

**West Mercia
Probation Trust**



West Mercia Probation Trust

**Annual Report and Accounts
2012–2013**

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Vision, Mission & Values

Vision

To be an exemplar for probation services, by working with local communities and agencies and continually striving for improved services and efficiency.

Mission

- Protect the public.
- Reduce re-offending.
- Punish and rehabilitate offenders.
- Build confidence for communities, courts and victims.

Values

- Treat people fairly, openly and with respect.
- An uncompromising stance against harm caused by crime.
- A strong belief that people can change.
- The importance of taking personal responsibility for behaviour.
- The necessity of learning from experience.

Foreword

Welcome to the West Mercia Probation Trust Annual Report for 2012–13. This has been a year of significant achievements for the Trust against a backdrop of change and uncertainty. In March 2012 the Secretary of State announced the start of consultation exercises on the future of probation services in England and Wales and on planned reforms to community sentences. This consultation ended at the end of June 2012. A further consultation commenced in January 2013 building on the previous consultation last year which set out plans to contract out probation services more widely and increase the use of Payment by Results. The consultation period ended on 22 February 2013 and the result of these consultations were published in “Transforming Rehabilitation: A Strategy for Reform” on 9 May 2013 by the Secretary of State for Justice. It is to the credit of management, staff and the partners who work with us that we have continued to improve, develop and extend services to offenders and victims in West Mercia throughout the year.

The success of the service can be seen everywhere in this report. Although West Mercia is only a medium sized Trust in terms of numbers of employees and budget, according to both Her Majesty’s Inspectorate of Probation (HMIP) and the National Offender Management Service’s (NOMS) Probation Trust Rating Scheme, West Mercia Probation Trust features amongst the top five Trusts nationally. Performance throughout the year has continued at the highest levels, whilst costs have been reduced.

Our partnership working has been extended through the development of ‘One Step Beyond’, our innovative development and delivery partnership that is bringing innovation and change from the voluntary and community sector into mainstream probation activity. This has created community involvement, training and employment and broader economic development.

Care Farms across our area are pioneering, land-based interventions for offenders which are both therapeutic and relevant to the local economy, and have proved to cost less than some of the centrally prescribed schemes they replace.

Working with the principal local authorities responsible for youth justice we have been able to integrate the previously separate Youth Offending Services in a new West Mercia wide team co-located with probation to provide seamless services for young people as they progress to adulthood.

At national and international level West Mercia Probation has made its mark this year, helping to improve services locally and across Europe through the award winning Active Inclusion to Mainstreaming project. This has enabled the Trust to learn from best practice across neighbouring jurisdictions. More locally, each of the Local Delivery Units has further developed Integrated Offender Management arrangements with local police for the effective management of serious offenders.

The Board aims to ensure that all this good practice is not lost when the new proposals for reorganising probation are implemented. Work has already begun to facilitate the development of a staff led mutual, independent of the Board, which can bid for those services to be competed. The Board will also seek to make sure that the best interests of West Mercia are preserved in the new governance and management arrangements for the reserved public sector probation services.

Finally, the Board wishes to express its satisfaction with how West Mercia Probation Trust has responded to the challenges facing it over the past year and gives its thanks to all those management, staff and partners who have helped achieve this year’s successes.

James R. Kelly

James R Kelly
Chair of the Board

1. Operational & Performance Review 2012–13

Introduction

This Annual Report is structured according to the European Foundation for Quality Management (EFQM) Excellence Model and it covers:

- (A) Enablers – what an organisation does and how it does it in order to achieve results. Whilst separated into five elements, ie Leadership, Strategy, People, Partnerships & Resources and Processes, they are inevitably inter-connected in terms of organisation structure and impact.
- (B) Results – what the organisation has achieved in the reporting year.

A Enablers

Leadership

Transforming Rehabilitation

The Probation Review 'Effective Probation Services' was published at the start of the year with a consultation period running until 22 June 2012. We consulted with staff, partner agencies and key stakeholders to inform the Trust's response. Following the consultation period the Government produced 'Transforming Rehabilitation' outlining their plans for the future of probation, which was then put out for a further period of consultation. During this consultation period West Mercia was pleased to welcome Prisons and Rehabilitation Minister, Jeremy Wright. We introduced him to many of our partners and stressed our support for involving a diverse range of suppliers and concern that this network should be sustained during the promised changes; the Trust subsequently submitted its response. The Government's response to this further consultation was announced by the Secretary of State for Justice on 9 May 2013.

One opportunity that this review has opened up is that staff within the Trust might form a new organisation – a 'spin out' from the Trust to bid to provide those services that are not to be retained in the public sector. Whilst not itself being able to bid for this work the Trust has been supportive of staff pursuing this opportunity and is proud to have gained support from the Cabinet Office in developing this initiative.

New Police and Crime Commissioner

The new Police and Crime Commissioners were introduced this year. Independent, Bill Longmore, was elected and took up post as the first West Mercia Police and Crime Commissioner in November. He is responsible for setting priorities for the police, overseeing the budget and appointing the Chief Constable. In addition to this, he has shown great interest in the wider 'crime' part of his title and we are actively working together to develop initiatives that will both enhance opportunities for offenders to gain marketable skills, but also allow them to utilise those skills to benefit victims and communities that have suffered from offending behaviour.

West Mercia Youth Offending Service

Following a thorough review of the provision of Youth Offending Services, the two previous Youth Offending Teams within West Mercia have merged to become one single West Mercia Youth Offending Service which, uniquely, is hosted by the Probation Trust. Already this has generated significant savings for the partners, whilst maintaining front line services. In the longer term, it provides the opportunity to re-design services around the lessons learnt in the Barrow Cadbury funded 'Transition to Adulthood' pilots that we have run and to create new services for offenders aged 15–21, the time of peak re-offending, when currently they are expected to change agencies.

New Board Members

We continue to attract strong interest in the work of the Trust Board and following the resignation of Andrew Strong, Nicola Inchbald from South Worcestershire has been selected to fill the place on the Board as Portfolio Holder for Business and Resources. A further associate Board Member, Les Kinmond, has also been recruited as Chair of the Audit Committee.

Policy and Strategy

We have continued to implement our Strategic Plan for 2009–2013 which was developed in consultation with our stakeholders and partners. The strategy positions us as a main provider of offender management, ensuring that the order of the court is carried out and offenders receive a good standard of seamless, cohesive and relevant services provided by a diverse range of suppliers. The strategy also requires taking a prime responsibility for developing the wider criminal justice sector to increase the opportunities that are open to offenders in the community and to link them to wider crime reduction aims such as getting offenders into sustainable employment. During the year we have developed this alliance approach to commissioning into “One Step Beyond”. This is administered alongside our strategic partners, YSS, and involves the participation of all interested bodies in identifying the resources that are available and how they can best be configured to provide the best possible service locally. Some of the fruits of this approach are referred to in this report in relation to new services that have developed.

We have further developed our capacity for improved commissioning and procurement through the creation of a Community Interest Company (CIC) Clarent Commerce, in partnership with seven other Trusts and with Excalibur, our current procurement provider.

Offender Management

A key enabler in achieving our objectives is the quality of the offender management service that we provide; a key arbiter of that quality is Her Majesty’s Inspectorate of Probation (HMIP). During the year it became West Mercia’s turn to be the subject of the national, independent Offender Management Inspection (OMI2), carried out by HMIP. West Mercia scored highly across all three categories assessed in the inspection; the Trust came out as one of the top five performing Trusts in the country and was cited as such by the Inspectorate in their review of the OMI programme.

The Inspection examined a representative sample of cases and judged how often the work with each case was done to a sufficiently high level of quality.

	Percentage of the time work is done to a sufficiently high level of quality
Work done to minimise risk of harm	82%
Work done to reduce reoffending	81%
Work done to maximise compliance and enforcement	83%

As part of the OMI2 Inspection an Ofsted inspection ran alongside looking at offender learning. Our partnership approach was fully vindicated in the inspectors’ observation that provision at Willowdene Farm, one of the care farms we utilise, was “staggeringly impressive”.

In addition to the HMIP and Ofsted work we have also been subject to an audit of Accredited Programmes which took place from October 2012. Each programme was audited separately by staff from NOMS and each audit was divided into an operational audit (looking at whether everything required to run the programme was in place) and a clinical audit (where recordings of programme delivery and staff supervision were rated). The operational and clinical audits are combined to give an overall score for each programme. We have passed both the clinical and operational audits for the One-to-One Programme, Drink Impaired Drivers Programme, Integrated Domestic Abuse Programme and the Thinking Skills Programme. The lessons learned from this audit are being used to improve practice as part of our commitment to continuous improvement. In addition, the Regional Sex Offender Unit, which

delivers the sex offender programmes and to which a number of our staff are seconded, received a good audit report.

Interventions

We welcomed the NOMS' move away from specifying 'inputs' which has characterised the last two rounds of contract negotiation. This has enabled us to focus on what works in our rural environment, focusing on the 'outcomes' instead. So we have:

- Stopped delivering some accredited programmes in favour of Specified Activity Requirements at Willowdene Farm in South Shropshire and developed plans for similar Specified Activity Requirements to be delivered at Shift Farm, Herefordshire next year.
- Opened Senior Attendance Centres at Worcester (YSS) and in Shropshire (Willowdene).
- Further developed the programme of offender supervision undertaken by YSS, into the Enhanced Supervision Scheme (ESS) to give offender managers more options to flexibly manage their offenders.
- Provided over 133,000 hours of Community Payback, often in partnership with community based projects and organisations.
- Achieved and sustained a high level of occupancy at Braley House Approved Premises in Worcester with an intake reflecting the Government's policy that Approved Premises should be used to provide an enhanced level of supervision for offenders who have committed serious offences.
- Developed plans for a Women's Residential programme at Willowdene to commence 1 April 2013.
- During the year we delivered a range of accredited programmes as follows:
 - Thinking Skills Programme
 - One-to-One Thinking Skills
 - Drink Impaired Drivers' Programme
 - Integrated Domestic Abuse Programme (IDAP)
 - Community Sex Offender Programme

From 2013 we will be delivering a reduced range of accredited programmes but will be continuing to offer Drink Impaired Drivers, a new domestic violence programme called "Building Better Relationships" which replaces IDAP, as well as the Community Sex Offender Programme.

Telford Local Delivery Unit

In Telford, the launch of the Telford reducing re-offending strategy has engaged and focused partner agencies on the need to provide and deliver a bespoke, speedy service to offenders identified as part of the Integrated Offender Management (IOM) cohort. The co-located IOM team, which currently consists of police and probation offender managers and drug workers from the drugs and alcohol recovery team, will be expanded to include workers from YSS, mental health and accommodation providers.

Family Connect has been created to provide a more unified and efficient approach to the work with families and children. This will be aligned with IOM so that arrangements are in place to ensure the families of offenders are able to navigate services and access the support required.

The Community Payback partnership continues to be of benefit to offenders and the communities they come from. There is a planned programme of work which is targeting areas of need and is linked to developing the learning and skills of offenders.

Worcestershire Local Delivery Unit

In Worcestershire, we have focused on targeting those offenders who commit the most crime and making the best use of available resources including community and partnership resources. This has included co-locating probation staff with police colleagues and with drug and alcohol services to ensure offenders receive swift support to stop them re-offending and using Residential Intervention Beds at the care farm for intensive, focused, short term interventions when offenders are at most risk.

In addition, we have made maximum use of Specified Activities at Willowdene Farm where offenders engage in a therapeutic community environment, focusing on the causes of their offending behaviour whilst also engaging in skills training activity and achieving qualifications to enable them to improve their life chances.

Worcestershire has also engaged in providing a care farm placement for offenders who are released from short term prison sentences and are not statutorily obligated to be involved with the Trust. Attendance for this group is therefore voluntary, however, we have engaged in this in order to continue targeting those who commit the most crime. This activity is undertaken at The Fold, Hollywell Farm in Worcester utilising external community resources from the Worcestershire Community Learning Fund.

Shropshire Local Delivery Unit

West Mercia has now launched its Integrated Offender Management (IOM) work across the area and this is based on the pilot work undertaken in Shropshire. This project, called Route 7, was independently reviewed, producing strong evidence of its impact on reductions in re-offending. The focus on reducing re-offending is extended to all statutory cases. The IOM project also works with non-statutory offenders at risk of reoffending and provides ‘wrap around’ support. The main challenge now is to mainstream the successful elements of this across the partner agencies.

Shropshire is currently the base for the development of the NOMS’ Personality Disorder specification which seeks to work with the South Staffordshire and Shropshire Healthcare Trust to develop pathways with offenders who pose a serious risk to the public. This is an innovative development which had been subject to competitive bidding. The project will operate over a two year period, covering Shropshire and Telford, developing operational staff to acquire knowledge and skills in working with this group of offenders.

Herefordshire Local Delivery Unit

In Herefordshire, the Integrated Offender Management Project has rolled out with a co-located, multi-agency team based at the police station, working proactively with the most problematic offenders in Herefordshire. Work is on-going to align this with the Troubled Families and Domestic Abuse agenda locally. Shift Care Farm has run three, externally funded pilots of structured work with groups of the most prolific offenders who have achieved accredited learning awards as part of their resettlement into the community. This is being taken forward as a new “Specified Activity” available to the court as an intervention for offenders with the highest likelihood of re-offending.

Community Payback has continued to respond to demand from local communities. A small pot of money has become available as a community safety partnership to enable small, third sector organisations in the areas of highest need to purchase materials to be used on Community Payback projects, to widen access to the service.

Work with Courts

We continue to prioritise work with courts as our customers. Our programme of liaison forums in all bench areas have been well attended and achieved positive feedback as has the area-wide forum steering group consisting of representatives from benches, legal advisors and probation staff. At these meetings sentencers, probation staff and legal advisors are provided with probation performance information, details of punishment and rehabilitation interventions and exchange information on legislative and structural changes in the criminal justice system.

The HM Courts & Tribunals Service has been the subject of further re-organisation this year. We now form part of the combined area of Staffordshire and West Mercia from 1 October 2012. John Stephenson, from West Mercia, has been appointed the Justices’ Clerk to head up this area. In the first instance we have to wish him well for the secondment that he is about to undertake helping to develop the courts system in Croatia where one of our Assistant Chief Officers, Julie Masters, has been advising on the establishment of a probation service. Changes to the finances of the Courts and Tribunal Service

have seen the number of Deputy Justices Clerks in West Mercia reduce and there have been no new Magistrates appointed this year.

