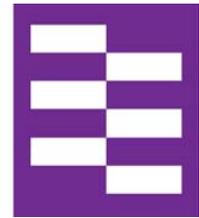


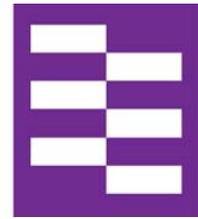
**South Yorkshire  
Probation Trust**



# **South Yorkshire Probation Trust**

**Annual Report and Accounts  
2012–2013**

**South Yorkshire  
Probation Trust**



**South Yorkshire Probation Trust**  
**Annual Report and Accounts**  
**2012–2013**

Presented to Parliament pursuant to The Government Resources and Accounts Act 2000  
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Any enquiries regarding this publication should be sent to us at  
**caroline.bell@south-yorkshire.probation.gsi.gov.uk**

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# Mission, Vision & Values

## Our mission is to:

Protect the public and make our communities safer by reducing reoffending.

## Our Vision is to:

Be the best at reducing reoffending.

## Our Values are:

### **Making a difference –**

We believe people can change their behaviours.

### **Respect –**

We believe in the dignity of everyone;

We recognise and respect the difference of all individuals.

### **Integrity –**

We believe that honesty and integrity are essential;

We lead by example and are open and accountable at all times.

### **Professionalism –**

We believe in professionalism shown by the dedication, enthusiasm and commitment of our staff;

We recognise that working with others will deliver our mission and vision.

# Foreword

Welcome to the South Yorkshire Probation Trust (SYPT) Annual Report and Accounts for 2012/13.

We are one of the top performing Trusts in the Country, having received one of the best Offender Management Inspection (OMI) results in England & Wales in 2012 and a reduction in re-offending rate of 13.61%, against a national average of 0.03% reduction.

The financial year ended on a real high, with the Trust being awarded the Recognised for Excellence Five Star award by North of England Excellence. In the evaluation we were commended for building on our previous four star award and showing continuous improvement in a range of categories. During the year we also received the Gold standard in the Rainbow Tick award, Investors in Diversity Level 2 and we were also reassessed by Customer Service Excellence, receiving compliance plus, the highest level, in five categories.

We are a part of the National Probation Service and we work to five statutory aims:

- Protecting the public;
- Enforcing the punishment of offenders;
- Upholding the interests of victims of crime;
- Reducing reoffending; and
- Rehabilitating offenders to lead law-abiding lives

We are responsible for the delivery of reports about offenders to the courts and the supervision of offenders in the community throughout South Yorkshire. We also deliver programmes and interventions to rehabilitate offenders and reduce the chance of them committing crime in the future.

Our staff, and our colleagues in other organisations, who support our work, are committed to minimising the impact of crime on communities and especially victims who have been affected by serious violent or sexually violent crimes. We are also actively committed to rehabilitate offenders given community sentences and those released from prison; to enforce the conditions of their court orders and release licenses and to take whatever steps in our power to protect the public.

This report outlines the progress made by SYPT in relation to the objectives set in our 2012/13 business plan and the resources consumed in delivering this performance, in the form of our annual accounts.

Lynda Marginson  
Chief Executive

25<sup>th</sup> June 2013

# 1. Operational & Performance Review 2012–13

## 2012/13 achievements

Our main contract with the National Offender Management Service (NOMS) was successfully delivered during the year and an excellent relationship established with the NOMS contract manager, who recognises the quality of the work undertaken in SYPT, as evidenced by our recent inspection and our Probation Trust Rating System (PTRS) results. We received one of the best OMI ratings in England and Wales, as well as being awarded the Recognised for Excellence Five Star award by North of England Excellence, the Gold standard in the Rainbow Tick award, Investors in Diversity Level 2 and Customer Service Excellence compliance plus (the highest level) in five categories.

As planned, we established a positive relationship with the Police and Crime Commissioner (PCC), who awarded us £750k of funding over the next three years to contribute to the strategic priorities in his Police and Crime Plan. We will be firming up our plans to deliver on this throughout the coming year. Discussions also took place with the PCC about the setting up of a Community Safety Advisory Board and he is, in principle, supportive of the idea. However, it is not currently his highest priority and so we will have to work hard to influence him on this matter next year.

We also developed a range of other new partnerships particularly in relation to income generating projects in Unpaid Work (UPW), one such example being the provision of cafe facilities in a supported housing scheme on behalf of a local housing association.

We made a successful bid against a joint commissioning exercise by NOMS and the NHS for Personality Disorder services to Offenders worth £413k over the next three years. This will enable the Trust to access the services of a psychologist in order to develop tailored services for this area of need.

We also contracted for the delivery of our Integrated Domestic Abuse Programme (IDAP) to men referred from the Family Courts by Children and Family Court Advisory and Support Service (CAFCASS).

We developed specialist services for women offenders, including the delivery of a Specified Activity, which was completed and embedded in all four Local Delivery Units (LDUs) during the year.

We embedded the provision of Circles of Support and Accountability for sex offenders and now have six circles running. Two more are due to start, a mentoring scheme has begun and we trained two cohorts of new volunteers. The initiative has been awarded a “crystal heart” for its quality.

For our staff we established an Employee Engagement Group during the year which commenced regular quarterly meetings and put together an Engagement Implementation Plan, which is currently in consultation.

Much work was carried out by managers across the Trust to proactively and firmly manage sickness absence to reduce from unacceptably high levels last year. Yearly sickness levels reduced across the Trust by a total of 1.16 days per FTE to 9.35 days per FTE for an average of 510.89 FTE staff.

A research project in relation to Black and Minority Ethnic (BME) offenders in SYPT was completed by one of our Probation Officers. A report of the findings was presented to Trust Quality Management Group (TQMG) in August 2012, the Executive considered the recommendations of this report and asked the County Diversity Action Group to develop an Implementation Plan, which was agreed and is being delivered against.

