases:</b>			
Hire of plant and machinery		-	-
Other operating leases		140	128
		<b>140</b>	<b>128</b>
Property running costs		<b>59</b>	<b>68</b>
Rates		<b>79</b>	<b>77</b>
<b>Non-cash items:</b>			
Depreciation and amortisation of non-current assets:			
Property, plant and equipment	13	-	-
Intangible assets	14	-	-
(Profit)/Loss on disposal of non-current assets	7,13,14	-	-
Permanent diminution	13,14	-	-
Auditor's remuneration and expenses		-	-
Provisions:			
Provided in year	21	-	-
Written back in year	21	-	-
Other notional		-	-
		-	-
<b>Other expenditure</b>		<b>60</b>	<b>48</b>
<b>Total</b>		<b>338</b>	<b>321</b>

## 10. Programme Costs

	Note	2012-13 £000	2011-12 £000
Fees to independent counsel		4,809	5,408
Court related costs		830	751
Property running costs		1,659	1,392
Rates		719	686
IT and telephone maintenance and consumables		882	814
Postage, stationery, printing and publications		503	511
Training and professional subscriptions		335	302
Other current expenditure – RfR A		1,357	1,395
		<b>11,094</b>	<b>11,259</b>
<b>Rentals under operating leases:</b>			
Hire of plant and machines		58	40
Other operating leases		1,781	1,790
		<b>1,839</b>	<b>1,830</b>
<b>Non-cash items:</b>			
Depreciation and amortisation of non-current assets:			
Property, plant and equipment	13	1,165	1,231
Intangible assets	14	218	174
Permanent Diminution	13,14	(2)	4
Impairment of non-current assets	13,14	-	-
Write-off of non-current assets	13,14	-	-
(Profit)/Loss on disposal of non-current assets	7,13,14	-	8
Other fixed asset adjustments	7,13,14	-	-
Provisions:			
Provided in year	21	-	-
Borrowing Costs (Unwinding of discount)	21	-	-
Interest	21	170	189
Written back in year	21	-	-
Notional interest on loans		-	-
Consolidated Fund Standing Services		-	-
Auditor's remuneration and expenses		40	41
Other programme notional excluding auditor's remuneration		12	-
		<b>1,603</b>	<b>1,647</b>
<b>Consolidated Fund Standing Services</b>		<b>-</b>	<b>-</b>
<b>Programme costs (see below)</b>		<b>14,536</b>	<b>14,736</b>
Less: programme income	11.1	(358)	(816)
<b>Total</b>		<b>14,178</b>	<b>13,920</b>

Auditor's remuneration relates entirely to audit work.

## 11. Income

Operating income not classified as Accruing Resources (i.e. surrenderable to the Consolidated Fund) is analysed for resource budget purposes between that which is included in public expenditure and that which is not. In 2012-13, all operating income not classified as Accruing Resources was within public expenditure. This information is provided for fees and charges purposes rather than for IFRS 8 purposes.

### 11.1 Analysis of operating income

	2012-13 £000	2011-12 £000
<b><i>RFRA - Administration income:</i></b>		
Fees and charges to external customers	-	-
Fees and charges to other departments	-	-
Estimate cover Accruing Resources	-	-
Other	-	-
	-	-
<b><i>RFRA - Programme income:</i></b>		
Receipts from the Asset Recovery Incentive scheme	245	613
Recovery of court and conference costs	47	75
Fees and charges to other departments	66	128
	358	816
<b>Total</b>	<b>358</b>	<b>816</b>

## 12. Analysis of net operating cost by spending body

	Estimate	2012-13 £000 Outturn	2011-12 £000 Outturn
<b>Request for Resources A</b>			
<b>Spending body:</b>			
Public Prosecution Service	36,235	35,442	35,976
<b>Net operating cost</b>	<b>36,235</b>	<b>35,442</b>	<b>35,976</b>

### 13. Property, plant and equipment

	Buildings £000	Plant & Machinery £000	Information Technology £000	Assets Under Construction £000	Total £000
<b>Cost or valuation</b>					
At 1 April 2012	12,274	1,033	2,419	943	<b>16,669</b>
O/Bal Adjustment (1)	(13)	(3)	(6)	(14)	<b>(36)</b>
O/Bal Adjustment (2)		(8)	33		<b>25</b>
<b>Revised opening balance</b>	<b>12,261</b>	<b>1,022</b>	<b>2,446</b>	<b>929</b>	<b>16,658</b>
Additions	130	-	183	-	<b>313</b>
Disposals	-	-	(15)	-	<b>(15)</b>
Transfers	-	-	-	-	-
Completed AUC	843	-	-	(843)	-
Impairment	-	-	-	-	-
Write-off of PPE	-	-	-	-	-
Permanent diminution	(5)	2	5	-	<b>2</b>
Indexation (Note a)	(428)	22	295	-	<b>(111)</b>
<b>At 31 March 2013</b>	<b>12,801</b>	<b>1,046</b>	<b>2,914</b>	<b>86</b>	<b>16,847</b>
<b>Depreciation</b>					
At 1 April 2012	(4,051)	(463)	(1,645)	-	<b>(6,159)</b>
O/Bal Adjustment (2)	-	4	(66)	-	<b>(62)</b>
<b>Revised opening balance</b>	<b>(4,051)</b>	<b>(459)</b>	<b>(1,711)</b>	-	<b>(6,221)</b>
Charged in year	(703)	(115)	(347)	-	<b>(1,165)</b>
O/Bal Adjustment (2)		(4)	66		<b>62</b>
Disposals (negative figure)	-	-	15		<b>15</b>
Transfers	-	-	-	-	-
Impairment	-	-	-	-	-
Write-off of PPE	-	-	-	-	-
Permanent diminution	2	(1)	(4)		<b>(3)</b>
Indexation depreciation (Note a)	166	(11)	(215)		<b>(60)</b>
Revaluations (Note b)	-	26	278		<b>304</b>
<b>At 31 March 2013</b>	<b>(4,586)</b>	<b>(564)</b>	<b>(1,918)</b>	-	<b>(7,068)</b>
<b>Carrying amount at 31 March 2013</b>	<b>8,215</b>	<b>482</b>	<b>996</b>	<b>86</b>	<b>9,779</b>
<b>Carrying amount at 31 March 2012</b>	<b>8,223</b>	<b>570</b>	<b>774</b>	<b>943</b>	<b>10,510</b>
<b>Asset financing:</b>					
Owned	8,215	482	996	86	<b>9,779</b>
<b>Carrying amount at 31 March 2013</b>	<b>8,215</b>	<b>482</b>	<b>996</b>	<b>86</b>	<b>9,779</b>