Multi Agency Public Protection Arrangements (MAPPA)

MAPPA Co-ordinators chair all level two and level three meetings. These meetings co-ordinate the management of offenders representing the greatest risk to the community. Our MAPPA Co-ordinators have organised conferences and training and have contributed to public protection strategies in participating agencies. Our two lay advisors have provided an external view, on behalf of the public, as to whether MAPPA is delivering effective public protection and they have contributed to the strategic development of public protection arrangements by attending MAPPA Strategic Management Board meetings.

People Management

European Foundation for Quality Management (EFQM)

We have undertaken a major review of our operation of the principles of the EFQM and a group of staff, led by the Head of Learning and Development, has been preparing a bid for Recognised for Excellence (R4E) which we intend to submit in the summer of 2013. The staff group is working with Senior Management Team members who are acting as mentors. Senior Managers and Board Members have achieved level one and two “Leaders for Excellence” as part of our journey to excellence.

Investors in People

West Mercia has held the Investors in People (IiP) for a number of years. The last assessment was received in 2011 and the next is due in 2014.

Prison Closure

The closure, at short notice, of Shrewsbury prison has been a staffing challenge to us as well as an operational one, but we have managed to re-absorb the staff previously seconded there despite the pressures on public sector finance.

Sickness Absence

This year has ended on an average of 10.48 days per person, meaning that we have just achieved our target for the organisation of 10.5 days.

Staff Conference

Full staff conferences are held bi-annually in West Mercia. On alternate years each Local Delivery Unit hosts its own conference. This year was the turn of Local Delivery Unit conferences.

High Sheriffs Awards

Nominations were received from staff for colleagues to recognise a significant achievement, a significant contribution or an innovative piece of work. This year the winner of the individual High Sheriff's Award was Dick Schwab, Probation Service Officer. Dick has been a consistent thread of high quality service to the courts both personally and through his contribution to the development of others working in the court setting. The runner-up was Michele Hatfield, AIM Project Co-ordinator.

The winning Team this year was the Victim Liaison Unit for consistently out-performing national performance targets and offering the service more widely than statutorily required. The award for the team runners-up went to the Integrated Offender Management Team at Telford. The awards were presented by Penelope Lewis, High Sheriff of Worcestershire and John Abram, High Sheriff of Shropshire.

Equality and Diversity

The Equality and Diversity Group (EDOG), made up of a cross section of staff from the Trust, meets bi-monthly to ensure equality and diversity is embedded into all aspects of our work. Enabling groups at each location meet regularly and feed into the main operational group.

This year EDOG has been working to achieve equality and diversity objectives as set out by the group. The Senior Management Team oversees all equality and diversity work within the organisation with each member having responsibility for a protected characteristic.

In the annual Stonewall Workplace Equality Index West Mercia jumped 47 places this year and is now ranked at 230, so a significant move in the right direction. This index is Britain's leading tool for employers to measure their own efforts to tackle discrimination and create an inclusive workplace for lesbian, gay and bisexual employees.

We have been working closely with Skills for Justice and have commenced the roll out of the Valuing and Managing Diversity learning programme. Three courses have been run with a total of 46 staff trained. The course is two days in duration and includes pre-course work by way of an e-learning module. A further three courses will run during 2013–2014 and will include a train the trainer event.

We have also purchased some e-learning from the Virtual College and this includes modules on diversity, cultural awareness and Lesbian, Gay, Bisexual and Transgendered (LGBT). In LGBT history month in February 77 staff completed an LGBT e-learning awareness course.

Learning and Development

We remain committed to developing our staff so that whatever the changes in probation work they have the best opportunities to thrive in the new landscape. We are particularly pleased that four Probation Service Officers (PSOs) are currently in training to become Probation Officers and that more are scheduled to join the programme next year.

We have worked closely with the University of Worcester and have developed a Post Graduate Certificate in Enhancing Professional Practice: Working with Offenders. There are two staff currently undertaking this and the Trust will be supporting a further four. This course has also been taken up by other Trusts.

Now that we have a very established working relationship with the University we have also begun working on an applied criminology course with a view to placements being available within the Trust and the third sector. This will give aspirant Probation Officers the opportunity to achieve a relevant first degree and be eligible for the shorter, graduate route to probation qualification.

As part of our commitment to working with health services on the offender/mental health interface we have had an initial nursing student placement (student specialising in mental health) and will build on this successful pilot.

We have developed an e-learning capacity that includes a range of courses, some specifically addressing wider safeguarding issues, and we are starting to pilot e-learning for managers. This consists of an 18 module course addressing a range of management activity. Once staff have completed the Best Practice Level (all 18 modules) they become a City and Guilds Accredited Best Practice People Manager.

We have also focused on management development and we now have an established management development programme. Thirteen managers have been registered to achieve CMI qualifications. The Trust has also supported the development of aspiring managers and nine staff are self-funding management qualifications.

Partnerships and Resources

Excalibur and Clarent Commerce

Through our current procurement provider, Excalibur, and in partnership with seven other Trusts, we have set up a Community Interest Company, Clarent Commerce, to improve our capacity for commissioning and procurement.

YSS

Our strategic partnership with YSS continues to build. The partnership has allowed us to access funding for services for offenders which would not have been directly available to us as a Probation Trust. It has also enabled us to build up strong links between the public sector, third sector and the wider community in identifying local need and matching provision to that need.

Willowdene

This year our partnership with Willowdene has developed further. Willowdene now delivers our Specified Activity Requirements, offers an Adult Attendance Centre for Shropshire offenders and a Residential Intervention Programme. From 1 April 2013 it will also offer a Women's Residential Programme.

Youth Offending Service

From October 2012 the two local Youth Offending Teams merged to become a single West Mercia Youth Offending Service. This is now hosted by West Mercia Probation Trust.

Education, Training and Employment (ETE) Provision

Our employment, education and training provision for offenders is entirely delivered through our partners. Key to this is the New Leaf project provided by Pertemps People Development Group and funded through NOMS Co-Financing, and National Careers Service information, advice and guidance delivered by Ubique Partnerships. ETE is also embedded in our Care Farm projects with Willowdene Farm and Shift, in our contract with Asha Women's Centre, in our Senior Attendance Centres and in some of our Community Payback projects. Offenders needing the additional YSS support will also have access to ETE provision built into their individually tailored programme.

European Social Fund (ESF) Active Inclusion to Mainstreaming (AIM)

West Mercia is lead partner and provides match funding for the ESF Active Inclusion to Mainstreaming (AIM) project which is now reaching its final phase. The AIM Partnership is a regional and international partnership of public, private and voluntary sector partners with partners in Sweden, Hungary, Sardinia and Portugal. It is funded by the European Social Fund with a shared agenda to reduce re-offending by improving offender access to job opportunities. The project promotes innovative approaches to overcoming the multiple barriers to employment that offenders face and involves comparing approaches with a number of EU partners. Plans are in place for the AIM partnership to continue as a free-standing partnership, of which West Mercia will be a core member. Congratulations to AIM for winning two prestigious awards this year – the ESF Gender Equality Leader Award 2012, for its work with women offenders, and the European Social Fund Transnationality Award.

Personality Disorder Provision

West Mercia Probation Trust secured funding for Personality Disorder provision from the Ministry of Justice to work with offenders in Telford and Shropshire.

Community Payback

We have continued to negotiate with local bodies, in particular local councils, to develop Community Payback schemes that are cost neutral or income generating. New agreements have been set up with the Canal Trust, Festival Housing and Wyre Forest Community Safety Partnership where local community groups suggest a project. A new emergency response scheme for Community Payback has been set up in Telford, and in Worcestershire the County Council has agreed to extend the existing Community Payback partnership agreement we have with them.

Regional Community Sex Offender Unit

Collaboration continued around the Regional Community Sex Offender Unit which is providing positive outcomes in terms of the completion of sex offender programmes across the region.

University of Worcester

A new partnership has been developed with the University of Worcester to explore developmental opportunities. This has resulted in the following partnership projects commencing: observational placement for trainee mental health nurse, development of a Post Graduate Certificate and a proposal for an Applied Criminology Degree.

Local Crime – Community Sentence (LCCS)

This year we carried out 16 ‘Local Crime – Community Sentence’ presentations to local community groups. This is a joint venture between the Probation Association and the Magistrates’ Association. A Magistrate and Probation Officer give community groups the opportunity to ‘be the Judge’, sentencing a serious crime and deciding whether the offender goes to prison or is given a community sentence.

Processes**PAM – Platform for Achieving More**

The Trust has invested in a project management tool, Platform for Achieving More (PAM), to help with managing the varied activities of the organisation including risk management. PAM is being used to help with knowledge management within the Trust and can be used to provide an information technology link into our partners. The use of this software will be developed further during the next year.

EFQM

The Trust has undertaken a major review of its operation of the principles of the European Foundation for Quality Management (EFQM) with a view to submitting a Recognised for Excellence bid next year.

Website

A new website was launched this year which we are using to keep our stakeholders up-to-date with regular news items and blogs from the Chief. We have also started to use Twitter as a vehicle to communicate with our wide range of audiences.

Equality Impact Assessments

West Mercia is committed to working to ensure that everyone is treated equally and fairly. It is this commitment to equality and diversity that resulted in the Trust having an external equalities impact assessment (EIA) of its policies. The policies of the Trust are being reviewed and updated to take account of the findings of the EIA. The Trust is committed to the use of EIA to support major decisions.

OASys-R

Work has been undertaken to prepare for the implementation of the replacement Offender Assessment System, OASys-R, early next year. This is a single offender assessment system that will be used by all Prisons and Probation Trusts. Work also got underway for implementation of National Delius in August 2013.

B Results

Summary of Achievements 2012–2013

- Demonstrated reduced re-offending and effective management of risk through evidence given to the Inspectors.
- One of the top five performing areas in the country following the OMI2 Inspection.
- Achieved a rating of ‘green four – exceptional’ on the Probation Trust Rating System.
- Over 133,000 hours of Community Payback carried out.
- Achieved 53 completions of the new Specified Activity Requirement.
- Achieved 58 completions against a target of 45 for the Sex Offender Programme.
- Achieved 41 completions against a target of 41 for the Integrated Domestic Violence Programme.
- Achieved 113 completions against a target of 93 for other accredited general offending behaviour programmes.
- Finished the year within budget.
- Won two awards through our AIM Project.

Financial Performance

The Trust continues to implement the Strategic Plan that originally covered the period from 2009–2013. This has now been expanded to cover the period up to March 2015. Alongside this strategy the Trust also has a Medium Term Financial Plan. This plan is reviewed annually taking into account the changes in demand from the courts for the service, along with items such as our contract with the Secretary of State for Justice and assumptions for inflation. It is important that the financial requirements are aligned with the operational and performance requirements.

The core funding for the Trust from the National Offender Management Service (NOMS) has continued to reduce in line with the comprehensive spending review. It has been important for the Trust to plan finances carefully through this period and to manage the risks for the service accordingly. This has been achieved during the year as overall performance has been good and the finances continue to be well managed.

Work has continued during the year to review how much our processes cost. This has helped to identify where future savings can be realised. This also recognises that the NOMS contract is likely to change in future years to a price/volume approach for each type of service rather than the existing ‘total price’ contract which combines all services together. The total income for the service, including Government funding, is £14.8 million which represents a reduction of £72,000 on that for the year ending 31 March 2012. This reduction in funding is also after taking account of inflation.

Customer Results

Performance Indicator	Description	Target 2012–13	Result 2012–13
OM7 Victim Contact	The percentage of victims who are contacted within eight weeks of an offender receiving 12 months or more for a serious sexual or violent offence.	90%	96%
OM19 Education referrals to awards conversion rate	The percentage of education referrals that resulted in an award	20%	39%
INT9 Offenders in employment	The percentage of offenders in employment at termination of order or licence	45%	51%
INT8 Offenders in sustained employment	Number of offenders placed in employment that is retained for four weeks	200	288

People Results

Performance Indicator	Description	Target 2012–13	Result 2012–13
IPPF8 Sickness Absence	Reduce sickness absence in the National Probation Service	10.5 days	10.48 days
IPPF14 Staff Diversity	Contribution to achieving regionally set employment targets for minority ethnic staff (including white Irish and white others)	No target	13.03%

Society Results

Complaints

We received 15 complaints this year, eight of which were satisfactorily dealt with at stage one. Three were dealt with at the formal stages two and three and one complaint was withdrawn. Three complaints are ongoing. 100% of complaints have been dealt with within the timescales dictated in our complaints procedure.

Media Coverage

Regular news stories are posted to our website (on average three a month). In particular this year we have received positive coverage around our work with Willowdene Farm following a news report aired by the BBC. We have increased traffic to the news pages of our website by posting tweets about news stories with links.

Presentations to Community Groups

During the year we have carried out 16 'Local Crime, Community Sentence' presentations to community groups which involve a Magistrate and Probation Officer. In addition, we have carried out five other presentations about probation work in general.

Feedback

During the year we have collated a range of feedback including feedback from offenders, victims and sentencers.

An offender feedback survey was carried out in October with 307 offenders completing the feedback forms. Of those, 240 (78%) gave positive feedback of their experiences of probation.

Victims of crime contacted by the Trust have the opportunity to provide feedback of their experience of the contact provided. Feedback is collated quarterly. The following feedback sample was received in the period October – December 2012:

- How satisfied were you that you were given enough opportunity to express your views and opinions? 100%
- How satisfied were you with the attention we paid to issues surrounding your safety? 89%
- How satisfied were you with the service you received from the Victim Liaison Service? 100%

We collate sentencer feedback following every probation forum meeting. These take place three times a year in each bench area. The feedback is largely positive and Magistrates welcome the opportunity to meet with probation colleagues and keep themselves up-dated on probation work. The feedback is particularly positive when an offender has attended the forum to talk about their personal experience of their community sentence.