During the year we put together a Corporate Social Responsibility plan. We nominated Bluebell Wood Children's Hospice as our charity of the year and raised almost £9k through various fundraising events.

From the beginning of the year we implemented new, timely and more robust financial reports. We strengthened our understanding of the costs involved in providing our services, through the improved production of information for PREview (the Probation Trust standard costing system). A local review of the costs of our on-call system was carried out and we are now ready to explore more cost effective options for the future.

## Performance information

Probation Trusts are required by the NOMS to collect data to enable the indicators contained in the PTRS to be produced at regular intervals. PTRS is intended to provide Probation Trusts, Contract Managers and the NOMS Agency with a picture of performance built on the general principles of:

- Rounded picture of performance;
- Fair and robust assessment;
- Encourage on-going improvement;
- Timely and accurate;
- Multiple customers;
- Interactive and user friendly product;
- Uses trusted data; and
- Streamlined production.

The current framework has been developed and updated over a number of cycles and hence there are some new indicators appearing in the 2012/13 PTRS that didn't appear in the previous year.

PROBATION TRUST RATING SYSTEM (PTRS – see annex 1.0)	2012/13			2011/12		
	Target (%)	Actual (%)	Over Target (%)	Target (%)	Actual (%)	Over Target (%)
<b>Public protection</b>	<b>Overall – Green 4</b>			<b>Overall – Green 3</b>		
<i>OM 41 MAPPA Effectiveness:</i>						
– SMB Attendance	75%	100%	25%	NA	NA	NA
– VISOR Form 20 March	90%	100%	10%	NA	NA	NA
– Level 2/3 Attendance	90%	100%	10%	NA	NA	NA
OM26 Oasys QA	90%	95%	5%	90%	91%	1%
OM32 Victim Feedback	90%	100%	10%	90%	100%	10%
OM12 Risk of Harm	72%	81%	9%	72%	74%	2%
<b>Reduce re-offending</b>	<b>Overall – Green 4</b>			<b>Overall – Green 3</b>		
OM21 Reduce Re-offending	-4.20%	-12.73%	-8.53%	-4.20%	-12.7%	-8.5%
INT09 Employment at Termination	36%	40%	4%	36%	40%	4%
OM17 Accommodation at Termination	80%	85%	5%	80%	86%	6%
IPPF20 OM12 Likelihood of Re-offending	80%	82%	2%	NA	NA	NA
IPPF06 OM12 Interventions	72%	83%	9%	72%	73%	1%
<b>Sentence delivery</b>	<b>Overall – Green 4</b>			<b>Overall – Green 3</b>		
OM20 Orders or licences successfully completed	76%	78%	2%	76%	77%	1%
OM29 Offender Feedback	67%	78%	11%	67%	75%	8%
IPPF05 OM12 Assessment and Sentence Planning	72%	82%	10%	72	75	3%
IPPF OM12 Enforcement and Compliance	80%	84%	4%	NA	NA	NA
<b>PTRS overall assessment</b>	<b>Overall – Green 4</b>			<b>Overall – Green 3</b>		

Overall it has proved to be an extremely successful year for us, we achieved all of our PTRS targets for the year and improved our performance in all but one area over the previous year. Our overall rating improved from Green 3 to Green 4, the highest rating possible.

## Workload and Activity Statistics

	2012/13	2011/12
<b>Bail, Court &amp; Victim Work</b>	<b>550</b>	<b>610</b>
<b>Reports</b>		
Fast Delivery Reports	2,597	3,018
Standard Delivery Reports	1,187	1,142
Oral Reports	1,597	1,718
<b>Offender Management</b>		
Manage the Sentence for a Community Order or Suspended Sentence Order	2,181	2,693
Manage the Sentence Pre Release from Custody	2,253	2,072
Manage the Sentence Post Release from Custody	1,145	1,076
Deliver Supervision on Licence	1,145	1,076
<b>Interventions</b>		
Deliver Unpaid Work Requirement	244,230	292,665
Rehabilitation Services – Deliver the Activity Requirement	663	574
Delivery of Drug Rehabilitation Requirement (DRR)	200	210
Delivery of Mental Health Treatment Requirement	17	25
Delivery of Alcohol Treatment Requirement	208	208
OM Support Accredited Programme Delivery	312	405
Delivery of Accredited Programmes	312	405
Approved Premises	3	3

## Plans for the Future

One of our main objectives this year is to play a major role in the Transforming Rehabilitation Programme (TRP). Since the announcement of the TRP the Trust has ensured its voice has been heard at every available opportunity, both as a formal response to the proposals and at steering forums. In 2013/14 the Trust will be proactively seeking to influence and plan for new delivery models which emerge.

In an economic environment where resources are becoming more scarce we have committed to a review of our Demand Management Strategy (2010/13), to ensure proper use of limited resources. In doing so the Trust can obtain maximum value for its resources, including improving our ability to understand our cost basis.

A large amount of work was undertaken in 2012/13 on UPW, to review the department and assess its cost effectiveness. In 2013/14 we are continuing this work by implementing the new specification for UPW. The rationale behind the new specification is to optimise the value of the function, in line with our overall objective of reviewing resource allocation.

A significant resource at our disposal is our staff and their years of experience in reducing reoffending. The Trust understands the value staff can add to its operations. In 2013/14 it will continue to promote a creative, dynamic and innovative culture throughout the organisation to ensure all employees know how to put forward ideas and suggestions for improvement.

In 2012/13 a Continuous Improvement Programme (CIP) was developed at the TQMG which gives staff a platform to discuss and improve relevant issues on a certain theme at each meeting, the first theme being Safeguarding Children. The process of embedding the CIP into the organisation's culture to ensure we meet the standards of Her Majesty's Inspector of Probation (HMIP) will be the focus for 2013/14.

As part of our commitment to working more effectively with our offenders in 2013/14, we will be expanding our reach into the wider community. Our aim is to continue to actively seek opportunities to collaborate with other sectors to provide effective services to support our work with offenders.