**O/Bal Adjustment (1)** – This is to reflect changes to the 2011/12 capital accruals for Property, Plant and Equipment. The 2011/12 capital accruals were included with 'Additions' however the actual cost of the assets in 2012/13 was less than anticipated.

**O/Bal Adjustment (2)** – This is to reflect an adjustment to the disposal of assets in 2010/11. The assets were disposed of at Historic Cost rather than the Revalued Cost within the 2010/11 accounts, this adjustment corrects the Gross Book Value of the Assets. Due to the migration of PPS financial systems to the Account NI shared service centre, this adjustment was processed in year.

**Note a:** Indexation relates to the changes in cost and associated depreciation as a result on the application of indexation.

**Note b:** Revaluation arose due to the re-life of assets during the financial year.

### 13. Property, plant and equipment (continued)

	Buildings £000	Plant & Machinery £000	Information Technology £000	Assets Under Construction £000	Total £000
<b>Cost or valuation</b>					
At 1 April 2011	11,926	1,012	2,657	954	<b>16,549</b>
Opening balance adjustments ( <i>Note a</i> )	-	-	-	(11)	<b>(11)</b>
Revised opening balance	11,926	1,012	2,657	943	<b>16,538</b>
Additions	52	44	196	-	<b>292</b>
Disposals	-	(16)	(231)	-	<b>(247)</b>
Transfer to AD	25	(10)	(186)	-	<b>(171)</b>
Impairment	-	-	(15)	-	<b>(15)</b>
Indexation ( <i>Note b</i> )	271	3	(2)	-	<b>272</b>
<b>At 31 March 2012</b>	<b>12,274</b>	<b>1,033</b>	<b>2,419</b>	<b>943</b>	<b>16,669</b>
<b>Depreciation</b>					
At 1 April 2011	3,280	342	1,615	-	<b>5,237</b>
Charged in year	679	125	427	-	<b>1,231</b>
Disposals	-	(12)	(226)	-	<b>(238)</b>
Transfers	4	8	(158)	-	<b>(146)</b>
Impairment	-	-	(12)	-	<b>(12)</b>
Indexation	88	-	(1)	-	<b>87</b>
<b>At 31 March 2012</b>	<b>4,051</b>	<b>463</b>	<b>1,645</b>	<b>-</b>	<b>6,159</b>
<b>Carrying amount at 31 March 2012</b>	<b>8,223</b>	<b>570</b>	<b>774</b>	<b>943</b>	<b>10,510</b>
<b>Carrying amount at 31 March 2011</b>	<b>8,646</b>	<b>670</b>	<b>1,042</b>	<b>954</b>	<b>11,312</b>
<b>Asset financing:</b>					
Owned	8,223	570	774	943	<b>10,510</b>
<b>Carrying amount at 31 March 2012</b>	<b>8,223</b>	<b>570</b>	<b>774</b>	<b>943</b>	<b>10,510</b>

*Notes:*

- Opening balance adjustments arose from the restatement of assets capitalised incorrectly historically.
- The Public Prosecution Service has capitalised the fit out costs of its offices as buildings. All assets were revalued on the basis of the latest available indices at 31 January 2011. There was no material difference between this value and the value at 31 March 2011.

## 14. Intangible assets

	Development expenditure £000	Information technology £000	Software licences £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2012	679	234	219	1,132
Reclassification under Account NI	-	172	(172)	-
	<b>679</b>	<b>406</b>	<b>47</b>	<b>1,132</b>
O/Bal Adjustment (2)		(63)		(63)
<b>Revised opening balance</b>	<b>679</b>	<b>343</b>	<b>47</b>	<b>1,069</b>
Additions	66	-	-	66
Disposals (negative number)	-	-	-	-
Transfers	-	-	-	-
Impairment	-	-	-	-
Permanent diminution	7	-	1	8
Indexation ( <i>Note a</i> )	11	22	-	33
	<b>763</b>	<b>365</b>	<b>48</b>	<b>1,176</b>
<b>Amortisation</b>				
At 1 April 2012	(331)	(117)	(150)	(598)
O/Bal Adjustment (2)	(3)	(66)	132	63
<b>Revised opening balance</b>	<b>(334)</b>	<b>(183)</b>	<b>(18)</b>	<b>(535)</b>
Charged in year	(140)	(63)	(15)	(218)
Disposals (negative number)	3	66	(132)	(63)
Transfers	-	-	-	-
Impairment	-	-	-	-
Permanent diminution	(3)	-	(1)	(4)
Indexation depreciation	(11)	(7)	-	(18)
Revaluation ( <i>Note b</i> )	25	5	-	30
<b>At 31 March 2013</b>	<b>(460)</b>	<b>(182)</b>	<b>(166)</b>	<b>(808)</b>
<b>Carrying amount at 31 March 2013</b>	<b>303</b>	<b>183</b>	<b>(118)</b>	<b>368</b>
<b>Carrying amount at 31 March 2012</b>	<b>348</b>	<b>117</b>	<b>69</b>	<b>534</b>
<b>Asset Financing:</b>				
Owned	303	183	(118)	368
<b>Carrying amount at 31 March 2012</b>	<b>303</b>	<b>183</b>	<b>(118)</b>	<b>368</b>

**O/Bal Adjustment (2)** – This is to reflect an adjustment to the disposal of assets in 2010/11. The assets were disposed of at Historic Cost rather than the Revalued Cost within the 2010/11 accounts, this adjustment corrects the Gross Book Value of the assets. Due to the migration of PPS financial systems to the Account NI shared service centre, this adjustment was processed in year.