Key Performance Results

Performance Indicator	Description	Target 2012–13	Result 2012–13
OM1 Court report timeliness	The percentage of Pre-sentence Reports (PSRs) (excluding RICs – Remand in Custody) completed within the timescales set by the Court	90%	100%
FDR percentage of total reports	Percentage of PSRs for Magistrates' Courts to be fast delivery	70%	81%
OM5 Enforcement	The percentage of cases in which initiation of breach proceedings took place within 10 working days of the relevant unacceptable failure to comply	90%	88%
OM8 Tier 2,3 Oasys timeliness	Oasys assessments completed or updated within the appropriate timescales for all Tier 2 (where appropriate) and Tier 3 offenders	90%	92%
OM15 Parole Assessment Report timeliness	The percentage of parole eligible cases in which the Parole Assessment Report was provided within the required timescales	90%	100%
OM17 Accommodation at termination	The percentage of offenders in settled and suitable accommodation at the end of their order or licence	80%	88%
OM20 Order or licence successfully completed	The percentage of orders and licences successfully completed against target	70%	76%
OM9 Tier 4 offender assessments	Risk assessments and Oasys sentence plans completed within appropriate timescales	90%	91%
OM39 Oasys Tier 2, 3, 4 and PPO Final Reviews	Oasys final reviews (terminations) to be completed within the appropriate timescales for all Tier 2,3, 4 and Prolific and Priority (PPO) offenders	90%	95%
INT1 Sex offender programme performance	The number of accredited sex offender programme completions against target	45	58
INT2 Integrated Domestic Violence Programme	The number of accredited domestic violence programme completions against target	40	41
INT3 Accredited general offending behaviour programmes	The number of accredited offending behaviour programme completions (excluding sex offender and domestic violence) against target	93	113
INT5 Unpaid work performance	The number of unpaid work completions against target	900	998
INT6 DRR performance	The number of Drug Rehabilitation completions against target	115	128
INT7 Alcohol Treatment Requirement performance	The number of Alcohol Treatment Requirements (ATR) completions	60	128
INT11 Unpaid work stand-downs	The percentage of unpaid work offender days which are lost because of stand-downs on the day against target	Not to exceed 2%	1.7%

C Workload and Activity Statistics

Orders	2009/2010	2010/2011	2011/2012	2012/2013
Life Sentence	7	13	2	1
Stat Post-release supervision	668	673	672	663
Community Order	2,255	2,384	2,329	2,100
Indeterminate Public Protection/ Extended Determinate	16	14	18	18
Immediate Custody	1,321	1,145	1,019	925
Suspended Sentence Order	872	771	748	707
Total	5,178	5,020	4,794	4,414

Caseload	At 31.03.2010	At 31.03.2011	At 31.03.2012	At 31.03.2013
Life Sentence	120	135	140	137
Stat post-release supervision	525	493	558	520
Community Order	1,869	1,644	1,638	1,449
Indeterminate Public Protection/ Extended Determinate	92	106	121	134
Custody	763	753	715	753
Suspended Sentence Order	761	630	610	560
Total	4,192	3,789	3,787	3,553

Amount of Pre Sentence Reports (PSRs) written	2009/2010	2010/2011	2011/2012	2012/2013
Crown Court	959	1056	813	689
Magistrates' Court	992	1181	660	417
Total	1,951	2,237	1,473	1,106

Amount of Standard Delivery Reports (SDRs) and Fast Delivery Reports (FDRs) written	2009/2010	2010/2011	2011/2012	2012/2013
Crown Court	113	46	190	216
Magistrates' Court	1,477	1,277	1,873	1,743
Total	1,590	1,322	2,063	1,959

Community Punishment Hours	2009/2010	2010/2011	2011/2012	2012/2013
Amount of hours ordered	243,000	207,200	188,800	163,330
Amount of hours worked	174,500	168,900	147,300	133,960

Victims

Total number of victims contacted within 8 weeks of sentence	133 (April–Dec)	154 (April–Dec)	171 (April–Dec)	204 (April–Dec)
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D Names of Board Members and official contact address

Mr James Kelly – Chair
Mr Keith Austin
Mr David Chantler – Chief Executive
Mrs Nicola Inchbald
Mr Leon Murray
Mrs Bridget Nisbet
Mrs Valerie Reynolds

Mrs Libhin Bromley – Associate Member
Mrs Elaine Hickman – Associate Member
Mr Les Kinmond – Associate Member

Secretary to the Board – Ms Alison Hallworth
Treasurer to the Board – Mr Graham Mallinson

Address: West Mercia Probation Trust
Head Office, Stourbank House
90 Mill Street
Kidderminster
Worcestershire DY11 6XA

2. Accounts

Management Commentary

Statutory background

The Probation Trusts were established under the Offender Management Act 2007 (OM Act). Each Trust is a corporate body under the OM Act and a Non-Departmental Public Body (NDPB) which reports to the National Offender Management Service (NOMS). This Trust came into existence on 1 April 2010 (following transition from West Mercia Probation Board which was established in 2001).

These accounts have been prepared in accordance with the Government Financial Reporting Manual (FRm) issued by HM Treasury (HMT) and in accordance with the accounts direction issued by the Secretary of State under the OM Act.

Principal activities

The principal activity of the Trust is to deliver against the requirements of the contract with the Secretary of State, the key elements of which are summarised in the sections that follow.

Operational Performance during 2012–13

An analysis of performance outcomes is summarised in the Annual Report on pages 4 to 16.

Results for the year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 32. The Statement of Changes in Taxpayers' Equity is shown on page 35.

Operating costs

The net operating cost before tax for 2012–13 stands at £452,000 compared to £91,000 for 2011–12. The reason for the increase is due to the increase in the pensions finance charge.

Statement of Financial Position and Statement of Cash Flows

The Statement of Financial Position and Statement of Cash Flows are on pages 33 and 34.

The net liability position has increased from £23,123,000 at March 2012 to £28,043,000 at March 2013. The largest single movement in net assets is £4,923,000 which relates to the increased pension liability.

Payment of creditors

In the year to 31 March 2013, the Trust paid 3082 trade invoices with a value of £5.27 million. The percentage of undisputed invoices paid within 30 days by the Trust was 96.4% compared to 96.08% in 2011–12.

Treatment of Pension Liabilities

Past and present employees of the Probation Trusts are covered by the provisions of the Local Government Pension Scheme (LGPS). This is a funded defined benefit scheme meaning that retirement benefits are determined independently of the investments of the scheme, and employers are obliged to make additional contributions where assets are insufficient to meet retirement benefits. Further information can be found in **Note 4** to the Accounts.

Sickness absence data

The average levels of absence due to staff sickness were 10.48 days across the Trust (2011–12 11.64 days).

Personal data related incidents

There were no personal data related incidents in 2012–13.

Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Audit Certificate of the Comptroller and Auditor General.

As at the date of the Audit Certificate, the following reportable events had occurred.

The results of the “Transforming Rehabilitation” consultation paper were published on 9 May 2013, by the Secretary of State for Justice, which announced the future requirements for the provision of probation services. The recommendations will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. It is expected that the detail will be finalised over the coming months. None of the Trust’s assets, liabilities or functions had been transferred at the date the accounts were authorised for issue.

Sustainable development

The Trust falls within the scope of reporting under the Greening Government commitment. As such we have produced a separate sustainability report showing performance against sustainability targets for greenhouse gas emissions, waste minimisation and management and the use of finite resources and their related expenditure. The Sustainability Report is shown on pages 64 to 67.

Going Concern

In March 2012 the Secretary of State announced the start of consultation exercises on the future of probation services in England and Wales and on planned reforms to community sentences. This consultation ended at the end of June 2012. A further consultation commenced in January 2013, building on the previous consultation last year which set out plans to contract out probation services more widely and increase the use of Payment by Results. The consultation period ended on 22 February 2013 and the results of these consultations were published in “Transforming Rehabilitation: A Strategy for Reform”, on 9 May 2013 by the Secretary of State for Justice.

The recommendations of the report will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. The implications of the new arrangements for individual Trusts are not provided in the consultation announcement at this stage. Specifically, the announcement does not provide sufficient detail to form a judgement on whether the material functions, assets and liabilities will be transferred for continuing use in the public sector in the context of the FReM paragraph 2.2.15. This is likely to become clearer during 2013–14 as the proposals are further developed and implemented.

Implementation of the new arrangements will require a Statutory Instrument to be issued by the Secretary of State under the Offender Management Act 2007, subject to negative affirmation. This had not been drafted at the date the Annual Report and Accounts were approved. Senior management has concluded therefore that, having reviewed the results of the consultation within the context of the

Financial Reporting Manual (FReM), it is appropriate for the Trust to prepare the 2012–13 Annual Report and Accounts on a going concern basis, with disclosure of a ‘material uncertainty’ around going concern, arising from the recommendations of the report, Transforming Rehabilitation: A Strategy for Reform.

The Trust has therefore fundamentally reviewed its Strategic Plan which can be found on our website www.westmerciaprobation.org.uk and which runs up to the end of the contract whenever, during that timescale, that might be. The plan consists of four projects, each led by a senior manager and designed to:

- Deliver business as usual, in particular achieving performance targets agreed with NOMS under the existing contract.
- Develop the work of the service and individuals so that we and they remain “fit for purpose” in a period of change.
- Manage our finances to ensure the sustainable delivery of a high performing, relevant service throughout the life of the Trust.
- Develop, by November 2013, an exit strategy to facilitate an effective handover to the new arrangements.

The exit strategy project will also include a functional responsibility for Public Protection in anticipation of the Government’s intention to place risk of harm at the centre of its redesign.

Communications and employee involvement

The Trust employs a Communications Manager who reports directly to the Chief Executive Officer (CEO) and who works to the Trust’s Communications Strategy. She is responsible, on the internal communications side, for co-ordinating:

- Team Briefing, a regular, two-way dissemination and collection of staff comments and feedback on new developments.
- Update, a frequent but irregular email communication to all staff (and Board members) from the CEO on issues of current interest.
- Staff Conferences, held in alternate years on a whole West Mercia or LDU basis. 2012 featured LDU Conferences and a whole area conference is scheduled for 2013.
- Developing a staff only area of the website to facilitate web-based, out of office access to non-restricted information.

Externally, the Communications Manager is responsible for:

- ProActive, our stakeholder engagement publication.
- Maintenance and development of our website, www.westmerciaprobation.org.uk, and our social media presence, [@WMPProbation](https://twitter.com/WMPProbation) or [@ceowestmercia](https://twitter.com/ceowestmercia).
- LCCS (Local Crime, Community Sentencing), our outreach educational programme jointly with the Magistrates Association.
- Sentencer Forums throughout West Mercia and in particular the area-wide Sentencer Forum Steering Group.

The role is also responsible for press liaison, in particular jointly with the police around MAPPA.

In addition to the activities co-ordinated through the Communications Manager we maintain an active Joint Negotiating and Consultative Committee (JNCC) (Lead Manager, Director of Finance and Business Services) and Health and Safety Committee (Lead Manager, the CEO).

Staff diversity

The Trust is highly committed to achieving its diversity objectives, which may be found on the website, and manages its activities through an Equalities and Diversity Operational Group (EDOG) which is chaired by the Head of Learning and Organisational Development. The Trust maintains a system whereby each senior manager takes the oversight of a particular protected characteristic and thereby leads for the Trust on that aspect of Diversity. We aim to work with “Regards”, a reminder of which is on

all Trust documentation as to the significance of **R**ace and ethnicity, **E**conomic disadvantage, **G**ender and gender identity, **A**ge, **R**eligion or belief, **D**isability, **S**exual orientation.

Significant achievements in the year include a jump of 47 places in the Stonewall Workplace Equality Index 2013. The AIM (Active Inclusion to Mainstreaming) Project was awarded European Social Fund (ESF) Transnationality Award 2013 and the ESF Gender Equality Leader Award 2012.

Audit

In accordance with the direction given by the Secretary of State, these accounts have been prepared in accordance with the FReM. With effect from 1 April 2012, the external Auditor changed from the Audit Commission to the National Audit Office. This change of the external Auditors was driven by a Department for Communities and Local Government (DCLG) decision to disband the Audit Commission and was made by HMT via a 2012 order to the Government Resource Accounts Act 2000. The Comptroller and Auditor General is appointed by statute to audit the Trust and reports on the truth and fairness of the annual financial statements and the regularity of income and expenditure. The Audit Certificate of the Comptroller and Auditor General is attached to the Accounts on page 30.

Total audit fees reported in the Accounts are £26,325. The audit fees for 2011–12 relate to the previous external auditor.

As Accountable Officer, I have taken all steps to ensure that:

- I am aware of any relevant audit information
- the Auditor is aware of that information, and
- there is no relevant audit information of which the Auditor is unaware.

The West Mercia Probation Trust Management Board

The governance arrangements within the Trust for the period April 2012 to March 2013, included the following:

- West Mercia Probation Trust Full Board
- West Mercia Probation Trust Operational Board
- Trust Board Portfolio Holders for Resources, Partnerships and Operations
- West Mercia Probation Trust Audit Committee

The Chair and the non-Executive members of the Board were appointed by the Secretary of State as was, in the case of West Mercia, the CEO as he is the first postholder. Any subsequent appointments would be made by the Board itself.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 22 to 23.

Membership of the Board is set out in the table below:

Position	Name	Date appointment commenced / ended (during 2012–13) where appropriate
Chief Executive	D Chantler	Commenced 13.11.12
Chair	J Kelly	
Board Member	K Austin	
Board Member	N Inchbald	
Board Member	L Murray	
Board Member	B Nisbet	
Board Member	V Reynolds	
Associate Board Member	L Bromley	
Associate Board Member	E Hickman	
Associate Board Member	L Kinmond	

My thanks and appreciation is extended to all past and present members of the Board for their hard work and effort during this reporting year.

A handwritten signature in blue ink, appearing to read 'David Chantler', with a long horizontal flourish extending to the right.

David Chantler
Accountable Officer

Date: 27 June 2013

Remuneration Report

Appointments

The Chair, the Chief Executive, and other members of the Trust Board are all appointed by the Secretary of State in line with relevant legislation.