By actively seeking new collaboration opportunities we believe this will have a positive effect on the outcomes for young people transferring from Youth Justice Service (YJS) to SYPT. By forming good working relationships with YJS and other external bodies we can ensure that our work with these individuals is the best it can be, which will ultimately translate into a reduction in reoffending in this area.

An increased public awareness of the alternatives to the traditional justice system in recent years has created a positive attitude for the growth of Restorative Justice (RJ) as a tool in reducing reoffending. The Trust is dedicated to ensuring that stakeholders of the organisation (including the general public) are pleased with the work we do within their communities. Therefore, as part of the Business Plan for 2013/14, the Trust is striving to increase the number of RJ interventions and increase the number of victim initiated RJ interventions.

Our work with the most high risk of harm offenders is a critical part of our portfolio. The work we will do in 2013/14 to implement the new Multi-Agency Public Protection Arrangements (MAPPA) guidance will ensure there is appropriately targeted high quality interventions for the most high risk of harm offenders. This, coupled with our work with the PCC, will help to ensure appropriate offender management is offered to high risk of re-offending offenders when released from custodial sentences of less than 12 months. This will be a new area of work for us, as currently we do not work with offenders with a sentence of less than 12 months.

The Trust believes that good quality practices within the organisation contributes significantly to the effectiveness of the Trust in reducing reoffending. With this in mind, one of the objectives in 2013/14 is to build on the work done in previous years to improve quality, targeting and performance of Accredited Programmes. Alongside this we are aiming to strengthen access to mainstream learning services for offenders in the community. The Trust also feels it is very important to continue to strengthen our partnership working, to ensure offenders have access to support and services to gain employment. Rehabilitation plays a key role in reducing reoffending.

Another area we are keen to expand in 2013/14 is health services. We wish to develop a formal project to improve effective partnerships with health providers and health commissioners to improve provision and access to health services for offenders. Related to this is our eagerness to address the issues facing women under supervision who have mental health issues. In 2012/13 we began to address specific issues for women in supervision and the contract in 2013/14 will allow us to continue with this work. It is our intention to embed the statutory supervision of at least 50% of women offenders in Women's Centres where available, offering female offender managers for all women under supervision when requested.

The new case management system Delius is set to come into use in 2013/14 and The Trust will endeavour to ensure its successful migration with minimum disruption to services. Lotus Notes is also set to be upgraded in 2013/14.

## 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.

## Risks

Notwithstanding the above, we identified the following key risks for the immediate future during the development of the 2013/14 business plan:

- Failure to respond to the market and collaborative opportunities;
- Non compliance with Business processes;
- Failure to deliver on the Trust’s contract with the Secretary of State;
- National Data Centre (NDC) Capacity;
- Inefficiencies due to constraints of national IT contract;
- Not responding to customer and stakeholder need;
- And Failure to manage risk of harm.

Some of the risks are out of our control (e.g. NDC capacity and inefficiencies due to national IT contract), but we continue to lobby on those. For the other key risks we have a strong risk management system in place to manage their impact.

# 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 NOMS. This Trust came into existence on 1 April 2010 (following transition from South Yorkshire Probation Board which was established in 2001).

These accounts have been prepared in accordance with the Government FReM issued by HM Treasury (HMT) and in accordance with the accounts direction issued, on page 54 by the Secretary of State under the OM Act.

## Principal activities

### Court Work

SYPT is one of the major providers of services to magistrates and Crown Courts in the county.

We work with offenders before and after their sentence has been passed.

Every court in South Yorkshire has its own team of resident probation staff, who provide a range of services both for the offenders and for the magistrates or judges who sentence them.

Our role is to:

- Assist the courts' decisions in relation to remand and sentencing options by producing timely, verified assessments and reports;
- Provide a range of community orders for consideration alongside prison-based and other community sentencing options; and
- Ensure the rigorous enforcement of community orders in accordance with National Standards;

### In the Community

SYPT manages all offenders given community orders to ensure that the sentence is completed. If an offender does not complete the requirements given to them, they can be sent back to court.

Every offender sentenced to 12 months or more in prison is required to be supervised in the community for a proportion of their sentence. Probation staff work closely with prisons to help offenders prepare for release. Probation staff also supervise prisoners who have been released on a life licence.

The Probation Service uses interventions to address offending behaviour. Interventions take three main forms:

- Punishment (UPW, attendance centre and curfew orders);
- Rehabilitation (training programmes); and
- Public Protection (electric monitoring, approved premises and programmes for sex offenders and high risk offenders)

### In Prisons

SYPT has staff seconded to the following prisons:

- HMP Doncaster;
- HMP Lindholme;
- HMP Moorland Open (YOI); and
- HMP Moorland Closed.

Probation staff write reports for the Parole Board providing a risk assessment around safe release. During a remand in custody outside probation staff will write a report advising the court of appropriate sentences.

### **Public Protection – Multi-Agency Public Protection Arrangements (MAPPA)**

This is a set of arrangements established by probation, police and the prison service (collectively known as the Responsible Authority) to assess and manage the risk posed by sexual and violent offenders.

Other agencies that co-operate in MAPPA include YJS , JobCentre Plus, local education authorities, local housing authorities, registered social landlords, social services, strategic health authorities, care trusts and NHS trusts, and electronic monitoring providers.

The principles that govern MAPPA are:

- Identify who may pose a risk of harm;
- Share relevant information about them;
- Assess the nature and extent of that risk;
- Find ways to manage that risk effectively, protecting victims and reducing further harm.

The arrangements operate across England and Wales and allow agencies to review the risk posed by offenders and the actions taken to manage them. Central to all risk management is the need to consider the protection of previous and possible future victims.

### **Operational Performance during 2012/13**

An analysis of performance outcomes is summarised in the Annual Report on pages 4 to 8.