**Note a:** Indexation relates to the changes in cost and associated depreciation as a result on the application of indexation.

**Note b:** Revaluation arose due to the re-life of assets during the financial year.

## 14. Intangible assets (continued)

	Development expenditure £000	Information technology £000	Software licences £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2011	549	381	242	1,172
Additions	-	-	5	5
Disposals	(50)	(83)	(79)	(212)
Transfers	183	(61)	51	173
Impairment	(1)	(1)	-	(2)
Indexation ( <i>Note a</i> )	(2)	(2)	-	(4)
<b>At 31 March 2012</b>	<b>679</b>	<b>234</b>	<b>219</b>	<b>1,132</b>
<b>Amortisation</b>				
At 1 April 2011	146	167	178	491
Charged in year	91	59	24	174
Disposals	(49)	(83)	(79)	(211)
	144	(24)	27	147
Impairment	-	(1)	-	(1)
Indexation ( <i>Note a</i> )	(1)	(1)	-	(2)
<b>At 31 March 2012</b>	<b>331</b>	<b>117</b>	<b>150</b>	<b>598</b>
<b>Carrying amount at 31 March 2012</b>	<b>348</b>	<b>117</b>	<b>69</b>	<b>534</b>
<b>Carrying Amount at 31 March 2011</b>	<b>403</b>	<b>214</b>	<b>64</b>	<b>681</b>
<b>Asset Financing:</b>				
Owned	348	117	69	534
<b>Carrying amount at 31 March 2012</b>	<b>348</b>	<b>117</b>	<b>69</b>	<b>534</b>

### Notes:

- a. Intangible assets are adjusted to their current value each year by reference to appropriate indices compiled by the Office of National Statistics.

## 15. Financial Instruments

IFRS 7 *Financial Instruments: Disclosures* requires disclosure that enables evaluation of the significance of financial instruments for the Department's financial position and performance, the nature and extent of risks arising from financial instruments to which the Department is exposed during the period and at the reporting date, and how the Department manages those risks. As a result of the non-trading nature of its activities and the way in which Government Departments are financed, the Public Prosecution Service is not exposed to the degree of financial risk faced by business entities.

The Department has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change risks facing the Department in undertaking its activities.

### *Classification of financial instruments*

All departmental financial instruments are measured at amortised cost. The Department's financial assets are classified as loans and receivables and comprise trade and other receivables (Note 17) and cash and cash equivalents (Note 18). The Department's financial liabilities comprise payables excluding tax assets, accruals and deferred income (Note 20). The carrying value of these financial assets and liabilities, as disclosed in the notes to the accounts, approximates to fair value because of their short maturities. The Department recognises the components of net gain/loss through the Statement of Comprehensive Net Expenditure. Interest on financial instruments, where applicable, is recognised in finance costs (Note 10) under Programme Costs.

### *Risk Management*

Financial risks include credit risk, liquidity risk and market risks (interest rate and currency).

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Department does not provide services to non governmental organisations and is not exposed to significant credit risk.

#### *Liquidity risk*

The Department's net revenue resource requirements are financed by resources voted annually by the Assembly, as is its capital expenditure. The Public Prosecution Service is not, therefore, exposed to significant liquidity risks.

#### *Currency Risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Public Prosecution Service does not undertake material transactions in currencies other than GBP and is not exposed to significant currency risk.

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. All of the Department's financial assets and liabilities carry nil or fixed rates of interest. The Department is therefore not exposed to any interest rate risk.

### 15.1 Financial Guarantees, Indemnities and Letters of Comfort

The Department has not entered into any quantifiable or unquantifiable guarantees, indemnities or provided letters of comfort that fall to be measured under IAS 39 *Financial Instruments: Recognition and Measurement*.

## 16. Impairments

	2012-13 £000	2011-12 £000
Amount charged to the Statement of Comprehensive Net Expenditure	(3)	4
Amount taken through the revaluation reserve	178	183
<b>Total Impairment charge for the year</b>	<b>175</b>	<b>187</b>

## 17. Trade receivables and other current assets

	2012-13 £000	2011-12 £000
<b>Amounts falling due within one year:</b>		
Trade receivables	5	2,496
Prepayments and accrued income	495	444
VAT	407	334
Amount due from Consolidated Fund in respect of supply	214	-
	<b>1,121</b>	<b>3,274</b>
<b>Amounts falling due after more than one year</b>	-	-
	-	-
<b>Total</b>	<b>1,121</b>	<b>3,274</b>

### 17.1 Intra-Government Balances

	2012-13 £000	2011-12 £000
<b>Amounts falling due within one year:</b>		
Balances with other central government bodies	736	3,006
Balances with Local Authorities	50	2
Balances with Public Corporations & Trade Funds	1	-
Balances with bodies external to government	334	266
<b>Total Receivables at 31 March 2012</b>	<b>1,121</b>	<b>3,274</b>