The salary and pension entitlements of the senior managers and non-executive directors of the West Mercia Probation Trust were as follows:

A) REMUNERATION – AUDITED

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

	2012/13			2011/12		
	Salary (as defined below) £000s	Bonus £000s	Benefits in kind (rounded to the nearest £100) £	Salary (as defined below) £000s	Bonus £000s	Benefits in kind (rounded to the nearest £100) £
David Chantler, CEO	95–100	0	0	90–95	0	0
James Kelly, Chair	15–20	0	0	15–20	0	0
K Austin	0–5	0	0	5–10	0	0
N Inchbald	0–5	0	0	0	0	0
L Murray	0–5	0	0	0–5	0	0
B Nisbet	5–10	0	0	5–10	0	0
V Reynolds	5–10	0	0	5–10	0	0
L Bromley	0–5	0	0	0–5	0	0
E Hickman	0–5	0	0	0–5	0	0
L Kinmond	0	0	0	0	0	0
P Davidson – left 31.3.11	0	0	0	0–5	0	0
D Muhl – left 31.3.11	0	0	0	0–5	0	0
A Strong – left 31.12.11	0	0	0	0–5	0	0

All MoJ appointed Trust Board members receive non-pensionable remuneration of £15.40 per hour from 1 April 2007, with the exception of the Chief Executive and the Chair. Trusts, at their discretion, may pay a travelling allowance and any other relevant expenses incurred. Four Board Members, K Austin (part year), B Nisbet, V Reynolds and N Inchbald (part year) are paid a standard 28 hours per month based on the £15.40 per hour.

The total remuneration of the highest paid Director and the median annual salary for other staff are shown in the table below.

	Total Full-time Equivalent Remuneration	
	2012–13	2011–12
Highest paid Director (pay band – mid point)	£82,005	£82,005
Median for other staff	£23,148	£23,130
Pay multiple ratio	3.5:1	3.5:1

The median remuneration is the annual salary of the staff member(s) lying in the middle of the linear distribution of the total staff, excluding the highest paid Director. The pay multiple ratio is the ratio between the mid point of the banded remuneration of the highest paid Director, i.e. the Chief Executive, and the median for other staff.

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 benefits received are in respect of costs for accommodation, travel and the pecuniary liability in respect of tax paid under the employer PAYE settlement agreement with HM Revenue and Customs.

B) PENSION BENEFITS – AUDITED

	Total accrued pension at pension age as at 31 March 2013 & related lump sum	Real increase/ (decrease) in pension and related lump sum at pension age	CETV at 31 March 2013	CETV at 31 March 2012	Real increase/ (decrease) in CETV after adjustment for inflation and changes in market investment factors
	£000s	£000s	£000s	£000s	£000s
David Chantler – CEO	50–55	0–5	967	929	40
	105–110	0–5			

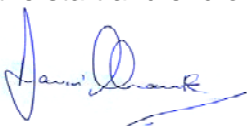
This scheme provides benefits on a ‘final salary’ basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60th of pensionable salary for service from 1 April 2008 with no automatic lump sum. For pensionable service up to 31 March 2008, benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3/80ths of final pay of every year of total membership is payable on retirement. The scheme permits employees to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. Members pay contributions of between 5.5% and 7.5% of pensionable earnings. Employers pay the balance of the cost of providing benefits, after taking into account investment returns.

Cash Equivalent Transfer Value (CETV)

This 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 include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service Pension arrangements and for which the Civil Service Vote has received a transfer payment commensurate to the additional pension liabilities being assumed. 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 within the guidelines and framework prescribed by the Institute and Faculty of Actuaries, and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of 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 current market valuation factors for the start and end of the period.



David Chantler
Accountable Officer
Date: 27 June 2013

Statement of Accountable Officer's Responsibilities

Under the Schedule 1, paragraph 13(1)(b) of the Offender Management Act 2007, the Secretary of State has directed the West Mercia Probation Trust to prepare for each financial year, a statement of accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Trust during the year. The accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of the Trust and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

- Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgments and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

The Secretary of State has appointed the Chief Executive as the Accountable Officer of the Trust. The responsibilities of the Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the Trust's assets, are set out in "Managing Public Money" published by HM Treasury.

Governance Statement

As Accountable Officer it is the Chief Executive's responsibility to manage and control the resources used within West Mercia Probation Trust. This Governance Statement explains how these duties have been carried out in the course of the year. It encompasses discussion of both corporate governance, risk management and internal control.

West Mercia Probation Trust operates a scheme of delegated authority and budgets. With the exception of tasks retained specifically by the Chief Executive, which will be detailed later, all operations of the service are managed by one of two operational Directors.

The Director of Operations is responsible for the management of the four Local Delivery Unit Managers and for achieving operational targets within the four LDUs. The LDUs are co-terminous with the four Local Authority areas that make up West Mercia, i.e. Worcestershire, Telford & Wrekin, Shropshire and Herefordshire. The Director of Operations has also been responsible, during the year under review, for the Business Development Unit and for the AIM (Active Inclusion to Mainstreaming) European Social Fund project which is a regional project piloting innovative approaches to engaging offenders with the labour market. The AIM project had been extended for a further year and came to an operational end during 2012/13. The strategic management of the Business Development Unit was reviewed during the course of 2012/13 and with effect from 1 April 2013 will become part of a newly created Learning and Organisational Development Unit, managed by the previous head of Learning and Development and responsible directly to the Chief Executive.

The Director of Operations also carries responsibility for day to day liaison with our strategic operational partner, YSS (Youth Support Services), and of the 'One Step Beyond' partnership approach to partnership building. Through the LDUs the Operational Director also exercises responsibility for our contracts with the prisons in West Mercia and for the approved premises at Braley House in Worcester.

The Director of Finance and Business Services is responsible for all support services across the Trust and is also Treasurer to the Probation Trust Board. The Director of Finance and Business Services is supported by the managers of the following units:

- a) ICT
- b) Personnel
- c) Finance
- d) Performance

He is also responsible for the interface with national contracts on IT systems, facilities management and property as well as that with our Commissioning and Procurement contractor, Excalibur Procurement Services Limited. During the course of the year the Trust, along with seven other Probation Trusts and Excalibur, formed Clarent Commerce CIC which has taken on the procurement contract.

The Chief Executive is directly responsible for the Head Office Business Manager and, through her, the Head Office Secretariat and the systems managed in that unit, the Communications and Public Relations Manager and the Learning and Development Unit, through the Head of Learning and Development. The remit of the Learning and Development Unit will be widened to include organisational development from 1 April 2013.

The Trust structures its governance function to follow the form of the operational organisation with Portfolio Holders responsible for:

- a) Resources
- b) Operations
- c) Partnerships

Governance functions a) and b) have clear lead operational Directors with whom to relate; the Partnership Portfolio Holder relates to both Directors and to the Chief Executive Officer, as partnerships operate in all of the Trust's functions.

Together, the three Portfolio Holders, the Chair of the Board, the Chief Executive Officer and the two Directors form the Operational Board, which is a Committee of the Trust Board. The Chair of Audit is invited to attend Operational Board meetings but is not a member; Portfolio Holders are not allowed to be members of the Audit Committee. The only other Standing Committee of the Trust Board is the Audit Committee. The additional members of the Trust Board consist of non Portfolio Holders and the two Associate members.

Directors' meetings, Senior Management Team meetings, i.e. the Directors plus the LDU Managers and other senior staff, Operational Board and Trust Board meetings all follow a similar structure of agenda with standing items of Portfolio Holder lead material, i.e. partnerships, resources and operations. All of these strategic meetings work from a common information pack containing data which is updated on a monthly basis, so ensuring both consistency and timeliness of the information upon which decisions both in governance and in operations are taken.

The Board has developed this approach to corporate governance based on its understanding, initially, of the 'Cadbury Principles' and more latterly on the Governance Code as it has developed and with which it is compliant. As part of its commitment to comply with the Governance Code, the Audit Committee requested an internal audit of compliance during the previous year which resulted in a "green, well-controlled" rating. This rating remains current and the Trust Board is reassured that it has demonstrated its commitment to good governance both in the changes it has made and in asking for this audit report to test out its work. With the Government's intentions for Trusts implied in "Transforming Rehabilitation", structural changes have been designed for what seems to be the final two years of the Trust's existence and the continued relevance of this assessment will need to be considered in the coming year.

The Audit Committee

The Audit Committee is established by a specific resolution of the Probation Trust Board as a means of demonstrating the Board's commitment to the highest standards of probity and propriety in the use of public funds. The Committee helps to promote:

- A climate of financial discipline
- The development and maintenance of internal control systems
- The quality of financial reporting
- The contribution of audit (internal and external)
- Corporate governance

The Committee has no executive powers and any actions it recommends are subject to the approval of the Probation Trust Board.¹

The Audit Committee exercises the following functions on behalf of the Probation Trust Board:

- Scrutiny of the annual internal audit plan and medium term strategy;
- Review of the external audit plan;
- Review of internal audit performance, ensuring that the standard and quality of audit coverage and the response made to audit reports are appropriate and meet necessary standards and guidelines;
- Consider progress of external audits and receive reports from the external auditor on responses to recommendations made;
- Receive and consider the draft annual Management Letter and agree a draft Action Plan in response to the recommendations;
- Provide support to both internal and external auditors and encourage joint working arrangements to enhance the value of the overall audit resource;

¹ WMPT Audit Committee Terms of Reference, 1 April 2011, which are available on request. Details on our website.

- Receive information about general audit developments and consider the implications for the Probation Trust Board;
- Review the effectiveness of the Trust’s systems of internal controls, including the operation and application of Financial Regulations/Instructions;
- Review the Trust’s internal and external financial statements and reports ensuring that these reflect best practice;
- Consider and agree the draft Annual Report and Accounts prior to their submission for audit together with accounting policies underlying the Accounts;
- Review the operation of the Trust’s Code of Practice for members and its Code of Practice for staff (including any Fraud and Corruption Policies);
- Consider and undertake such other matters as the Board may determine;
- Value for Money, and
- Risk Management.

At the end of each year it receives an Annual Report on Internal Audit Activity which gives overall assurances that those issues that it has directed should be audited have been reported on. It is also able to follow progress in implementing Internal Audit recommendations through our own tracking reports which are presented to both the Audit Committee and to the Operational Board.

Again, this year, there were no “High Category” recommendations in any of the reports received by the Audit Committee. All of the medium and lower category recommendations were accepted and now form part of our tracking process. There were no significant control deficiencies.

The Board received the following Internal Audit Reports:

Report	Recommendation
Financial Control Framework	Amber/Green
National Standards	Amber/Green
Review of Telford Local Delivery Unit	Amber/Green

Additionally we have received the draft Asset Management Report, currently Amber/Red, and the draft MAPPA Report which is Amber/Green. During the course of the year we agreed with Internal Audit that the Training Strategy and Social Networking Audits would be moved into the 2013/14 Audit Plan. This led the Internal Auditor to comment in his year end report:

“Our work identified moderate/significant rated findings that are isolated to specific systems and processes and when taken in aggregate we believe they are not pervasive to the system of internal control as a whole. Consequently we can give reasonable assurance on the adequacy and effectiveness of the system of governance, risk management and internal control.”

That the Trust does indeed continue to be successful is demonstrated by our performance in the OMI2 Inspection round in which we calculate that we were amongst the top five best performing Trusts and subsequently cited as such in HMIP’s summary of their Inspection findings.

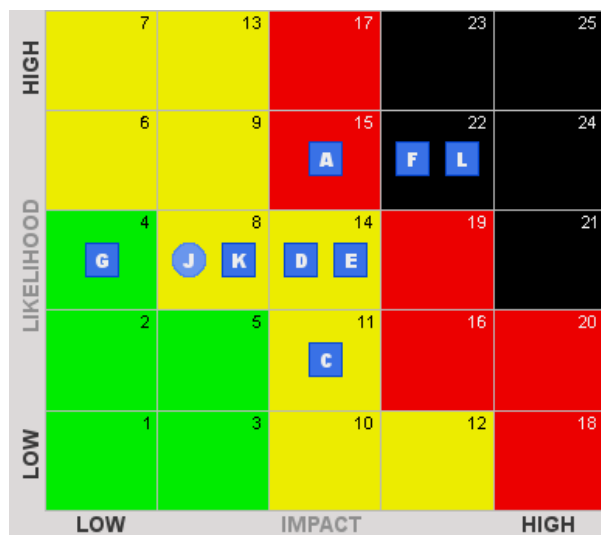
We also have evidence of our success in our consistent Green Four Star (outstanding) rating in NOMS’ own PTRS scheme for assessing overall performance.

Risk Management

During the year the Audit Committee has used the risk management system to assure itself that the mitigation plans in relation to the identified risks are appropriate and are being implemented. During the course of this year the close down of the Regional Training Consortium continued to be a complex and potentially costly process. This has been managed under the scrutiny of the Audit Committee and Internal Audit conducted an inspection of the process for the Consortium of which a Board Member from West Mercia is Chair of the Audit Committee.

As Accountable Officer, and along with the Board, I have continued to be concerned that the processes of increased devolution to the Local Delivery Units, and the integration of functions that were formerly split at a Trust level, should continue to be held in a robust project and risk management framework. The Trust has now deployed PAM (Platform for Achieving More) using it to track and report on progress on the Strategic Plan during the year 2012/13 and has further refined that process for the final two years of the Trust’s existence leading up to Spring 2015. Whilst, as Accountable Officer, I take personal responsibility for the Risk Management Assessments, the operational custodian of the system is the Director of Finance & Business Services. The Risk Log is reviewed in Directors’ meetings, Operational Board meetings and subsequently in Full Trust Board Meetings. The operation of this risk management system is reported regularly to the Audit Committee which takes responsibility for ensuring that the system is maintained. Whilst there has been a decline in the number of strategic risks identified in the Corporate Risk Register from twelve, at the end of last year, to nine at the end of 2012/13, the most significant risks remain the same. These are shown in the diagrammatic representation of the Risk Log below:

Diagram: Risk Matrix for West Mercia Probation Trust, March 2013



These are:

- Risk A – demand and pattern of service delivery results in further change post Probation Review
- Risk F – role and development in the voluntary sector is impacted by reducing external funding opportunities
- Risk L – Impact of the Transforming and Rehabilitation Review changes the strategic direction of the Trust.

Clearly these three main strategic risks are closely related and in all likelihood will now be brought together following the publication, on 9 May 2013, of the Government’s position on the Transforming Rehabilitation consultation.

Summary of Risks Identified

Strategic Risk A – demand and pattern of service delivery results in further change post Probation Review. The potential impact identified is that the results of the consultation may result in changes to sentencing and/or in funding. They may also affect the level of input required by the Probation Service in relation to any particular sentence and these changes taken together will impact on staffing and the deployment of resources. We already know that the proposals within Transforming Rehabilitation will split the Probation Service into a public sector body which will continue the direct supervision of “high risk” offenders, and a commissioned service which will deal with low and medium risk offenders with a concentration on reducing reoffending. Details of the criteria to be applied to determine the two offender groups are not yet clear and neither have the plans been published for the restructuring of the public

sector Probation Service. The actions taken to mitigate this risk at this stage include the designation of the Deputy Director of Operations to assume responsibility for all business as usual, i.e. fulfilling the terms of the contract with MoJ until potential closedown, whilst the Director of Operations concentrates on transition issues around the central requirement to produce an exit strategy by late 2013. The Director of Operations will also retain a functional responsibility for public protection across the Trust to enable the Trust to work with the proposed split so that by the time it is implemented there will be local experience in managing public protection and risk of harm distinctly from reducing reoffending.