### **Results for the year**

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 24. The Statement of Changes in Taxpayers' Equity is shown on page 27.

### **Operating costs**

The net operating cost before tax for 2012/13 stands at £163k compared to (£182k) for 2011/12. The reason for the increase is due to a significant increase in pension net interest costs being £593k in 2012/13 and only £219k in 2011/12.

### **Statement of Financial Position and Statement of Cash Flows**

The Statement of Financial Position and Statement of Cash Flows are on pages 25 and 26.

The net liabilities has increased from (£25.8m) at March 2012 to (£32.3m) at March 2013. The largest single movement in net liabilities is (£6.6m) due to an increase in pensions deficit.

### **Payment of creditors**

In the year to 31 March 2013, the Trust paid 3,503 trade invoices with a value of £4.7m. The percentage of undisputed invoices paid within 30 days by the Trust was 99.4% compared to 99.8% 2011–12.

### **Treatment of Pension Liabilities**

Past and present employees of the Probation Trusts are covered by the provisions of the 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 was 9.35 days per FTE across the Trust (2011/12 – 10.51 days per FTE).

### **Personal data related incidents**

There were no significant personal data related incidents in 2012/13, which were formally reported to the Information Commissioner's Office (ICO).

All staff undertake a compulsory Information Assurance training course when joining the Trust and an annual refresher course.

### 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 only reportable event which had occurred is summarised in **Note 27** (page 53).

### 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 56 to 60.

### Future developments

Highlights of our future development plans are summarised in the Annual Report on pages 6 to 7.

### Communications and employee involvement

There is a well developed system of communication throughout the Trust. Our Business Planning process is fully inclusive, commencing with the involvement of all teams, Staff Support Groups and Unions around August and flowing up into the production process of the Business Plan. The Business Plan then flows back down the organisation into the formulation of Unit Delivery Plans and Team Plans and ultimately Individual Personal Performance and Development objectives.

There is a system of Bulletins and Briefing Notes that are used to communicate key developments to all staff as and when they occur and an anonymous Question and Answer mailbox where questions can be posed directly to the Chief Executive Officer. During the year there was a Staff Conference, a new Employee Engagement Group was set up and there is already recognised and well embedded Trade Union negotiating machinery operating at the Trust.

### Staff diversity

SYPT has a history of responding to the diverse needs of employees and stakeholders. Our aim is to go beyond legislative compliance in order to deliver best practice in relation to creating a culture of mutual respect and fairness to all. The following mix of external accreditations and internal governance structures demonstrate our firm commitment to considering the needs of all employees of the Trust:

- We have been the recipient of the Disability Two Tick accreditation for over four years;
- We have been accredited as a Mindful Employer since April 2010;
- We achieved Investors in Diversity Level 1 in October 2011 and Level 2 in May 2012;
- We have a County Diversity Action Group, which is chaired by the Chief Executive and attended by representatives from Local Diversity Action Groups and a Board Member; and
- We provide resources to support self managed employee support groups and we have a standing agreement with the Staff Side to facilitate individual attendance at these groups at 6 half days per year, should employees wish to.

The following are the key characteristics of our workforce (as last surveyed in October 2012):

#### Gender

- 73% Female;
- 27% Male.

### **Ethnicity**

- 90% White;
- 7% Other Ethnicities;
- 3% chose not to specify.

### **Disability**

- 19% of the workforce categorised themselves as disabled.

### **Age**

- 2% aged 20 to 25 years;
- 21% aged 26 to 35 years;
- 24% aged 36 to 45 years;
- 32% aged 46 to 55 years;
- 13% aged 56 to 60 years;
- 8% aged over 60 years.

### **Religion**

- 42% Christian;
- 3% Other faiths;
- 18% No religion;
- 37% No data.

### **Sexual Orientation**

- 54% Heterosexual;
- 2% Lesbian, Gay and Bisexual;
- 44% Refused/No data.

### **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 of 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 22.

Total audit fees reported in the Accounts are £50,000. The audit fees for 2011–12 relate to the previous external auditor. The audit fees for 2012–13 are made up of:

- Internal audit £23k and
- External Audit £27k

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 SYPT Management Board

The governance arrangements within the Trust for the period April 2012 to March 2013 are spelled out in detail in the Governance Statement on pages 18 to 21.

The Chair and other members of the Board were all appointed by the Secretary of State.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 14 to 16.

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

<b>Position</b>	<b>Name</b>	<b>Appointment changes in financial year</b>
Chief Executive	Roz Brown	Retired 31 <sup>st</sup> March 2013
*Chief Executive	Lynda Marginson	Appointed 1 <sup>st</sup> April 2013
Chair	Mervyn Thomas	
Non-Executive (Chair of Audit Committee)	Ken Wyatt	
Non-Executive	David Whitham	
Non-Executive	Christina Heaton	
Non-Executive	Ross Bannerjee	
Non-Executive	Su Lockwood	Resigned 4 <sup>th</sup> October 2012

\*At the end of the financial year the current Chief Executive retired from the Trust. The Secretary of State approved the appointment of the new Chief Executive (Lynda Marginson) with effect from 1<sup>st</sup> April 2013.

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.

Lynda Marginson  
Accountable officer  
25<sup>th</sup> 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.

The salary and pension entitlements of the senior managers and non-executive directors of the SYPT 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) £
Chief Executive – Roz Brown	70–75 (Actual) 85–90 (WTE)	0–5	None	75–80 (Actual) 85–90 (WTE)	0–5	None
Chair – Mervyn Thomas	15–20	None	None	5–10 (Actual) 15–20 (WTE)	None	None
Non-Executive – Ross Bannerjee	0–5	None	None	0–5	None	None
Non-Executive – Christina Heaton	0–5	None	None	0–5	None	None
Non-Executive – David Whitham	0–5	None	None	0–5	None	None
Non-Executive – Ken Wyatt	0–5	None	None	0–5	None	None
Non-Executive – Su Lockwood	0–5	None	None	0–5	None	None

All Ministry of Justice (MoJ) appointed Trust Board members receive non-pensionable remuneration of £15.40 per hour from 1 April 2004, 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.