	2012-13 £000	2011-12 £000
<b>Amounts falling due after more than one year:</b>		
Balances with other central government bodies	-	-
Balances with bodies external to government	-	-
<b>Total Receivables at 31 March</b>	<b>-</b>	<b>-</b>

## 18. Cash and cash equivalents

	2012-13 £000	2011-12 £000
Balance at 1 April	566	96
Net change in cash and cash equivalents balance	(780)	470
<b>Balance at 31 March</b>	<b>(214)</b>	<b>566</b>
The following balances at 31 March are held at:		
Commercial banks and cash in hand	(214)	566
<b>Balance at 31 March</b>	<b>(214)</b>	<b>566</b>

## 19. Reconciliation of Net Cash Requirement to increase/(decrease) in cash

	2012-13 £000	2011-12 £000
Net cash requirement	(36,531)	(33,123)
From the Consolidated Fund (Supply) – current year	33,268	35,834
From the Consolidated Fund (Supply) – prior year	-	-
Movement on Balance held by Department of Justice	2,483	(2,224)
Amounts due to the Consolidated Fund received and not paid over	-	-
Amounts due to the Consolidated Fund received last year	-	(17)
<b>Increase / (decrease) in cash</b>	<b>(780)</b>	<b>470</b>

## 20. Trade payables and other current liabilities

	2012-13 £000	2011-12 £000
<b>Amounts falling due within one year:</b>		
Trade payables	-	7
Other payables	167	536
Accruals and deferred income	5,450	7,186
Property, plant and equipment accruals	406	363
Consolidated Fund Extra Receipts to be paid to the Consolidated Fund:		
Received	-	-
Excess Accruing Resources	-	-
Amounts issued from consolidated fund but not spent at year end	-	3,051
	<b>6,023</b>	<b>11,143</b>
<b>Amounts falling due after more than one year:</b>		
Other payables	-	-
<b>Total</b>	<b>6,023</b>	<b>11,143</b>

## 20.1 Intra-Government Balances

	2012-13 £000	2011-12 £000
<b>Amounts falling due within one year:</b>		
Balances with other central government bodies	749	4,342
Balances with Local Authorities	-	-
Balances with bodies external to government	5,274	6,801
<b>Total Payables at 31 March</b>	<b>6,023</b>	<b>11,143</b>

	2012-13 £000	2011-12 £000
<b>Amounts falling due after more than one year:</b>		
Balances with other central government bodies	-	-
Balances with bodies external to government	-	-
<b>Total Payables at 31 March</b>	<b>-</b>	<b>-</b>

The above table details the Payables shown in Note 20 and the Statement of Financial Position.

### Note:

The 2011/12 amounts issued from the consolidated fund but not spent at year end has been adjusted by £79k changing the balance from £2,971k to £3,050k. This change impacts the associated Cash Flow and Changes in Taxpayers Equity statement.

## 21. Provisions for liabilities and charges

	2012-13 £000	2011-12 £000
<b>Pension:</b>		
Balance at 1 April 2012	3,591	3,455
Provided in the year	-	-
Actuarial loss/(gain)	(491)	123
Provisions not required written back	-	-
Provisions utilised in the year	(162)	(176)
Borrowing Costs (unwinding of discount)	170	189
<b>Balance at 31 March 2013</b>	<b>3,108</b>	<b>3,591</b>

All provisions represent the best estimate of the expenditure required to settle the obligation at the date of approval of the financial statements.

## 21.1 Pensions – Broadly By Analogy Pension Scheme £3,108 (2011-12: £3.591m)

The Public Prosecution Service is responsible for the Broadly By Analogy (BBA) pension schemes in respect of a number of its former public appointments. A BBA pension arrangement entitles the recipient to benefits similar to the classic scheme in both the PCSPS and PCSPS (NI). The Public Prosecution Service and members were obliged to make contributions in line with the PCSPS and the Department is responsible for paying accrued benefits. It is considered that the scheme is no longer available to new entrants.

The BBA pension provision is unfunded, with benefits being paid as they fall due and guaranteed by the Department for service provided. There is no fund, and therefore no surplus or deficit. The scheme liabilities at 31 March 2013 were £3,108 (31 March 2012: £3.591m) as calculated by the Government Actuary's Department.

### Present value of scheme liabilities

	2012-13 £000	2011-12 £000
Liability in respect of:		
Active members	-	-
Current pensioners	3,108	3,591
<b>Total present value of scheme liabilities at 31 March</b>	<b>3,108</b>	<b>3,591</b>

Liabilities are valued on an actuarial basis using the Projected Unit Method.

### Assumptions

	2012-13 %	2011-12 %
Inflation assumption	1.07	2.00
Rate of increase in salaries	3.95	4.25
Rate of increase for pensions in payment and deferred pensions	1.70	2.00
Rate used to discount scheme liabilities	4.10	4.85

### Assumptions - Life expectancy at Retirement

	2012-13 Years	2011-12 Years
<b>Current Pensioners</b>		
Exact Age:		
Male officers currently aged 60	29	29
Male officers currently aged 65	24	24

### Analysis of movement in scheme liability

	2012-13 £000	2011-12 £000
Scheme liability at 1 April	3,591	3,455
Movement in the year:		
Current service cost (net of employee contributions)	-	-
Interest cost	170	189
Employee contributions	-	-
Actuarial (gain)/loss	(491)	123
Provisions not required written back	-	-
Benefits paid	(162)	(176)
<b>Scheme liability at 31 March</b>	<b>3,108</b>	<b>3,591</b>

### Expense to be recognised in the Statement of Comprehensive Net Expenditure

	2012-13 £000	2011-12 £000
Current service cost (net of employee contributions)	-	-
Interest cost	170	189
Provisions not required written back	-	-
<b>Total expense/(income)</b>	<b>170</b>	<b>189</b>