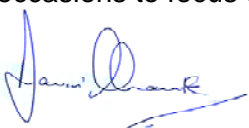
Strategic Risk F – this is a financial risk at the strategic level concerned with the role and development of the voluntary sector being impacted by reducing external funding opportunities. West Mercia has developed a distinctive approach which places significant emphasis on our work with partner agencies in particular drawn from the voluntary and community sector. These bodies have found the general economic situation to be challenging and we have paid particular attention to ensuring that they are able to offer viable services to the Trust. The attention we have paid to mitigating this risk during 2012/13 has generally been successful and, indeed, additional resources have been brought into play, in particular in relation to establishing a Senior Attendance Centre and, with effect from 1 April 2013, a residential women’s project. Both are based in the voluntary and community sector. The current situation therefore is that this risk is under control. However, the letting of contracts for the commissioned services, which we now assume to be scheduled for the Summer and Autumn of 2013, pose a potential threat for our network of providers and it is possible that they will seek to target other commissioners which may be likely to be around for a longer period than the Probation Trust. We have lobbied hard that the particular arrangements in West Mercia are taken account of in the MoJ’s “Landscape Assessments”. These form the background to the proposed split between high risk of harm cases to be retained in a reorganised public probation service and the rehabilitation services to be commissioned from other providers. We have been successful in obtaining Cabinet Office support in developing a staff led entity that would be in a position to bid for the contract in the proposed West Mercia/Warwickshire contracting area.

Strategic Risk L – this is that the impact of the Transforming Rehabilitation review changes the strategic direction of the Trust. This risk was only registered in February 2013 and was done so in anticipation that the Government’s response to the Transforming Rehabilitation consultation would have been published and an initial risk mitigation strategy formulated within the Trust by the end of 2012/13. As previously noted, the response to Transforming Rehabilitation was not received until 9 May 2013 and whilst the newly published Strategic Plan is designed to cope with the details of the response, by dividing the business of the Trust between business as usual and transition, this plan could not be populated until the Government’s intentions were known, however, as previously noted, it will probably entail bringing these three highest level risks together following a review of the Risk Register which is scheduled for June 2013.

The risk matrix diagram indicates the position at 31 March 2013. Since then we have received the Government’s response to the Transforming Rehabilitation consultation and that response is broadly in line with our anticipation. Therefore our proposals to manage and mitigate the risks stand.

Board Attendance

The Trust Board has 8 members comprising the Chairman and 6 members appointed by the Secretary of State following open competition, and the Chief Executive. During 2012–13 the Trust Board met in public on 4 occasions at West Mercia Headquarters and the attendance rate of board members was over 88% (24 out of a maximum of 27 attendances). Between public meetings the Board met privately on 12 occasions to focus on specific topics, as well as to receive updates on financial and performance issues.



David Chantler
Chief Executive/Accountable Officer
Date: 27 June 2013

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

I certify that I have audited the financial statements of West Mercia Probation Trust for the year ended 31 March 2013 under the Offender Management Act 2007. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; 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 Chief Executive and auditor

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Chief Executive 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 audit, certify and report on the financial statements in accordance with the Offender Management Act 2007. 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 Auditing Practices Board'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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; 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 expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of West Mercia Probation Trust's affairs as at 31 March 2013 and of the net operating cost after taxation for the year then ended; and
- the financial statements have been properly prepared in accordance with the Offender Management Act 2007 and Secretary of State directions issued thereunder.

Emphasis of Matter – Material uncertainty in respect of going concern

Without qualifying my opinion, I have considered the adequacy of the disclosures made in **Note 1.3** of the financial statements, concerning management's consideration of a material uncertainty around the going concern status of the Trust. This arises from an announcement by the Secretary of State for Justice on 9 May 2013, regarding the future of the probation service.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Offender Management Act 2007; and
- the information given in the Operational and Performance Review, Management Commentary and Sustainability Report 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 returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; 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 HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General

Date 5 July 2013

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

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2013

		2012–13	2011–12
	Notes	£000	£000
Administration costs			
Staff costs	3(a)	10,058	10,196
Other administration costs	6(a)	4,417	4,398
Income	7(a)	(14,804)	(14,876)
Net administration costs		(329)	(282)
Programme costs			
Staff costs	3(a)	287	307
Other programme costs	6(b)	532	616
Income	7(b)	(614)	(870)
Net programme costs		205	53
Net operating costs		(124)	(229)
Expected return on pension assets	4(d)	(2,495)	(2,829)
Interest on pension scheme liabilities	4(d)	3,071	3,149
Net operating costs before taxation		452	91
Taxation	5	0	0
Net operating costs after taxation		452	91

Other Comprehensive Expenditure

		2012–13	2011–12
	Notes	£000	£000
Net (gain)/loss on revaluation of property, plant and equipment	8	(2)	0
Net (gain)/loss on revaluation of intangibles	9	0	0
Net (gain)/loss on revaluation of available for sale financial assets		0	0
Pension actuarial (gain)/loss	23	4,471	5,631
Total comprehensive expenditure for the year ended 31 March 2013		4,921	5,722

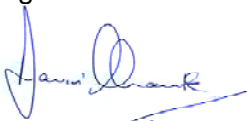
The notes on pages 36 to 61 form part of these accounts.

Statement of Financial Position

As at 31 March 2013

	Notes	2012–13 £000	2011–12 £000
Non-current assets			
Property plant and equipment	8	26	47
Intangible assets	9	0	0
Deferred tax asset	19	0	0
Trade and other receivables	12(a)	0	0
Total non-current assets		26	47
Current assets			
Assets classified as held for sale	11	0	0
Deferred tax asset	19	0	0
Trade and other receivables	12(a)	1,709	1,588
Cash and cash equivalents	13	57	486
Total current assets		1,766	2,074
Total assets		1,792	2,121
Current liabilities			
Trade and other payables	14(a)	(809)	(1,156)
Provisions	15	(171)	(248)
Taxation payables	14(a)	(1,164)	(1,046)
Total current liabilities		(2,144)	(2,450)
Non-current assets plus/less net current assets/(liabilities)		(352)	(329)
Non-current liabilities			
Trade and other payables	14(a)	0	0
Provisions	15	0	(26)
Pension liability	4(c)	(27,691)	(22,768)
Total non-current liabilities		(27,691)	(22,794)
Assets less liabilities		(28,043)	(23,123)
Taxpayers' equity			
General fund	23	(28,044)	(23,122)
Revaluation reserve – property, plant and equipment	24(a)	1	(1)
Revaluation reserve – intangible assets	24(b)	0	0
		(28,043)	(23,123)

The financial statements on pages 32 to 35 were approved by the Board on 5 June 2013 and were signed on its behalf by



David Chantler
Accountable Officer

Date: 27 June 2013

The notes on pages 36 to 61 form part of these accounts.

Statement of Cash Flows

For the year ended 31 March 2013

		2012–13	2011–12
	Notes	£000	£000
Cash flows from operating activities			
Net operating costs	23	(452)	(91)
Adjustments for non-cash transactions	6(a)	21	228
Adjustments for pension cost	4(d)	452	147
(Increase)/decrease in receivables	12(a)	(122)	(74)
Increase/(decrease) in payables	14(a)	(228)	351
Utilisation of provisions	15	(100)	(353)
Less movements in property, plant and equipment payable	14(a)	0	0
Less payments of amounts due to Consolidated Fund to NOMS	14(a)	0	3
Net cash outflow from operating activities		(429)	211
Cash flows from investing activities			
Purchase of property, plant and equipment	8	0	0
Purchase of intangibles	9	0	0
Proceeds on disposal of property, plant and equipment	8	0	0
Proceeds on disposal of intangibles	9	0	0
Net cash outflow from investing activities		0	0
Cash flows from financing activities			
Net financing received in year	23	0	0
Payments of amounts due to the Consolidated Fund to NOMS		0	(3)
Net financing		0	(3)
Net increase/(decrease) in cash and cash equivalents in the period		(429)	208
Cash and cash equivalents at the beginning of the period	13	486	278
Cash and cash equivalents at the end of the period	13	57	486
Increase/(decrease) in cash		(429)	208

The notes on pages 36 to 61 form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2013

	Notes	General Fund £000	Revaluation Reserve £000	Total £000
Balance as at 1 April 2011		(17,400)	(1)	(17,401)
Prior period adjustment	23/24	0	0	0
As restated at 1 April 2011		(17,400)	(1)	(17,401)
Changes in taxpayers' equity for 2011–12				
Net operating cost after taxation	SocNE	(91)	0	(91)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)	0	0	0
Net gain/(loss) on revaluation of intangibles	24(b)	0	0	0
Movement in donated assets	23	0	0	0
Transferred from revaluation reserve	23	0	0	0
Pension actuarial (loss)/gain	23	(5,631)	0	(5,631)
Net NOMS financing received in year	23	0	0	0
Balance as at 31 March 2012		(23,122)	(1)	(23,123)
Changes in taxpayers' equity for 2012–13				
Net operating cost after taxation	SocNE	(452)	0	(452)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)	0	2	2
Net gain/(loss) on revaluation of intangibles	24(b)	0	0	0
Movement in donated assets	23	0	0	0
Transferred from revaluation reserve	23	0	0	0
Pension actuarial (loss)/gain	23	(4,471)	0	(4,471)
Net NOMS financing received in year	23	0	0	0
Balance as at 31 March 2013		(28,045)	1	(28,044)

The notes on pages 36 to 61 form part of these accounts.

Notes to the accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2012–13 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM follow International Financial Reporting Standards (IFRS) as at the reporting date to the extent that it is meaningful and appropriate to the public sector.

Where the FRoM permits a choice of accounting policy, the policy which has been judged to be the most appropriate to the particular circumstances of the Probation Trust for the purpose of giving a true and fair view has been selected. The Probation Trust's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The Trust has not adopted any Standards or Interpretations in advance of the required implementation dates. It is not expected that adoption of Standards or Interpretations which have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements, except for the following:

The IASB has issued an amended IAS 19 that will come into force for financial periods beginning on or after 1 January 2013 (IAS 19R). IAS 8 requires the disclosure of the impact of the changes to accounting standards which have not yet been adopted. In particular, it requires a disclosure, in the 2013 accounts for those employers with 31 March 2013 year end date, of the expected impact of the future change in accounting standard. The principal changes are as follows:

- The expected return on assets is calculated at the discount rate instead of, as currently, at an expected return based on actual assets held in the Fund.
- The interest on the service cost is included in the service cost itself.
- Administration expenses continue to be charged through the Statement of Comprehensive Net Expenditure, but are set out as a separate item.

Had the Trust adopted the amended IAS19 for the 2012–13 reporting period, the impact on the financial statements would have been a reduction in total comprehensive expenditure of £57k. This is comprised of a £498k increase in net operating costs and a £555k reduction in the actuarial cost.

1.1 Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention and modified to account for the revaluation of non-current assets, where material, at their value to the business. The functional and presentational currency of the Trust's financial statements is the British pound sterling (to the nearest £1,000 unless otherwise stated).

1.2 Changes in accounting policies and restatement of comparatives

There have been no changes in accounting policies or restatement of comparatives in these accounts.

1.3 Going concern

The Statement of Financial Position at 31 March 2013 shows negative Taxpayers' Equity, which reflects the inclusion of liabilities falling due in future years. The future financing of the Probation Trust liabilities is met by future grants of Supply to the Ministry of Justice/NOMS and there is no reason to believe that future approvals of Supply will not be forthcoming. The Trust will continue to invoice NOMS for the provision of probation services under the terms of its contract with NOMS.

A consultation paper "Transforming Rehabilitation – A revolution in the way we manage offenders" was issued in January 2013 which built on the previous consultation last year and set out plans to contract out probation services more widely and increase the use of Payment by Results. The consultation period ended on 22 February 2013 and the results of both consultations were published in "Transforming Rehabilitation: A strategy for Reform", on 9 May 2013 by the Secretary of State for Justice.

The recommendations of the report will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely

with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. The implications of the new arrangements for individual Trusts are not provided in the consultation announcement at this stage. Specifically, the announcement does not provide sufficient detail to form a judgement on whether the material functions, assets and liabilities will be transferred for continuing use in the public sector in the context of the FReM paragraph 2.2.15. This is likely to become clearer during 2013–14 as the proposals are further developed and implemented.

Implementation of the new arrangements will require a Statutory Instrument to be issued by the Secretary of State under the Offender Management Act 2007, subject to negative affirmation. This had not been drafted at the date the Annual Report and Accounts were approved. Senior management has concluded therefore that, having reviewed the results of the consultations within the context of the Financial Reporting Manual (FReM), it is appropriate for the Trust to prepare the 2012–13 Annual Report and Accounts on a going concern basis, with disclosure of a ‘material uncertainty’ around going concern, arising from the recommendations of the report, Transforming Rehabilitation: A strategy for Reform.

1.4 Property, plant and equipment

Non-current assets are included at cost upon purchase and are restated at each Statement of Financial Position date using the Price Index Numbers for Current Cost Accounting (Office for National Statistics). The minimum level for capitalisation of a tangible non-current asset is £5,000, inclusive of any irrecoverable VAT element, where appropriate.

All land and building assets used by the Probation Trust are managed and owned centrally by NOMS and are recorded on their Statement of Financial Position. The cost of using those assets is included within **Note 6(a)**, other administration costs under “accommodation, maintenance & utilities”. The charge to the Probation Trust does not represent the full cost incurred by NOMS.

Revaluation of non-current assets

The revaluation reserve reflects the unrealised element of the cumulative balance of revaluation and indexation adjustments in non-current assets (excluding donated assets). Upward revaluations go to the Revaluation Reserve. Downward revaluations are charged to the revaluation reserve if there is a prior credit balance; otherwise they are charged to the SoCNE.

1.5 Depreciation

Non-current 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.