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

	Total Full-time Equivalent Remuneration	
	2012–13	2011–12
Highest paid Director (pay band) – £000	£90–£95	£85–£90
Median for other staff	£27,102	£27,102
Pay multiple ratio	3.4:1	3.2:1

The median remuneration is the total remuneration 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 ratio between the total remuneration of the highest paid Director (including bonuses) and the median for other staff.

### Salary

'Salary' includes the gross salary, overtime and arrears.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by Her Majesty's Revenue and Customs (HMRC) 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 HMRC.

## Bonus

Consideration will be given each year to payment of an award based on individual performance. Any such award shall relate to the Chief Executive's individual performance in achieving objectives set at the beginning of each year by the Trust Chair as part of longer term planning. All performance related payments are pensionable.

## 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
Roz Brown	0-5	0-5	30-35	10-15	10-15

Roz Brown flexibly retired on 31<sup>st</sup> August 2011. All accrued benefits relating to the old pension were taken on that date. The new pension figures are based on Roz Brown's new post as 0.8 WTE Chief Officer, which started on 1<sup>st</sup> September 2011 and terminated on 31<sup>st</sup> March 2013, when she fully retired from the service.

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.

Lynda Marginson  
Accountable officer

25<sup>th</sup> June 2013

## Statement of Accountable officer's Responsibilities

Under the Schedule 1, paragraph 13(1)(b) of the OM Act 2007, the Secretary of State has directed the SYPT 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 FReM 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 FReM have been followed, and disclose and explain material departures in the financial statements; and
- Prepare the financial statements on a going concern basis, unless it is inappropriate to do so.

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

### Introduction

As Accountable Officer and Chief Executive of the Trust I have personal responsibility for this Governance Statement, which is designed to outline how I have discharged my responsibility to manage and control the Trust's resources during the course of the year. The year in question is slightly unusual in that there was a change of Chief Executive/Accountable Officer on 1<sup>st</sup> April 2013 and so in signing this statement, it falls to me to demonstrate how I have assured myself that it is a true reflection of the Trust's governance activities during the year, as overseen by my predecessor. This task is made easier in the fact that prior to my current appointment, I was the Deputy Chief Executive of the Trust and have therefore personally witnessed, and in fact, led on many of the assertions in this statement. In addition, I received a handover from my predecessor on the Accountable Officer role and a written signed declaration which supports this Governance Statement.

This statement aims to give a clear understanding of the dynamics of the organisation and its control structure, recording the stewardship of the Trust, providing a sense of how vulnerable the Trust's performance is or might be; and of how successfully the Trust has coped with the challenges it faced.

### Governance Framework

SYPT is a statutory body which came into existence on 1<sup>st</sup> April 2010 under the Offender Management Act 2007 and is a "body corporate", which means it has specified powers to act in its own name. NOMS is accountable to Parliament for the provision of probation services in England and Wales and SYPT discharges these responsibilities under contract to NOMS. Under the terms of this contract and by means of a side letter (the letter of delegated financial authority) I, as the Accountable Officer, have defined financial responsibilities delegated to me personally. Additionally, the Trust is obliged by the NOMS contract to comply with the Treasury Publication "Managing Public Money", which sets out in some detail the standards expected of public officials in the stewardship and governance of public funds.

The Chair of the Probation Trust is appointed by the Secretary of State and he is assisted by four other Non-Executive Directors (NEDs), who together with myself, operate as a Board. The role of the Board is both advisory (in the sense that it provides advice to the Trust on issues within their remit, such as strategy) and supervisory (in the sense that it scrutinises the Trust's reporting on performance and challenges the Trust on how well it is achieving its objectives).

The Board delegates responsibilities throughout the management structure of the Trust by means of the Standing Orders, Scheme of Delegation, and Standing Financial Instructions (SFIs). These documents are framed within the limits of authority passed down to me, as Accountable Officer in the Letter of delegated financial authority and are reviewed and revised at least once per year, but also every time there is a significant change within the organisation or environment which necessitates this.

During the year the Trust Board met on a monthly basis to consider progress against the Trust's Strategic and Business plans (including the operational and financial performance of the Trust). The priority objectives and targets for the Trust and the resources available to achieve these were identified by the Board in the annual Business Plan, which derives from the Trust's three year Strategic Plan. The Board was attended by Non Executive and Executive Directors and had a clear terms of reference set out within Standing Orders and the Scheme of Delegation. There were 11 meetings of the Board during the year and one seminar, at which the Board commenced a review of its own effectiveness (1<sup>st</sup> March 2013). This review took the form of a self-assessment against the Chartered Institute of Public Finance and Accountancy (CIPFA) governance checklist. The Board were able to point to evidence of all items on the CIPFA checklist but felt there were particular strengths in terms of the Board Assurance Framework (which is basically an agenda forward planner), the programme of Board seminars (which aims to develop Board Members' knowledge and understanding of the organisation) and the quality of information and data it received. It did however, identify areas for review in the near future, such as the risk management tool and the breadth of skills available within the current board. All Board meetings were quorate and attendance was as follows:

Board Meeting Date	Mervyn Thomas	Roz Brown	Su Lockwood	Ken Wyatt	Ross Bannerjee	Christina Heaton	Dave Whitham
5 <sup>th</sup> Apr 2012	✓	✓	✓	✓	✓	✓	✓
3 <sup>rd</sup> May 2012	✓	✓	✓	✓	✓	✓	✓
7 <sup>th</sup> Jun 2012	✓	✓	✓	✓	✓	✓	✓
14 <sup>th</sup> Jun 2012	✓	✓	✓	✓	✓	✓	✓
5 <sup>th</sup> Jul 2012	✓	✓	✓	✓	✓	✓	✓
2 <sup>nd</sup> Aug 2012	✓	✓	✓	✓	✓	✓	✓
6 <sup>th</sup> Sep 2012	✓	✓	✓	✓	✓	✓	✓
4 <sup>th</sup> Oct 2012	✓	✓	✓	✓	✓	✓	✓
1 <sup>st</sup> Nov 2012	✓	✓	✓	✓	✓	✓	✓
6 <sup>th</sup> Dec 2012	✓	✓	✓	✓	✓	✓	✓
14 <sup>th</sup> Feb 2013	✓	✓	✓	✓	✓	✓	✓
7 <sup>th</sup> Mar 2013	✓	✓	✓	✓	✓	✓	✓

One of the early items on each Board agenda was the declaration of interests and any member declaring such an interest relating to a specific item on the agenda was asked to leave the meeting for consideration of that item. More general and wider reaching conflicts of interest that come into being during the course of a year are required to be declared and placed on a register of interests (an annual reminder letter was sent out to all members during the year). Where fundamental conflicts are identified through this process, plans are put in place to address the conflict, which in the extreme could result in termination of office. Declarations of interests made during the course of 2012/13 were not deemed significant enough to warrant special arrangements being put in place and were therefore dealt with on an agenda item basis, as explained above.

The Board has an established Audit Committee with clear terms of reference. It is an advisory body with no executive powers and any actions recommended are subject to the approval of the full Board. It acted on behalf of the Board during the year in carrying out the detailed scrutiny of the Trust's accounts, audit plans, audit reports, internal control arrangements, business risk arrangements, accounting policies and statements. The Chief Executive, Board Secretary, Director of Corporate Services and the Board's Internal and External Auditors normally attended all meetings, which met on a quarterly basis with an additional meeting to complete the Annual Audit Committee Self Assessment. The self assessment was completed by Board Members and Executive and Senior Leadership Team Members only. There were five meetings of the Audit Committee all of which were quorate:

Audit Committee Meeting Date	Su Lockwood	Ken Wyatt	Ross Bannerjee	Christina Heaton	Dave Whitham
25/04/2012	✓	✓	✓	✓	✓
14/06/2012	✓	✓	✓	✓	✓
13/09/2012	✓	✓	✓	✓	✓
04/12/2012	✓	✓	✓	✓	✓
20/03/2013	✓	✓	✓	✓	✓

The minutes of all meetings were reported to the subsequent Board meeting. Also during 2012/13 the Audit Committee reviewed its Terms of Reference and its operating model to ensure that it was still able to properly discharge its duties to the full Board.

The Audit Committee received all reports undertaken by Internal Audit, and closely monitored the achievement of any recommendations remaining outstanding during the course of the year. During the year it paid particular attention to concerns raised about the Information Services capacity afforded to the Trust by the national contract and required assurance both from the local senior manager and from managers responsible within the NOMS.

The Audit Committee undertook, or oversaw a number of reviews and self assessments during the year, including its own self assessment, an annual fraud assessment, an internal controls effectiveness review and a review of the draft Governance Statement.

## Compliance with the Corporate Governance Code

The Trust complies with this code in all but the following areas:

### Nominations and Governance Committee

The Code states that boards should have such a committee, the function of which is to ensure there are satisfactory systems for identifying and developing leadership and high potential, scrutinising the incentive structure and succession planning for the board and senior leadership, as well as scrutinising governance arrangements. As the Code is written primarily for Government Departments, much larger in size than the Trust, these functions were discharged by the main Board, in common with many other Probation Trusts. The Board considers this delivers the spirit of the code whilst also discharging its responsibilities for achieving value for money from the public purse.

### Board Composition

The Code states that Boards should have at least four non-executive board members (NEBMs), the majority of whom should be senior people from the commercial private sector, with experience of managing complex organisations. The Trust's NEBMs number five, with three coming from a public sector background and two from the commercial sector.

The Code also states that the board should include a mix and balance of skills and understanding to match and complement the Trust's business and its strategic aims and specifically states that it "should include corporate services professional skills, including finance..". Currently the Trust has no formal finance qualifications amongst its NEBMs and is limited in covering this skills gap by a NOMS embargo on NEBM recruitment at this time. The Trust is looking into options to co-op these skills or build a business case to enable full recruitment to take place.

### Independent input to the annual board effectiveness review

The code states that there should be independent input to this every three years and since the Trust was inaugurated in late 2010 and to date there has been no independent input into the effectiveness review, consideration will be given to obtaining such input later in the year.

### Composition of Audit Committee

The code states that "At least one, but preferably more, of these committee members should have recent and relevant financial experience." In common with the Board composition, the Audit Committee has no such member and again the Trust is looking into how this gap could be filled, given the current restrictions on recruitment.

## Risk Assessment

Prior to the beginning of the year, as a part of the business planning process, the risks facing the Trust were identified and assessed and each risk was then allocated to an Executive Team member and managed through an electronic follow-up and reporting system known as 4Risk.

The Trust's structure of accountability and responsibilities in business risk management was:

### Board

- Considered the external environment and identified any new risks to the delivery of the business plan or whether an existing risk should be elevated or downgraded

### Audit Committee

- Had an assurance role and held the Executive to account for managing the corporate risks

### Executive Team

- Identified the corporate business risks in line with the business plan objectives
- On a quarterly basis, reviewed the corporate risks, to ensure that actions were completed in a timely fashion

Internal Audit was a key feature of our risk assurance processes and the delivery plan for 2012/13 was influenced by the risk register, with audits being undertaken on those areas considered to present the greatest risk to the Trust. All audit opinions during 2012/13 suggest that there was a sound approach to internal control, and where concerns were raised, prompt action was taken.

The last Internal Audit report on the subject concluded that business risk management in SYPT was well controlled and gave a green rating.