### Actuarial (gain)/loss to be recognised in the Statement of Changes in Taxpayers' Equity

	2012-13 £000	2011-12 £000
Experience (gain)/loss arising on the scheme liabilities	(604)	70
Changes in assumptions underlying the present value of the scheme liabilities	113	53
<b>Total actuarial (gain)/loss</b>	<b>(491)</b>	<b>123</b>

### History of experience (gains)/losses

	2012-13	2011-12
Experience (gain)/loss arising on the scheme liabilities		
Amount (£000)	(60)	70
Percentage of scheme liabilities at the end of year	-19.40%	1.9%

### Estimate of contributions expected to be paid into the scheme over the year 1 April 2012 to 31 March 2013

The Public Prosecution Service does not anticipate having any future entrants to Broadly By Analogy pension schemes. On this basis during the financial year 2012-13 it is estimated that total contributions to the scheme will be £nil.

## 22. Capital and other commitments

### 22.1 Capital Commitments

	2012-13 £000	2011-12 £000
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment	-	-
Intangible assets	-	-

### 22.2 Commitments under leases

#### 22.2.1 Operating leases

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

	2012-13 £000	2011-12 £000
<b>Obligations under operating leases for the following periods comprise:</b>		
<i>Buildings:</i>		
Not later than one year	1,834	1,834
Later than one year and not later than five years	7,334	7,334
Later than five years	11,379	13,392
	<b>20,547</b>	<b>22,560</b>
<i>Other:</i>		
Not later than one year	46	45
Later than one year and not later than five years	15	60
Later than five years	-	-
	<b>61</b>	<b>105</b>
<b>Total</b>	<b>20,608</b>	<b>22,665</b>

#### 22.2.2 Finance leases

The Public Prosecution Service has no obligations under finance leases.

### 23. Contingent liabilities disclosed under IAS 37 Provisions, Contingent Liabilities and Contingent Assets

Listed below are the Public Prosecution Service's contingent liabilities that have not been recognised as provisions because their existence will only be confirmed by the occurrence of one or more uncertain future events, not wholly within the Department's control.

<p><b>(i)</b> Description of liability:</p> <p>Expected date of Settlement:</p> <p>Uncertainties and major assumptions:</p>	<p>Potential damages and defence legal costs which could be awarded against the Public Prosecution Service.</p> <p>Settlement dates are unknown.</p> <p>These costs generally arise from legal proceedings taken against the Public Prosecution Service including, for example, restraint and confiscation proceedings or an award of costs against the Public Prosecution Service to a non-legally aided defendant.</p>
<p><b>(ii)</b> Description of liability:</p> <p>Expected date of Settlement:</p> <p>Uncertainties and major assumptions:</p>	<p>Supplier contracts, employment and personnel cases outstanding against the Public Prosecution Service.</p> <p>Settlement dates are unknown.</p> <p>These claims have not been provided for in the Department's financial statements as they are as yet unresolved.</p>
<p><b>(iii)</b> Description of liability:</p> <p>Expected date of Settlement:</p> <p>Uncertainties and major assumptions:</p>	<p>Following the High Court settlement referred to in the financial performance report, there is the potential for consequential claims arising from industrial tribunal hearings.</p> <p>Settlement dates are unknown.</p> <p>These costs will be reliant on the outcome of industrial tribunal cases. Case management directions have commenced and a date has been set for the hearing. There is uncertainty regarding the outcome and the quantum of any settlement payable.</p>
<p><b>(iv)</b> Description of liability:</p> <p>Expected date of Settlement:</p> <p>Uncertainties and major assumptions:</p>	<p>The final liability due under the Developer's Agreement for the PPS Headquarters is disputed with the landlord.</p> <p>Settlement dates are unknown.</p> <p>Uncertainties and Major Assumptions: These costs have not yet been provided in the Department's financial statements as they are as yet unresolved.</p>

## 24. Losses and special payments

### 24.1 Special Payments

	Number of cases	2012-13 £000	Number of cases	2011-12 £000
<b>Details of cases</b>				
Compensation payments	1	530	2	1,782
Ex-gratia payment	2	285	1	1
<b>Total</b>	<b>3</b>	<b>815</b>	<b>3</b>	<b>1,783</b>

The PPS made three special payments during the period a compensation payment and an ex-gratia payment. These were within the delegated authority of the PPS and did not require DFP approval.

#### Compensation Payments

During 2012/13 there was an additional special payment in excess of £250,000 relating to the breach of contract case taken against the NIO and DFP by 53 lawyers employed by the NICS, 22 of these lawyers are employed by the PPS. On the strong advice of counsel, agreement was reached in principle with the Plaintiffs to settle their claims. There was an additional amount paid in 2012/13 in relation to the pension element of this claim totalling £530,000 along with an adjustment to the salary lump sum of £1,305.

#### Ex-gratia Payment

The PPS made special payments to counsel in relation to two retrials listed after the introduction of the new fees scheme in November 2012. Payment for the original trials were made under the old fee rates and DFP subsequently approved payment of these retrials under the previous arrangements. A total of £105k and £120k have been accrued in respect of these retrials.

## 25. Related-party transactions

The Public Prosecution Service has had a number of material transactions with other government bodies. Most of these transactions have been with the Department of Finance and Personnel.

The Department of Justice undertook transaction processing for the PPS under a Service Level Agreement during until the end of June 2013. These arrangements came to an end during in July 2013 when both Departments entered the Account NI shared service centre.

## 26. Events after the reporting date

There are no other events occurring after the reporting date that require disclosure.

## 27. Date authorised for issue

The Accounting Officer authorised these financial statements for issue on 26 June 2013.