Asset lives are currently in the following ranges:

Information technology	5 years depending on individual asset type
Plant & equipment	3 to 15 years depending on individual asset type
Vehicles	7 years depending on individual asset type
Furniture, fixtures & fittings	5 years depending on individual asset type

1.6 Impairment

All non-current assets are assessed annually for indications of impairment as at 31 March. Where indications of impairment exist, the asset value is tested for impairment by comparing the book value to the recoverable amount. In accordance with IAS 36 the recoverable amount is determined as the higher of the “fair value less costs to sell” and the “value in use”. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and written down to the recoverable amount and an impairment loss is recognised in the SoCNE. Any reversal of an impairment charge is recognised in the SoCNE to the extent that the original charge, adjusted for subsequent depreciation, was previously recognised in the SoCNE. The remaining amount is recognised in the Revaluation Reserve. Under IAS 36, Intangible Assets under construction should be tested for impairment annually.

1.7 Intangible non-current assets

Intangible non-current assets should be recognised only if it is probable that future service potential will flow to the Trust and the cost of the

asset can be measured reliably. The future service potential can be defined as a direct contribution of the intangible asset to the delivery of services to the public. These intangibles mainly comprise of internally developed software for internal use and purchased software.

The minimum level for capitalisation of an intangible non-current asset is £5,000, inclusive of any irrecoverable VAT element, where appropriate.

Expenditure is capitalised where it is directly attributable to bringing an asset into working condition. Internal staff costs are expensed to the SoCNE, as are those of contractors and interims undertaking ongoing roles that might otherwise be filled by civil servants. The costs of external consultants engaged on projects are capitalised where appropriate.

The useful lives of intangible assets are assessed to be finite. As there is no active market for these intangible assets, their fair value is assessed at re-valued amount less any accumulated amortisation and accumulated impairment losses.

The re-valued amount and indications of impairment are determined from an annual appraisal of the assets' underlying business case using discounted future economic benefits (cost savings). The net present value of the project is compared with the total current cost, and impaired accordingly.

The intangible assets (Software and Development) are amortised over 5 years using the straight-line.

Intangible assets are restated at each Statement of Financial Position date using ONS IT price indices.

1.8 Non-current assets held for sale

Non-current assets held for sale are identified as assets whose carrying amount will be recovered through sale rather than through continuing use. Depreciation on non-current assets held for sale ceases upon reclassification. Depreciation is re-instated and retrospectively applied to any assets which are subsequently not sold and re-classified as in-use.

1.9 Inventories

Stocks of stationery and other consumable stores are not considered material and are written off in the SoCNE as they are purchased.

1.10 Operating income

Income is accounted for applying the accruals convention and is recognised in the period in which services are provided.

Operating income is income that relates directly to the operating activities of the Probation Trust. This comprises income under the Trust's contract with NOMS for the provision of Probation Services, rent receivables, income from EU sources, income from other Trusts, from within the MoJ Group, from other Government Departments and miscellaneous income. Fees and charges for services are recovered on a full cost basis in accordance with the Treasury's Fees and Charges guide.

With effect from 1 April 2011, NOMS has confirmed that Trusts can now retain bank interest received. Trusts are no longer required to surrender this to HM Treasury via NOMS and MoJ.

1.11 Administration and programme expenditure

The SoCNE is analysed between administration and programme income and expenditure. The classification of expenditure and income for both Administration and Programme follows the definition set out in the FReM by HM Treasury. Administration costs reflect the costs of running the Probation Trust together with associated operating income. Programme costs are defined as projects which are fully or partially funded from outside the Ministry of Justice. On consolidation into NOMS Agency Accounts, all expenditure and income is classified as programme, except the audit fee which is administration expenditure.

1.12 Pensions

Past and present employees are covered by the provisions of the Local Government Pension Scheme (LGPS). This is a funded defined benefit scheme meaning that retirement benefits are determined independently of the investments of the scheme and employers are obliged to make additional contributions where assets are insufficient to meet retirements benefits. Under the LGPS Regulations the pension fund is subject to an independent triennial actuarial valuation to determine each employer's contribution rate

(Disclosure of Stakeholder Pensions Schemes is not included in these accounts). Where a central government entity has a share of a local government (or other) pension scheme liability on its statement of financial position, then that entity will use a discount rate determined by the appropriate authority (for example CIPFA or a qualified independent actuary) in valuing its share and not the rate advised annually by HM Treasury. The pension fund actuary has used roll forward estimated asset value figures in producing the IAS 19 pension liability and other disclosures.

1.13 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as a tangible non-current asset and a debt is recorded to the lessor of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the SoCNE over the period of the lease at a constant rate in the relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the SoCNE on a straight-line basis over the term of the lease.

A distinction is made between finance leases and operating leases. Finance leases are leases where substantially all of the risks and rewards incidental to ownership of leased non-current assets are transferred from the lessor to the lessee when assessed against the qualitative and quantitative criteria in IAS 17. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Finance leases

Finance lease rights and obligations are initially recognised at the commencement of the lease term as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments determined at the inception of the lease. Minimum lease payments are allocated between interest expense and reduction of the outstanding lease liability, according to the interest rate implicit in the lease or the HM Treasury rate where a rate could not extrapolated from the lease.

Finance lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or before

the end of the succeeding year is disclosed as a current liability, and the remainder of the lease liability is disclosed as a non-current liability.

Operating leases

Trusts have entered into a number of operating lease arrangements. Rentals under operating leases are charged to the SoCNE on a straight-line basis.

Operating leases – incentives

Lease incentives (such as rent-free periods or contributions by the lessor to the lessee's relocation costs) are treated as an integral part of the consideration for the use of the leased asset. The incentives are accounted as an integral part of the net consideration agreed for the use of the leased asset over the lease term, with each party (the lessor and lessee) using a single amortisation method applied to the net consideration.

IFRIC 4 Determining whether an arrangement contains a lease

In determining whether the Trust holds a lease, contracts that use assets are assessed to determine whether the substance of the arrangements contain a lease. The contract is accounted for as a lease if the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. The arrangement is then assessed under IAS 17 to determine whether it should be accounted for as a finance or operating lease.

1.14 Provisions

Provisions represent liabilities of uncertain timing or amount. Provisions are recognised when the Probation Trust has a present legal or constructive obligation, as a result of past events, for which it is probable or virtually certain that an outflow of economic benefits will be 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.

1.15 Value Added Tax

For the Probation Trust most of the activities are within the scope of VAT and, in general, output tax is charged and input tax on purchases is recoverable. Capitalised purchase cost of non-current assets are stated net of recoverable VAT. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Deferred Tax

No deferred tax occurs within the Trust's accounts.

1.17 Corporation Tax

The Trust is a “corporate body” in accordance with the Offender Management Act 2007 supplying court work and offender management services to NOMS and the Ministry of Justice, and as a result, HMRC has confirmed that it is subject to corporation tax. Probation Trusts are therefore subject to Corporation Tax on their profits and ‘profit’ for this purpose means income and chargeable gains. These accounts include estimates of corporation tax liabilities.

1.18 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash in hand, that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

1.19 Financial instruments

As the cash requirements of the Trust are met through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the Trust's expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that the Trust is exposed to little credit, liquidity or market risk.

1.20 Segmental analysis of spend as reported to the Management Board

The segmental analysis presents the financial information based on the structure reported to the Trust's Management Board. The segments reflect the Trust's own individual structure allowing the Board to have a clear view on the costs of front-line operations. This is in accordance with IFRS 8 Segmental Reporting. Further detail is shown in **Note 2**.

1.21 Third party assets

The Trust holds, as custodian or trustee, certain assets belonging to third parties. These assets are not recognised on the Statement of Financial Position and are disclosed within **Note 26**.

2. Statement of Operating Costs and Net Assets by Operating Segment

Operational Unit	2012-13	2011-12
	Net Expenditure	Net Expenditure
Main/Hostel	(£329)	(£282)
ETE/AIM	£205	£53
Total Net Expenditure	(£124)	(£229)

3. Staff numbers and related costs

3a. Staff costs consist of:

	2012-13			2011-12
	Total £000	Permanently- employed staff £000	Others £000	Total £000
Wages and salaries	9,145	8,823	322	9,419
Social security costs	672	672	0	706
Other pension costs	1,410	1,410	0	1,442
Sub-total	11,227	10,905	322	11,567
Less recoveries in respect of outward secondments	(882)	(882)	0	(1,064)
Total staff costs	10,345	10,023	322	10,503
Administration-related staff costs	10,058	9,743	315	10,196
Programme-related staff costs	287	280	7	307
	10,345	10,023	322	10,503

The Local Government Pension Scheme is a funded multi-employer defined benefit scheme. The Probation Trust's share of the underlying assets and liabilities are shown below in **Note 4**.

No persons (2011-12: No persons) retired early on ill-health grounds.

3b. Average number of persons employed

The average number of full time equivalent persons (including senior management) employed during the year was as follows:

	2012-13			2011-12
	Total	Permanently- employed staff	Others	Total
	307	300	7	314
	307	300	7	314

3c. Reporting of compensation schemes – exit packages

	2012-13			2011-12		
Exit packages cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	0	0	0	1	0	1
£10,000-£25,000	0	0	0	0	3	3
£25,000-£50,000	0	0	0	1	5	6
£50,000-£100,000	0	1	1	0	1	1
£100,000-£150,000	0	0	0	0	0	0
£150,000-£200,000	0	0	0	0	0	0
£200,000+	0	0	0	0	0	0
Total number of exit packages by type	0	1	1	2	9	11
Total resource cost £000	0	67	67	37	284	321

Redundancy and other departure costs have been paid in accordance with the Trust compensation scheme. The additional costs of any early retirements are met from the Trust and not the pension scheme and are included in the above figures. Ill health retirement costs are met from the pension scheme and are excluded from the above table.

4. Pensions costs

Pension benefits are provided through the Local Government Pension Scheme (LGPS). This is a statutory requirement and intended to be a fully funded scheme which provides benefits on a 'final salary' basis at a normal retirement age of 65. For membership built up to 31st March 2008 benefits accrue at the rate of 1/80th of final pensionable pay for each year of membership plus an automatic lump sum of three times pension. For membership built up from 1st April 2008 benefits accrue at the rate of 1/60th of final pensionable pay for each year of membership. There is no automatic lump sum, but there is an option to exchange some pension of extra lump sum. Members pay contributions of between 5.5% and 7.5% depending on their salary. Once in receipt of a pension it is increased annually in line with the Consumer Price Index. On death, pensions are payable to the surviving spouse at the rate of 1/160th of final pensionable pay for each year of membership. On death in service the scheme pays a lump sum death grant of three times pay and also provides a survivor pension equal to 1/160th of final pensionable pay times the membership that would have been built up until age 65. Medical retirement is possible in the event of serious ill-health. In this case, the scheme provides a tiered ill health retirement package. The investment return used in calculating the year end assets is 3.9% (1.039) for the nine months to 31st December 2012 and 10.69% (1.1069) for the three months to 31st March 2013, estimated from market index returns, as advised to us by the Fund's administrators. The adjustment of 0.28% was made for expenses.

4a Pension costs

A full actuarial valuation was carried out at 31 March 2010 by Mercers Limited. For 2012–13, employers' contributions of £1,534,277 were payable to the LGPS (2011–12 £1,613,638) and were 19.9% of pensionable pay. The schemes' Actuary reviews employer contributions every three years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

With effect from 1 April 2010, early retirement costs should have been included within the Actuarial pension valuation and calculated on the same basis as the pension fund scheme assets and liabilities, in accordance with IAS 19. This was a change to the accounting policy. However, the Trust did not fully comply with the policy in 2010–11. This has now been addressed from 1 April 2011 and as a result the pension figure for 2010–11 has been restated to ensure valuation has been made on the same basis. This resulted in an additional pension liability and an additional Actuarial gain. Further details can be found in last years accounts.

4b. The major assumptions used by the actuary were:

	2012–13	2011–12
	%	%
Inflation assumption	2.4%	2.5%
Rate of increase in salaries	3.9%	4.0%
Rate of increase for pensions in payment and deferred pensions	2.4%	2.5%
Discount rate	4.2%	4.9%

Non retired members (retiring in the future in normal health) S1PA CMI_2009 (1%) Tables and retired members (retiree in normal health) S1PA CMI_2009 (1%) Tables.