Also during the year, in-house Continuous Improvement Audits of individual offender records were co-ordinated by the TQMG and delivered by Senior Probation staff against the standards set by Her Majesty's Inspectors of Probation. These audits facilitated learning by Offender Managers to improve quality, as well as providing assurance to the Board. The success of this strategy was demonstrated during 2012/13 through our OMI undertaken by Her Majesty's Inspectors of Probation as part of their three year rolling inspection programme. SYPT achieved the following scores as compared to the national average:

	<b>Risk of Harm</b>	<b>Likelihood of Reoffending</b>	<b>Enforcement and Compliance</b>
South Yorkshire	81%	82%	84%
England & Wales	75%	74%	79%

Process Management has continued to improve during 2012/13 through the PROMS project which seeks to standardise, map and improve all major processes throughout the organisation. This provided a means of controlling and assuring practice in the delivery of frontline services.

Serious Further Offences (SFOs) and complaints are an almost inevitable consequence of probation activity. The numbers and content of both were monitored, reviewed and reported routinely to the Board in order to highlight weaknesses and disseminate learning. Nothing of a fundamental nature emerged from the review of complaints this year and practice improvements from SFOs is well embedded and evidenced by NOMS reports, as is the quality of our reviews and the above average sufficiency of our risk assessment and management and our offender management currently averaging at about 80%.

During the year the Trust was compliant with the suite of physical environment and information security policies published by NOMS and continued to be accredited to operate its information systems to Government Secure Intranet (GSI) standards. During 2012/13 we dealt with 11 instances where information security was compromised and whilst the majority were minor involving minimal threat to the subject, one, a flood in our main Sheffield office, was escalated to the NOMS Information Assurance Team. All incidents were assessed by the SYPT Information Security Forum (ISF), chaired by the Head of Information, Performance and Quality and whose membership was drawn from various operational and support disciplines across the Trust. The forum ensures that effective steps are put in place to prevent data loss in the future and that information security process are sound. The ISF reported to the Executive and through it to the Trust Board. There were no incidents during the year which required reporting to the Information Commissioner's Office.

Lynda Marginson  
Chief Executive

Accountable officer

25<sup>th</sup> June 2013

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

### 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 South Yorkshire 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 South Yorkshire 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**

**1<sup>st</sup> July 2013**

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

## 3. Accounts

### Statement of Comprehensive Net Expenditure

For the year ended 31 March 2013 (all activities are derived from continuing operations)

	Notes	2012–13 £000	2011–12 £000
<b>Administration costs</b>			
Staff costs	3(a)	17,967	17,906
Other administration costs	6(a)	5,473	5,930
Income	7(a)	(23,870)	(24,237)
<b>Net administration costs</b>		<b>(430)</b>	<b>(401)</b>
<b>Net operating costs</b>			
		<b>(430)</b>	<b>(401)</b>
Expected return on pension assets	4(d)	(4,994)	(5,567)
Interest on pension scheme liabilities	4(d)	5,587	5,786
<b>Net operating costs before taxation</b>		<b>163</b>	<b>(182)</b>
Taxation	5	30	0
<b>Net operating costs after taxation</b>		<b>193</b>	<b>(182)</b>

### Other Comprehensive Expenditure

	Notes	2012–13 £000	2011–12 £000
Net (gain)/loss on revaluation of property, plant and equipment	8	(3)	(3)
Pension actuarial (gain)/loss	23	6,339	5,597
<b>Total comprehensive expenditure for the year ended 31 March 2013</b>		<b>6,529</b>	<b>5,412</b>

The notes on pages 28 to 53 form part of these accounts.

## Statement of Financial Position

As at 31 March 2013

	Notes	2012–13 £000	2011–12 £000
<b>Non-current assets</b>			
Property plant and equipment	8	37	73
Intangible assets	9	6	10
Trade and other receivables	12(a)	13	33
<b>Total non-current assets</b>		<b>56</b>	<b>116</b>
<b>Current assets</b>			
Trade and other receivables	12(a)	2,352	501
Cash and cash equivalents	13	113	106
<b>Total current assets</b>		<b>2,465</b>	<b>607</b>
<b>Total assets</b>		<b>2,521</b>	<b>723</b>
<b>Current liabilities</b>			
Trade and other payables	14(a)	(1,819)	(1,329)
Taxation payables	14(a)	(1,407)	(183)
<b>Total current liabilities</b>		<b>(3,226)</b>	<b>(1,512)</b>
<b>Non-current assets plus/less net current assets/(liabilities)</b>		<b>(705)</b>	<b>(789)</b>
<b>Non-current liabilities</b>			
Pension liability	4(c)	(31,608)	(24,995)
<b>Total non-current liabilities</b>		<b>(31,608)</b>	<b>(24,995)</b>
<b>Assets less liabilities</b>		<b>(32,313)</b>	<b>(25,784)</b>
<b>Taxpayers' equity</b>			
General fund	23	(32,344)	(25,812)
Revaluation reserve – property, plant and equipment	24(a)	31	28
		<b>(32,313)</b>	<b>(25,784)</b>

The financial statements on pages 24 to 27 were approved by the Board on 13<sup>th</sup> June 2013 and were signed on its behalf by

.....  
Lynda Marginson  
Accountable officer

25<sup>th</sup> June 2013

The notes on pages 28 to 53 form part of these accounts.