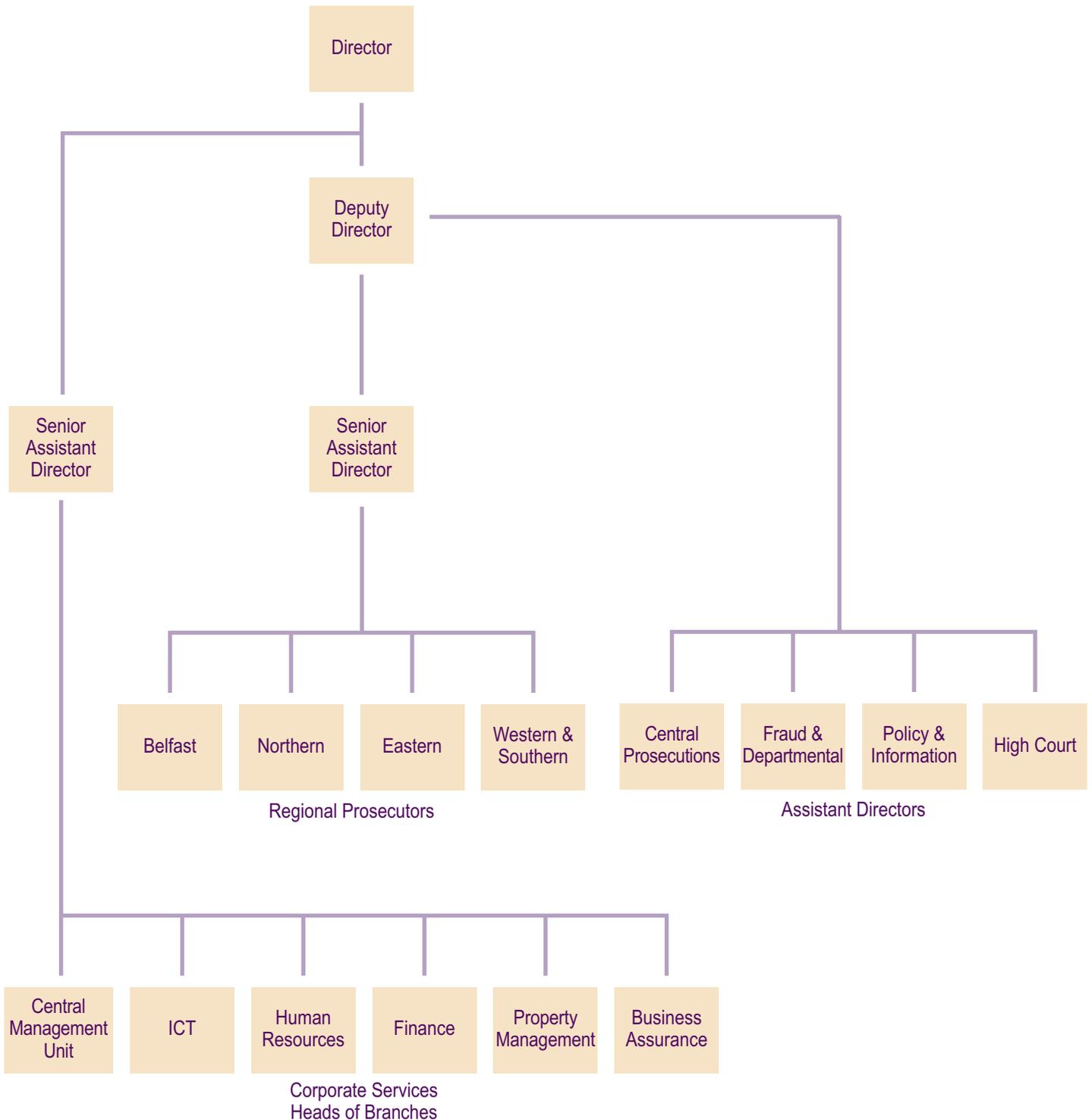


# Part 3: Annexes



# Annex A:

## PPS Organisation Chart



# Annex B:

## Performance against Key Milestones 2012-13

### Strategic Priority 1:

Delivering an efficient and effective prosecution service

2012-13 Objective / Milestone	Outcome
<b>Objective 1.1</b> <b>To promote the highest standard of prosecutorial decision-making and case preparation and prosecute in the most effective manner</b>	
<ul style="list-style-type: none"> <li>• Agree 2012-13 Quality Assurance Thematic Review Programme.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Conduct dip sampling of prosecutorial decisions.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Policy on Dealing with Cases involving People Trafficking published for consultation.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Policy on Dealing with Cases involving Youth Offenders published for consultation.</li> </ul>	<b>Deferred to 2013-14</b> (see page 18)
<b>Objective 1.2</b> <b>To work with partners to improve our service delivery and reduce avoidable delay</b>	
<ul style="list-style-type: none"> <li>• Meet 'Speedier Justice' Programme objectives for 2012-13</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet Avoidable Delay Action Plan objectives for 2012-13.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Implement Indictable Early Intervention Pilot</li> </ul>	<b>Partially Achieved</b> (see page 20)
<ul style="list-style-type: none"> <li>• Arrangements for immediate youth conferencing scheme in place.</li> </ul>	<b>Deferred to 2013-14</b> (see page 21)
<ul style="list-style-type: none"> <li>• Updated PPS / Police Protocol in place.</li> </ul>	<b>Deferred to 2013-14</b> (see page 22)
<ul style="list-style-type: none"> <li>• Service Level Agreements in place with departments and agencies.</li> </ul>	<b>Partially Achieved</b> (see page 22)
<ul style="list-style-type: none"> <li>• Arrangements in place for conditional cautioning (in line with legislative timetable).</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Complete Associate Prosecutor Scoping Study.</li> </ul>	<b>Achieved</b>