4c. The assets in the scheme and the expected rate of return were:

	2012-13			2011-12		
	Expected long-term rate of return	Value as a percentage of total scheme assets	Value	Expected long-term rate of return	Value as a percentage of total scheme assets	Value
	%	%	£000	%	%	£000
Equities	7.0%	91.0%	41,855	7.0%	89.0%	35,463
Government bonds	2.8%	0.0%	0	3.1%	3.0%	1,277
Other bonds	3.9%	7.0%	3,411	4.1%	4.0%	1,596
Property	5.7%	0.0%	0	6.0%	0.0%	0
Other	7.5%	2.0%	830	0.5%	4.0%	1,556
Total	6.4%	0.0%	46,096	6.23%	100.0%	39,892
(Present value of scheme liabilities)			(73,787)			(62,660)
Surplus/(deficit) of the scheme			(27,691)			(22,768)
Net pension asset/(liability)			(27,691)			(22,768)

4d. Analysis of amounts recognised in SoCNE

	2012–13	2011–12
	£000	£000
Pension cost		
Current service cost	1,363	1,341
Past service cost	0	0
Effect of curtailment	47	101
Effect of settlement	0	0
Total operating charge	1,410	1,442

	2012–13	2011–12
	£000	£000
Analysis of interest cost on pension scheme – assets/(liabilities)		
Expected return on pension scheme assets	(2,495)	(2,829)
Interest on pension scheme liabilities	3,071	3,148
Net interest costs	576	319

4e. Analysis of amounts recognised in other comprehensive expenditure

	2012–13	2011–12
	£000	£000
Pension actuarial gain/(loss)	(4,471)	(5,631)
Irrecoverable surplus (if applicable)	0	0
Total shown in other comprehensive expenditure	(4,471)	(5,631)

4f. Changes to the present value of liabilities during the year

	2012–13	2011–12
	£000	£000
Opening present value of liabilities	62,660	57,197
Current service cost	1,363	1,341
Interest cost	3,071	3,148
Contributions by members	530	559
Actuarial (gains)/losses on liabilities*	7,985	2,119
Benefits paid	(1,869)	(1,805)
Past service cost	0	0
Unfunded benefits paid	0	0
Curtailments	47	101
Settlements	0	0
Closing present value of liabilities	73,787	62,660

* Includes changes to actuarial assumptions

4g. Changes to the fair value of assets during the year

	2012–13	2011–12
	£000	£000
Opening fair value of assets	39,892	40,207
Expected return on assets	2,495	2,829
Actuarial gains/(losses) on assets	3,514	(3,512)
Contributions by the employer	1,534	1,614
Contributions by members	530	559
Benefits paid	(1,869)	(1,805)
Net increase from disposals and acquisitions	0	0
Unfunded benefits paid	0	0
Curtailments	0	0
Settlements	0	0
Closing fair value of assets	46,096	39,892

4h. History of asset values, present values of liabilities, surplus/deficit and experience gains and losses

	2012–13	2011–12	2010–11	2009–10	2008–09
	£000	£000	£000	£000	£000
Fair value of assets	46,096	39,892	40,207	36,043	24,262
Present value of liabilities	73,787	62,660	57,197	56,926	40,945
Surplus/(deficit)	(27,691)	(22,768)	(16,990)	(20,883)	(16,683)
Experience gains/(losses) on scheme assets	(3,677)	1,619	1,726	10,029	(9,419)
Experience gains/(losses) on scheme liabilities	0	(48)	551	13,311	(10,502)
Percentage experience gains/(losses) on scheme assets	-8%	4%	4%	28%	-39%
Percentage experience gains/(losses) on scheme liabilities	0%	0%	1%	23%	-26%

4i. Sensitivity analysis

	+0.1%
	£000
Adjustment to discount rate	
Present value of total obligation	26,435
Projected service cost	1,654
	+1yr
	£000
Adjustment to mortality age rate assumption	
Present value of total obligation	29,124
Projected service cost	1,743
	+0.1%
	£000
Adjustment to inflation	
Present value of total obligation	28,970
Projected service cost	1,755

5. Taxation

	2012–13	2011–12
	£000	£000
UK corporation tax	0	0
Total	0	0

Probation Trusts are corporate bodies under the Offender Management Act 2007, supplying court work and offender management services to the Ministry of Justice. Probation Trusts are therefore subject to Corporation Tax on their profits and 'profit' for this purpose means income and chargeable gains.

In 2012–13 West Mercia Probation Trust's estimated losses totalled £331,000.

6. Other administrative costs and programme costs

6a. Administration costs

	2012-13		2011-12	
	£000	£000	£000	£000
Rentals under operating leases	64		63	
Interest charges	0		0	
Accommodation, maintenance and utilities	1,237		1,282	
Travel, subsistence and hospitality	154		195	
Professional services	140		171	
IT services	512		533	
Communications, office supplies and services	256		287	
Other staff related	332		319	
Offender costs	1,591		1,181	
Other expenditure	66		88	
External Auditors' remuneration – statutory accounts	26		30	
External Auditors' remuneration – other	0		0	
Internal Auditors' remuneration and expenses	19		22	
		4,397		4,171
Non-cash items				
Depreciation of tangible non-cash assets	23		27	
Amortisation of intangible non-cash assets	0		0	
Impairment of non-current assets	0		0	
Profit/(loss) on disposal of tangible non-cash assets	0		0	
Profit/(loss) on disposal of intangible non-cash assets	0		0	
Other provisions provided for in year	(3)		200	
Early retirement provisions not required	0		0	
		20		227
Total		4,417		4,398

6b. Programme costs

Current expenditure	532		616	
Total		532		616
Total other administration and programme costs		4,949		5,014

7. Income

7a. Administration income

Income receivable from the sponsoring department – NOMS
 Rent receivable from minor occupiers of Probation estate property:
 From within the departmental boundary
 From other Government departments
 From external tenants

EU income from NOMS
 EU income from other Government departments
 Other EU income
 Other income received from Probation Trusts
 Other income from NOMS
 Other income from rest of MoJ Group
 Other income from other Government departments
 Miscellaneous income

Interest received:

 From bank
 From car loans
 From other sources

Total interest received

Total administration income

	2012-13		2011-12	
	£000	£000	£000	£000
Income receivable from the sponsoring department – NOMS	14,370		14,354	
Rent receivable from minor occupiers of Probation estate property:				
From within the departmental boundary	0		0	
From other Government departments	0		0	
From external tenants	0		0	
		14,370		14,354
EU income from NOMS		0		0
EU income from other Government departments		0		0
Other EU income		0		0
Other income received from Probation Trusts		58		61
Other income from NOMS		55		81
Other income from rest of MoJ Group		0		0
Other income from other Government departments		214		259
Miscellaneous income		101		118
		14,798		14,873
Interest received:				
From bank	6		3	
From car loans	0		0	
From other sources	0		0	
Total interest received		6		3
Total administration income		14,804		14,876

7b. Programme income

EU income from NOMS
 EU income from other Government departments
 Other EU income
 Other programme income
Total programme income

Total income

EU income from NOMS	0	0
EU income from other Government departments	607	870
Other EU income	7	0
Other programme income	0	0
Total programme income	614	870
Total income	15,418	15,746

8. Property, plant and equipment

	2012-13					
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2012	94	30	7	16	0	147
Additions	0	0	0	0	0	0
Disposals	0	0	(7)	0	0	(7)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	12	1	0	0	0	13
As at 31 March 2013	106	31	0	16	0	153
Depreciation						
As at 1 April 2012	60	19	7	14	0	100
Charge in year	16	6	0	1	0	23
Disposals	0	0	(7)	0	0	(7)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	10	1	0	0	0	11
As at 31 March 2013	86	26	0	15	0	127
Carrying value as at 31 March 2013	20	5	0	1	0	26
Carrying value as at 31 March 2012	34	11	0	2	0	47
Asset financing						
Owned	20	5	0	1	0	26
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2013	20	5	0	1	0	26

8. (Continued)

	2011-12					
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2011	94	30	7	16	0	147
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
As at 31 March 2012	94	30	7	16	0	147
Depreciation						
As at 1 April 2011	41	13	7	12	0	73
Charge in year	19	6	0	2	0	27
Disposals	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
As at 31 March 2012	60	19	7	14	0	100
Carrying value as at 31 March 2012	34	11	0	2	0	47
Carrying value as at 31 March 2011	53	17	0	4	0	74
Asset financing						
Owned	34	11	0	2	0	47
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2012	34	11	0	2	0	47

9. Intangible assets

The Trust does not hold any intangible assets (2011–12 – nil).

10. Impairments

There are no impairment charges for the year (2011–12 – nil).

11. Assets held for sale

The Trust does not hold any assets for sale (2011–12 – nil).

12. Trade receivables and other current assets

12a. Analysis by type

	2012–13 £000	2011–12 £000
Amounts falling due within one year		
Trade receivables	197	0
VAT	179	140
Deposits and advances	0	0
Receivables due from Probation Trust	66	8
Receivables due from NOMS agency	1,181	856
Receivables due from Ministry of Justice – core	0	0
Receivables due from Ministry of Justice – NDPBs	0	0
Receivables due from HM Courts & Tribunals Service (HMCTS)	2	0
Receivables due from Office of the Public Guardian (OPG)	0	0
Receivables due from all other Government departments	79	98
Other receivables	5	470
Prepayments	0	16
Accrued income	0	0
	1,709	1,588
Amounts falling due after more than one year		
Trade receivables		
Deposits and advances	0	0
Other receivables	0	0
Prepayments and accrued income	0	0
	0	0
Total	1,709	1,588

12b. Intra-Government receivables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2012–13 £000	2011–12 £000	2012–13 £000	2011–12 £000
Balances with other central Government bodies (inc. parent department)	1,428	1,053	0	0
Balances with local authorities	27	49	0	0
Balances with NHS bodies	52	0	0	0
Balances with public corporations and trading funds	0	0	0	0
	1,507	1,102	0	0
Balances with bodies external to Government	202	486		0
Total	1,709	1,588	0	0

13. Cash and cash equivalents

	2012–13	2011–12
	£000	£000
Balance at 1 April	486	278
Net change in cash and cash equivalents	(429)	208
Balance at 31 March	57	486
The following balances at 31 March are held at:		
Government Banking Service	0	0
Commercial banks and cash in hand	57	486
Balance at 31 March	57	486

14. Trade payables and other current liabilities

14a. Analysis by type

	2012–13	2011–12
	£000	£000
Amounts falling due within one year (excluding taxation)		
Trade payables	8	16
Other payables	0	0
Accruals	744	996
Deferred income	4	0
Staff payables	0	0
Bank overdraft	0	0
Payables due to Probation Trusts	35	30
Payables due to NOMS Agency	0	102
Payables due to Ministry of Justice – core	0	0
Payables due to Ministry of Justice – NDPBs	0	0
Payables due to HM Courts & Tribunals Service (HMCTS)	0	0
Payables due to Office of the Public Guardian (OPG)	0	0
Payables due to all other Government departments	18	11
Unpaid pensions contributions due to the pensions scheme	0	0
Long-term liabilities due within one year	0	0
Operating income to be surrendered (interest received)	0	0
Non-current asset accruals	0	0
	809	1,155
Tax falling due within one year		
VAT	793	799
Corporation tax	0	0
Other taxation and social security	371	247
	1,164	1,046
Total amounts falling due within one year	1,973	2,201
Amounts falling due after more than one year		
Staff payables	0	0
Other payables	0	0
	0	0
Total	1,973	2,201

14b. Intra-Government payables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2012–13	2011–12	2012–13	2011–12
	£000	£000	£000	£000
Balances with other central Government bodies (inc. parent department)	1,199	1,178	0	0
Balances with local authorities	18	9	0	0
Balances with NHS bodies	0	2	0	0
Balances with public corporations and trading funds	0	0	0	0
	1,217	1,189	0	0
Balances with bodies external to Government	756	1,012	0	0
Total	1,973	2,201	0	0

15. Provisions for liabilities and charges

	2012–13	2011–12
	£000	£000
Balance at 1 April	274	427
Provided in year	0	200
Provisions not required written back	(3)	0
Provision utilised in the year	(100)	(353)
Unwinding of discount	0	0
Balance as at 31 March	171	274

	2012–13	2011–12
	£000	£000
Analysis of expected timing of discount flows		
Not later than one year	171	248
Current liability	171	248
Later than one year and not later than five years	0	26
Later than five years	0	0
Non-current liability	0	26
Balance as at 31 March	171	274

The provisions noted above are to cover the cost of redundancies, minibus repairs, a bad debt and any remaining exit costs following closure of the Training Consortium. This amounts to £171,000 (£274,000 in 2011–12), all of which will be utilised within 2013–14.

16. Capital commitments

The Trust has no capital commitments (2011–12 – nil).

17. Commitments under lease

17a. Operating leases

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

Obligations under operating leases for the following periods comprise:

	2012–13	2011–12
	£000	£000
Other		
Not later than one year	59	63
Later than one year and not later than five years	41	71
Later than five years	0	0
Total	100	134

The current leases relate to minibuses and photocopiers.

17b. Finance leases

The Trust has no finance leases. (2011–12 – nil)

18. Other financial commitments

The Trust has not entered into any non-cancellable contracts (2011–12 – nil).

19. Deferred tax asset

The Trust has no deferred tax assets (2011–12 – nil).

20. Financial instruments

As the cash requirements of the Trust are met through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the Trust's expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that the Trust is exposed to little credit, liquidity or market risk.

21. Contingent liabilities

The Trust has no contingent liabilities (2011–12 – nil).

22. Losses and special payments

22a. Losses statement

There have been no losses (2011–12 – nil).

22b. Special payments schedule

	2012–13		2011–12	
	Number of cases	Total value £000	Number of cases	Total value £000
Special payments	0	0	1	13
Total	0	0	1	13
Details of cases over £250,000				
Special payments	0	0	0	0
Total	0	0	0	0

There have been no special payments in 2012–13.

23. General fund

	2012–13	2011–12
	£000	£000
Balance at 1 April	(23,122)	(17,400)
Prior period adjustment (Note 28)	0	0
Balance restated at 1 April	(23,122)	(17,400)
Financing	0	0
Net transfers from Operating Activities:		
Statement of Comprehensive Net Expenditure	(452)	(91)
Movement in donated assets	0	0
Transferred from revaluation reserve	0	0
Actuarial gains and losses	(4,471)	(5,631)
Balance at 31 March	(28,045)	(23,122)

24. Revaluation reserve

24a. Property, plant and equipment

	2012–13	2011–12
	£000	£000
Balance at 1 April	(1)	(1)
Prior period adjustment (Note 28)	0	0
Balance restated at 1 April	(1)	(1)
Arising on revaluations of PPE during the year (net)	2	0
Transferred to General Fund	0	0
Balance at 31 March	1	(1)

24b. Intangibles

The Trust has no intangible asset reserves (2011–12 – nil).

25. Related party transactions

NOMS and the Ministry of Justice are regarded as a related party. During the year, the Trust had various material transactions with the Ministry of Justice. Additionally, the Trust had transactions with other Trusts', other government bodies and third party organisations.

During the year, none of the members of the Management Board, members of key management staff or other related parties, or their related parties has undertaken any material transactions with the Trust.

During 2012–13, the Trust acquired 54 shares in Clarent Commerce CIC Ltd. This is a circa 5% shareholding of the company. Group accounts are not required as the Trust has no control over the company. The cost of the shares was £54. There have been no further transactions with Clarent during 2012–13.

West Mercia Probation Trust was a member of the Midlands Probation Training Consortium for the Probation Qualification Framework and PSO VQ3 training which was coordinated by a lead Trust and the Consortium closed on 31 March 2013.

26. Third-party assets

These are not Trust's assets and are not included in the accounts. The assets held at the reporting period date to which it was practical to ascribe monetary values comprised monetary assets, such as bank balances and monies on deposit, listed securities, trust funds, amenity funds. They are set out in the table immediately below.

	31 March 2013	Funds paid in during the year	Funds paid out during the year	31 March 2012
	£000	£000	£000	£000
West Mercia Care Trust	41	0	(3)	39
	41	0	(3)	39

27. Events occurring after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Audit Certificate of the Comptroller and Auditor General.

As at the date of the Audit Certificate, the following reportable events had occurred:

The results of the "Transforming Rehabilitation" consultation paper were published on 9 May 2013, by the Secretary of State for Justice, which announced the future requirements for the provision of probation services. The recommendations will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. It is expected that the detail will be finalised over the coming months. None of the Trust's assets, liabilities or functions had been transferred at the date the accounts were authorised for issue.

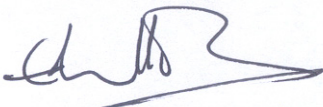
28. Prior period adjustments

There were no prior period adjustments (2011–12 – nil).

Accounts Direction

ACCOUNTS OF LOCAL PROBATION TRUSTS IN ENGLAND AND WALES ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE IN ACCORDANCE WITH PARAGRAPHS 13(1) and 14(2) OF SCHEDULE 1 TO THE OFFENDER MANAGEMENT ACT 2007

1. This direction applies to the Local Probation Trusts (the Trusts) listed in the attached Appendix 1.
2. Each Trust shall prepare a statement of accounts for the financial year ended 31 March 2013 and subsequent financial years, in compliance with the accounting principles and disclosure requirements of the Government Financial reporting Manual (“the FReM”) issued by HM Treasury and which is in force for the relevant financial year.
3. The accounts shall be prepared so as to:
 - give a true and fair view of the state of affairs of the Trust as at the financial year-end and of the comprehensive net expenditure, changes in taxpayers’ equity and cash flows for the financial year and have been properly prepared in accordance with the Offender Management Act 2007;
 - provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with NOMS Agency finance team and HM Treasury.
5. Additionally the Trusts shall be required to comply with all Probation Communication Notices to the extent that they build on the requirement of the FReM subject to the directions in paragraph 4.
6. This direction supersedes that provided by the Secretary of State to Probation Trusts dated 8 March 2012.



Edward Kirby

On behalf of the Secretary of State for the Ministry of Justice
6 March 2013

Appendix 1

35 Probation Trusts:

Avon and Somerset
Bedfordshire
Cambridgeshire & Peterborough
Cheshire
Cumbria
Derbyshire
Devon and Cornwall
Dorset
Durham Tees Valley
Essex
Gloucestershire
Greater Manchester
Hampshire
Hertfordshire
Humberside
Kent
Lancashire
Leicestershire & Rutland
Lincolnshire
London
Merseyside
Norfolk & Suffolk
Northamptonshire
Northumbria
Nottinghamshire
South Yorkshire
Staffordshire & West Midlands
Surrey & Sussex
Thames Valley
Wales
Warwickshire
West Mercia
West Yorkshire
Wiltshire
York & North Yorkshire

4. Sustainability report (Not subject to Audit)

Introduction

This is the second Sustainability Report for West Mercia Probation Trust, prepared in accordance with 2011–2012 guidelines laid down by HM Treasury in ‘Public Sector Annual Reports: Sustainability Reporting’ published at: www.hm-treasury.gov.uk/frem_sustainability.htm. Sustainability focus is on achieving government targets, reducing environmental impact and reducing costs. Priorities include reducing carbon emissions, water consumption and waste to landfill.

This report covers 6 office buildings and 2 stores.

Shared occupations are not accounted for due to the limitations of extrapolating reliable sustainability data from service charges supplied by landlords. In addition, HM Courts & Tribunals Service is obliged to supply office space free of charge to probation trusts. As these are modest in size there is little, if any, benefit from isolating their sustainability data. We do not consider that the exclusion of these areas has a material impact on sustainability reporting for the Trust as a whole.

Governance, responsibilities and internal assurance

Overall governance and assurance is managed by the Ministry of Justice Sustainable Development Team (MoJ SDT). The probation estate is managed by facilities contractors, acting on behalf of MoJ, who manage day to day estate operations including voluntary and mandated sustainability reporting. There are some limitations to the accuracy of our financial and non-financial sustainability data and we continue to improve the quality of our internal controls, for example through internal audit.

Greening Government Commitments

The Greening Government Commitments launched on 1 April 2011 require Departments, including probation trusts, to take action to significantly reduce environmental impact by 2014–2015 (compared to a 2009–2010 baseline). These commitments can be found at: <http://sd.defra.gov.uk/gov/green-government/commitments/>.

In response to these commitments the Trust introduced its own Sustainable Development Policy on 21st June 2011. This policy, which is currently under review, is available on our website

www.westmerciaprobation.org.uk and can be summarised through the following seven objectives:

1. Build capacity of staff, partners and beneficiaries to implement sustainable development at a personal and professional level.
2. Ensure prudent procurement and use of sustainable resources in all that we do.
3. Develop and implement a sustainable procurement policy and implement an efficiency for sustainability plan.
4. Minimise the production of waste in our activities and ensure the maximum amount is reused and recycled.
5. Further improve communications with employers, local and regional agencies, suppliers and other key stakeholders demonstrating how our programmes support regional environment and social priorities.
6. Promote our services to all beneficiaries and prioritise activities which will deliver most sustainability outcomes.
7. Minimise space wastage and maximise the use of available community resources.

Climate change adaption and mitigation

The MoJ SDT has drafted a Statement for Climate Change Adaptation and set their built and non-built estate challenging objectives as follows:

- To enable the MoJ estate to evaluate risks to its strategy for programme delivery on vulnerable flood plains and evaluate its baseline for future adaptation of its targets and actions against climate change.
- To enable the MoJ estate to prioritise its management of high risk sites and where necessary divert and recalculate important and fragile resources where they are vital to operational delivery.
- To identify where stakeholders and central partners need to act to facilitate further or additional actions to protect against climate change.
- To establish a strategic process by which MoJ can put in place measures necessary to adapt to future climate change.

Carbon Reduction Commitment (CRC)

CRC is managed by MoJ and associated carbon allowances are accrued by MoJ Corporate Estates.

Carbon Management Plan (CMP)

A CMP is a systematic approach to reducing greenhouse gas emissions; integrating technical, financial, corporate governance and communications within an overarching strategy. A CMP covers the entire probation estate across 35 Trusts and was developed in partnership with the Carbon Trust. MoJ SDT is working to consolidate all CMPs, including those in place in the Prison Service and Courts & Tribunals to deliver a single cohesive approach with costed projects for each unit to provide an overarching framework to tackle climate change.

Our vision is to:

- be a low carbon business in which carbon management and sustainability are embedded within decision making, and
- engage stakeholders and demonstrate best practice in meeting corporate sustainability targets.

The plan and statements will be kept under review and open to amendment in order to facilitate a continued improvement in meeting statutory obligations for climate change adaptation and reporting.

Environmental Management System (EMS)

MoJ SDT has an ongoing EMS implementation programme, and is looking to develop a more streamlined EMS that fully meets the requirements while reducing resource impacts on front line services.

Sustainable procurement

West Mercia Probation Trust has access to purchasing agreements for commodities from suppliers that make available recycled and low carbon products where appropriate.

Social and environmental awareness

The Social and Environmental Awareness commitments of the Trust are embodied in our Sustainability Policy previously cited in this report in relation to Greening Government Commitments which can be found on page 68.

Performance summary

Greenhouse gas (GHG) emissions

		2009–10	2010–11	2011–12	2012–13
Non-financial indicators (tCO ₂ e)	Total gross emissions for scopes 1 & 2	487.8	517.2	385.5	402.5
	Electricity: green/renewable	65.1	71.6	41.7	52.8
	Total net emissions for scopes 1 & 2	422.7	445.7	343.8	349.7
	Travel emissions scope 3	No data	No data	127.3	105.3
	Total gross GHG emissions (all scopes)	487.8	517.2	512.8	507.8
Non-financial (kWh)	Electricity: Grid, CHP & non-renewable	375,406	412,586	240,536	304,133
	Electricity: renewable	125,135.25	137,528.75	80,178.75	101,377.5
	Gas	1,227,664	1,247,113	950,474	795,734
	Other energy sources	0	0	0	0
	Total energy	1,728,205	1,797,228	1,271,189	1,201,244
Financial indicators	Expenditure on energy	£91,768	£77,015	£44,400	£60,355
	Expenditure on official business travel	No data	No data	£292,262	£162,324

Performance commentary

Office buildings occupied by West Mercia Probation Trust are Stourbank House, Kidderminster; 3–4 Shaw Street, Worcester; Gaol Street, Hereford; Units 1–4 & 7 Windsor Court, Clive Road, Redditch; Telford Square, Telford; 135 Abbey Foregate, Shrewsbury. The two stores are Unit 8 Monkmoor Industrial Estate, Shrewsbury and Unit 87, Hartlebury Trading Estate.

Energy

Our use of energy within offices is only very indirectly controllable by ourselves. To the extent that we have been able to directly affect matters, all screens on computers are turned off overnight rather than being left on standby and we have continued to switch to multifunctional printers which has assisted in rationalising the amount of photocopying undertaken and which power down every half an hour if not in use. In terms of trends, our use of electricity is down compared to 2009/10 and 2010/11 but significantly up on 2011/12. As we are not directly billed for electricity it is difficult to understand this pattern other than to reflect that 2011/12 seems to have been an anomalous low figure. In relation to gas there has been a stabilisation as between 2011/12 and 2012/13 following steady reductions in the two previous years. One would reflect that the winter of 2012/13 has been particularly harsh in the Welsh borders and holding expenditure on gas at a time of increasing costs is itself an achievement. Our energy costs for 2012/13 are just over £60,000 compared to just under £92,000 in 2009/10.

Waste

			2009–10	2010–11	2011–12	2012–13
Non-financial indicators (tonnes)	Hazardous waste	Hazardous waste	0	0	0	0
	Non-hazardous waste	Landfill waste	37	28	50	14
		Reused/recycled waste	48	37	33	20
		Energy from waste	0	0	0	0
		Total waste arising	85	65	83	34
Financial indicators	Hazardous waste	Hazardous waste	0	0	0	0
	Non-hazardous waste	Landfill waste	0	0	0	0
		Reused/recycled waste	0	0	0	0
		Energy from waste	0	0	0	0
		Total waste costs (£)	£0	£0	£0	£0

Performance commentary

All offices have both internal and external recycling bins so that only unrecyclable material goes to landfill. As with energy the pattern seems to be steady and increasing control of this element of sustainability over the four year period 2009/13 but with an anomaly in 2011/12. In this case an apparent spike in waste going to landfill last year. Taking the trend as a whole this year's figures seem to be consistent with that encouraging trend. Interestingly our reused recycled waste is also falling on a similar trajectory and it could be that this reflects a reduction in packaging used by manufacturers as well as improved internal procedures.

Water

		2009–10	2010–11	2011–12	2012–13
Non-financial indicators	Total water consumption (cubic metres)	7,200	5,524	3,140	581
Financial indicators	Total water supply costs (£)	£21,651	£16,741	£8,887	£2,456

Controllable impacts commentary

Our only use of water is of a “domestic” nature and the small reduction in staff numbers over the period under review is not sufficient to explain the apparently steep decline in our use of this resource. Therefore we believe the variation is down to the measuring methodology applied by the FM contract and this is beyond our control or influence.

Paper

	2009–10	2010–11	2011–12	2012–13
Cost (excluding VAT)	No data	No data	No data	No data

Travel

In contrast to those matters that we are unable to control, West Mercia Probation Trust has actively sought to deliver sustainability gains in relation to travel.

As reported in last year’s Sustainability Report the Trust has identified travel as a major contributor to pollution, given the rural nature of West Mercia and the potential for a relatively high number of long journeys that could be generated. We have continued to invest significantly in video conferencing technology which is now firmly embedded with the delivery of 1:1 staff supervision and accountability sessions, has replaced a number of meetings and consultation events and on the service delivery side has continued to facilitate contact with prisoners held outside the local area.

We continue to take action to enforce car sharing through only paying mileage allowances in relation to shared journeys. We have at the end of the year moved to paying only the Inland Revenue rate for mileage in a further attempt to discourage unnecessary car journeys. Whilst, as previously reported, national property contracts and charging arrangements have driven the use of large two centre offices as being more narrowly financially efficient we have continued to develop opportunities for offenders to be seen outside of probation property and in particular have increased the use of our network of Care Farms including, with effect from 1st April 2013, one in the extreme south west of Herefordshire which is probably the most difficult area of West Mercia to access through public transport. Overall we have reduced the distance covered on Trust business by just over 100,000km and tonnes of carbon by 20,000.

In last year’s report we recorded the notice we had served to leave the West Midlands Regional Training Consortium. That Consortium subsequently agreed to close down so there has been a significant shift to in-house training provision. This has reduced training related mileage considerably particularly as a significant level of the new training opportunities are web based further reducing the need to travel.

Glossary

AIM	Active Inclusion into Mainstreaming
CEO	Chief Executive Officer
CETV	Cash Equivalent Transfer Value
CIC	Community Interest Company
CIPFA	Chartered Institute of Public Finance and Accountancy
CMI	Chartered Management Institute
CMP	Carbon Management Plan
CRC	Carbon Reduction Commitment
DCLG	Department for Communities and Local Government
EDOG	Equalities and Diversity Operational Group
EFQM	European Foundation for Quality Management
EIA	Equality Impact Assessment
EMS	Environmental Management System
ESF	European Social Fund
ESS	Enhanced Supervision Scheme
ETE	Education, Training and Employment
EU	European Union
FDR	Fast Delivery Report
FReM	Financial Reporting Manual
HMIP	Her Majesty's Inspectorate of Probation
HMT	Her Majesty's Treasury
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICT	Information and Communications Technology
IDAP	Integrated Domestic Abuse Programme
IFRS	International Financial Reporting Standards
liP	Investors in People
INT	Intervention
IOM	Integrated Offender Management
IPPF	Integrated Probation Performance Framework
JNCC	Joint Negotiating and Consultative Committee
LCCS	Local Crime, Community Sentence
LDU	Local Delivery Unit
LGBT	Lesbian, Gay, Bisexual and Transgendered
LGPS	Local Government Pension Scheme
MAPPA	Multi Agency Public Protection Arrangements
MoJ	Ministry of Justice
MoJ SDT	Ministry of Justice Sustainable Development Team
NOMS	National Offender Management Service
OASys-R	Replacement Offender Assessment System
OM	Offender Management
OMI	Offender Management Inspection
ONS	Office for National Statistics
PAM	Platform for Achieving More
PPA	Prior Period Adjustment
PPO	Prolific and Priority Offender
PSO	Probation Service Officer
PTRS	Probation Trust Rating Scheme
R4E	Recognised for Excellence
SDR	Standard Delivery Report
SoCNE	Statement of Comprehensive Net Expenditure
YSS	Youth Support Services



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