## Strategic Priority 1:

### Delivering an efficient and effective prosecution service

2012-13 Objective / Milestone	Outcome
<b>Objective 1.3</b> <b>To develop and embed our advocacy strategy</b>	
<ul style="list-style-type: none"> <li>• Implementation of Higher Court Advocacy Scheme.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Panel of External Counsel reconstituted (via open competition).</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Action Plan developed in response to CJINI Review of PPS Advocacy.</li> </ul>	<b>Deferred to 2013-14</b> (see page 21)
<ul style="list-style-type: none"> <li>• Enhanced arrangements in place for assessment of panel counsel and public prosecutor advocacy.</li> </ul>	<b>Deferred to 2013-14</b> (see page 23)

## Strategic Priority 2:

### Building the confidence and trust of the community we serve

2012-13 Objective / Milestone	Outcome
<b>Objective 2.1</b> <b>To provide an enhanced service to victims and witnesses</b>	
<ul style="list-style-type: none"> <li>• Meet PPS VWCU objectives for 2012/13.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet Victim and Witness Task Force objectives for 2013-14.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Publish updated Victims and Witnesses Policy for consultation.</li> </ul>	<b>Deferred to 2013-14</b> (see page 18)
<ul style="list-style-type: none"> <li>• Revised Court Witness Compensation Scheme in place.</li> </ul>	<b>Not Achieved</b> (see page 24)
<ul style="list-style-type: none"> <li>• Implement Intermediaries service for vulnerable witnesses</li> </ul>	<b>Deferred to 2013-14</b> (see page 24)
<b>Objective 2.2</b> <b>To engage effectively with stakeholders and the wider community</b>	
<ul style="list-style-type: none"> <li>• Implement agreed actions arising from the revised 2012-2014 Communication Strategy and Action Plan.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet DDA Plan objectives for 2012-13.</li> </ul>	<b>Partially Achieved</b> (see page 27)
<ul style="list-style-type: none"> <li>• Submit annual DDA/s75 review to Equality Commission.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet Equality Scheme Plan objectives for 2012-13.</li> </ul>	<b>Partially Achieved</b> (see page 27)

## Strategic Priority 3: Strengthening our capability to deliver

2012-13 Objective / Milestone	Outcome
<b>Objective 3.1</b> <b>To provide value for money through the improved management of resources and the development our resource planning</b>	
<ul style="list-style-type: none"> <li>• Implement Account NI system across PPS.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Implement revised arrangements for establishing and paying counsel fees.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Produce Annual Progress Report against PPS Sustainability Action Plan.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet 2012-13 ICT Strategy objectives.</li> </ul>	<b>Achieved</b>
<b>Objective 3.2</b> <b>To strengthen our accountability by developing and maintaining a transparent and effective governance framework</b>	
<ul style="list-style-type: none"> <li>• Agree 2012-13 Internal Audit Programme.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Conduct review of senior management team.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Action Plan developed in response to CJINI Review of Corporate Governance</li> </ul>	<b>Deferred to 2013-14</b> <i>(see page 57)</i>
<ul style="list-style-type: none"> <li>• Complete all actions set out in the Information Assurance Maturity Plan.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet all mandatory requirements of the Security Policy Framework.</li> </ul>	<b>Achieved</b>

**Strategic Priority 4:**  
**Building the capability of our people**

2012-13 Objective / Milestone	Outcome
<b>Objective 4.1</b> <b>To develop our staff and promote a culture of continuous improvement</b>	
<ul style="list-style-type: none"> <li>• Agree 2012-13 Corporate Training Plan.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Achieve re-accreditation under the Investors in People Standard.</li> </ul>	<b>Achieved</b>
<ul style="list-style-type: none"> <li>• Meet Organisational Development Action Plan objectives for 2012-13.</li> </ul>	<b>Partially Achieved</b> <i>(see page 32)</i>
<ul style="list-style-type: none"> <li>• Complete 2012-13 Business Improvement Review Programme.</li> </ul>	<b>Achieved</b>

# Annex C:

## Performance against Key Delivery Targets 2012-13

Note: Figures in parenthesis indicate 2011-12 performance where applicable.

Strategic Priority	Key Performance Indicators (KPIs)	Target / Outcome
1	<p><b>Legal Quality Assurance</b> Percentage of decisions to prosecute, divert or not to prosecute within the range a reasonable prosecutor would take</p>	<p>Target: 99% Outcome: 98% (99%)</p>
	<p><b>Prosecutorial Decisions*</b> Percentage of:</p>	
	<p>Indictable prosecution decisions issued within:</p>	
	<p>100 days</p>	<p>Target: 50% Outcome: 48% (50%)</p>
	<p>180 days</p>	<p>Target: 80% Outcome: 72% (78%)</p>
	<p>Summary prosecution decisions within:</p>	
	<p>15 days</p>	<p>Target: 65% Outcome: 72% (70%)</p>
	<p>75 days</p>	<p>Target: 90% Outcome: 91% (89%)</p>
	<p>Diversionary decisions issued within:</p>	
	<p>15 days</p>	<p>Target: 65% Outcome: 77% (77%)</p>
	<p>60 days</p>	<p>Target: 90% Outcome: 91% (92%)</p>
	<p><b>Crown Court Outcomes</b> Number of cases / defendants in the Crown Courts subject to a 'No Bill' (All counts):</p>	
<p>(a) Cases</p>	<p>Target: Not to exceed 24 Outcome: 24 (34)</p>	
<p>(b) Defendants</p>	<p>Target: Not to exceed 32 Outcome: 31 (43)</p>	

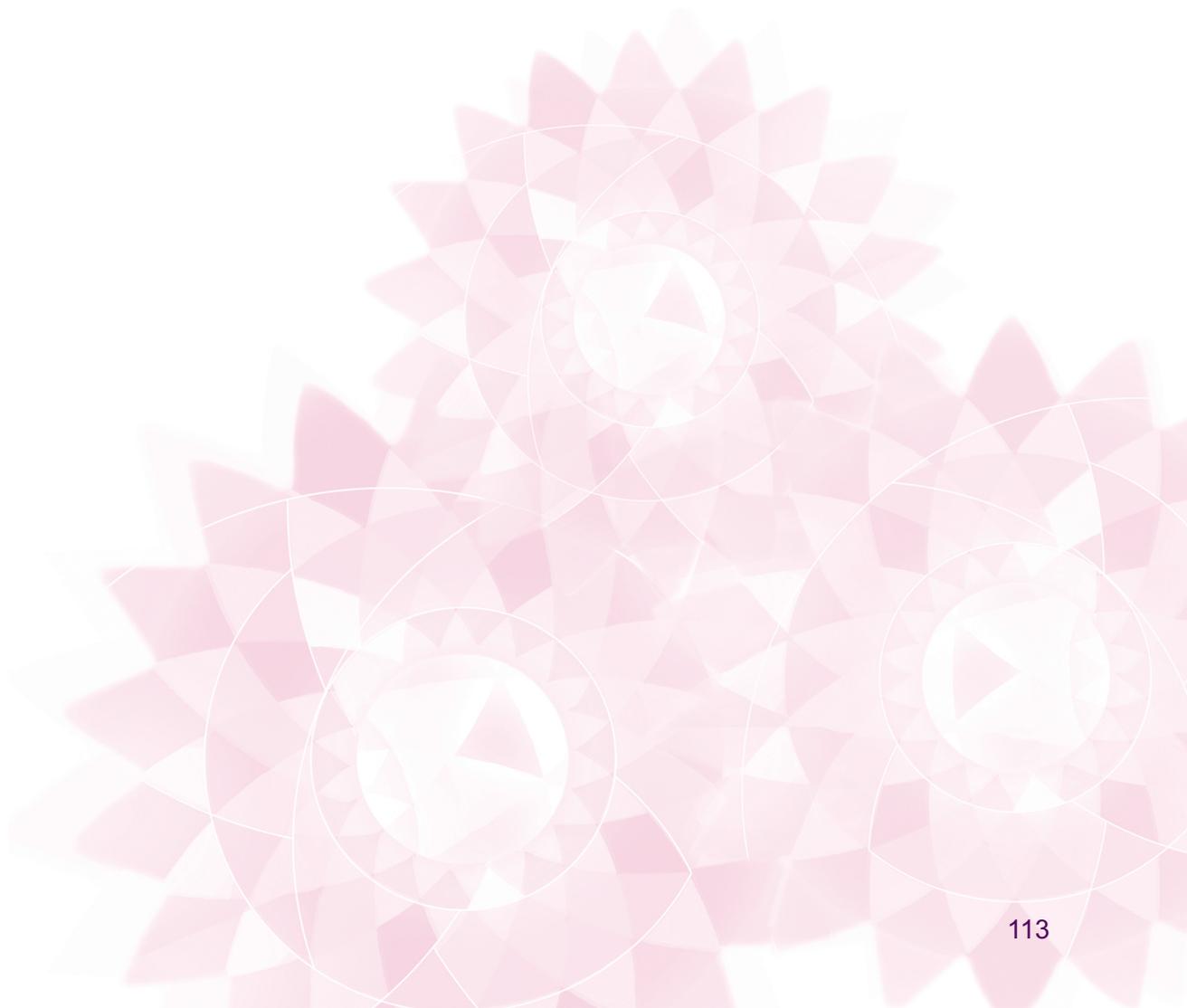
\* Monitoring covers the period (in calendar days from the date initial papers (charge cases only) or files are received by the PPS to the date when the prosecutorial decision issues. Time required for response to Decision Information Requests (DIRs) by police is excluded.

## Performance against Key Delivery Targets 2012-13 (continued)

Note: Figures in parenthesis indicate 2011-12 performance where applicable.

Strategic Priority	Key Performance Indicators (KPIs)	Target / Outcome
2	<p><b>Witness Expenses</b> Percentage of claims processed and authorised for payment within 4 working days</p> <p><b>Public Confidence</b> Percentage confidence in the provision of a fair and impartial prosecution service</p> <p>Percentage confidence in PPS effectiveness in prosecuting people accused of committing a crime</p> <p><b>Community Outreach</b> Number of regional outreach events</p>	<p>Target: 95% Outcome: 95% (96%)</p> <p>Target: 70% Outcome: 68% (70%)</p> <p>Target: 68% Outcome: 65% (67%)</p> <p>Target: At least 24 Outcome: Achieved</p>
3	<p><b>Budget 2010</b> Percentage saving on 2011-12 Baseline</p> <p><b>Better Payments Practice Code</b> Percentage of invoices paid within 10 working days</p> <p><b>Requests under Freedom of Information</b> Percentage of requests answered within agreed time limits</p>	<p>Target: 0.44% Outcome: Achieved</p> <p>Target: 95% Outcome: 82% (96%)</p> <p>Target: 100% Outcome: 88% (100%)</p>
4	<p><b>Attendance Management **</b> Average days lost due to sickness and absenteeism (per whole time equivalent) staff member.</p> <p>Long term absence - frequency rate.</p>	<p>Target: Not to exceed 8.1 days Outcome: 10.2 days (9.7)</p> <p>Target: 8.1% Outcome: 9.6% (9.4%)</p>

\*\* Provisional PPS data for 2012-13.



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