## Statement of Cash Flows

For the year ended 31 March 2013

		2012–13	2011–12
	Notes	£000	£000
<b>Cash flows from operating activities</b>			
Net operating costs	23	(193)	182
Adjustments for non-cash transactions	6(a)	39	6
Adjustments for pension cost	4(d)	274	(359)
(Increase)/decrease in receivables	12(a)	(1,831)	1,228
Increase/(decrease) in payables	14(a)	1,714	(1,992)
Less payments of amounts due to Consolidated Fund to NOMS	14(a)	0	11
<b>Net cash outflow from operating activities</b>		<b>3</b>	<b>(924)</b>
<b>Cash flows from investing activities</b>			
Proceeds on disposal of property, plant and equipment	8	4	0
<b>Net cash outflow from investing activities</b>		<b>4</b>	<b>0</b>
Payments of amounts due to the Consolidated Fund to NOMS		0	(11)
<b>Net financing</b>		<b>0</b>	<b>(11)</b>
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		<b>7</b>	<b>(935)</b>
Cash and cash equivalents at the beginning of the period	13	106	1,041
Cash and cash equivalents at the end of the period	13	113	106
<b>Increase/(decrease) in cash</b>		<b>7</b>	<b>(935)</b>

The notes on pages 28 to 53 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
<b>Balance as at 1 April 2011</b>		<b>(20,397)</b>	<b>25</b>	<b>(20,372)</b>
<b>As restated at 1 April 2011</b>		<b>(20,397)</b>	<b>25</b>	<b>(20,372)</b>
<b>Changes in taxpayers' equity for 2011–12</b>				
Net operating cost after taxation	SocNE	182		182
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		3	3
Pension actuarial (loss)/gain	23	(5,597)	0	(5,597)
<b>Balance as at 31 March 2012</b>		<b>(25,812)</b>	<b>28</b>	<b>(25,784)</b>
<b>Changes in taxpayers' equity for 2012–13</b>				
Net operating cost after taxation	SocNE	(193)		(193)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		3	3
Pension actuarial (loss)/gain	23	(6,339)	0	(6,339)
<b>Balance as at 31 March 2013</b>		<b>(32,344)</b>	<b>31</b>	<b>(32,313)</b>

The notes on pages 28 to 53 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 FReM issued by HM Treasury. The accounting policies contained in the FReM follow IFRS as at the reporting date to the extent that it is meaningful and appropriate to the public sector.

Where the FReM 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 overall impact on the financial statements would have been £Nil. With a £677k increase on the Trusts net operating costs before taxation, £Nil impact on Total comprehensive expenditure and £Nil impact on net liabilities.

#### 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 a 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 MoJ. 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 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 Corporation Tax

The Trust is a “corporate body” in accordance with the OM Act 2007 supplying court work and offender management services to NOMS and the MoJ, 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.

### 1.17 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.

### 1.18 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.

### 1.19 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**.

### 1.20 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**. (2011/12 – no third part assets).

## 2. Statement of Operating Costs by Operating Segment

The Board of SYPT does not segment its operating performance.

### 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	15,222	15,206	16	15,434
Social security costs	1,145	1,144	1	1,179
Other pension costs	2,527	2,527	0	2,369
<b>Sub-total</b>	<b>18,894</b>	<b>18,877</b>	<b>17</b>	<b>18,982</b>
Less recoveries in respect of outward secondments	(927)	(927)	0	(1,076)
<b>Total staff costs</b>	<b>17,967</b>	<b>17,950</b>	<b>17</b>	<b>17,906</b>
Administration-related staff costs	17,967	17,950	17	17,906
	<b>17,967</b>	<b>17,950</b>	<b>17</b>	<b>17,906</b>

The Local Government Pension Scheme (LGPS) 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**.

2 persons (2011-12: 2 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £0 (2011-12: £0).

#### 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 No	Permanently- employed staff No	Total No
	492	490	503
	<b>492</b>	<b>490</b>	<b>503</b>

### 3c. Reporting of compensation schemes – exit packages

Exit packages cost band	2012-13			2011-12		
	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	1	6	7	0	0	0
£10,000-£25,000	0	0	0	0	0	0
£25,000-£50,000	0	3	3	0	0	0
£50,000-£100,000	0	1	1	0	0	0
£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
<b>Total number of exit packages by type</b>	<b>1</b>	<b>10</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total resource cost £000</b>	<b>8</b>	<b>210</b>	<b>218</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 usually met from the pension scheme and therefore in the main are excluded from the above table. However £95,466 of these costs were actually met by the Trust during the year and are therefore included in the information above, this being the amount in excess of the three year allowance for ill-health retirement costs included in the employer's contribution rate (as determined by the 2010 Actuarial valuation report by Mercer).

The compulsory redundancy was as a result of a restructure of the Community Payback management team and one of the other departures less than £10,000 related to a structural review in the Finance Department. The remaining exit packages relate to a Trust-wide offer to all staff at the end of the year, when it became apparent that a scaling back of the workforce would be required in order meet funding cuts in 2013/14.and consisted of three voluntary redundancies, four flexible retirements and one voluntary early retirement.

## 4. Pensions costs

The provisions of the LGPS, which is a statutory and fully funded pension scheme, covers past and present employees. The Board participates in the LGPS administered by the South Yorkshire Pension Authority, which provides a pension based on a 'final salary' basis. Benefits accrue to a participating employee at the rate of one-eightieth of pensionable salary for each year of service. In addition to this annual pension entitlement, a lump sum, equivalent to three-eightieths of final pay for every year of total membership, is payable on retirement. The 31st March 2013 figures for the market value of assets and the split of assets between investment categories have been calculated as at 31 March 2013.

In determining the overall expected rate of return on plan assets, the Actuary has followed the method and approach as set out in professional guidelines. The assumptions are based on the 2010 valuation assumptions, other than stated financial assumptions. The actuary has used an investment return of 14.10% for the 2012/13 year. This is as advised by the administering authority of the Fund for the year to 31 March 2013, and is net of expenses.

### 4a Pension costs

A full actuarial valuation was carried out at 31 March 2010 by Mercer Limited. For 2012/13, employers' contributions of £2,346,000 were payable to the LGPS (2011/12 £2,365,550) at a rate of 12.3% plus £530,000. 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.

Partnership accounts are excluded under IAS19.

The approximate employer's pension contributions for the three years valuation period:

Employer's contributions for 2012–13 were 12.3% of salaries plus £530,000; and  
 Employer's contributions for 2013–14 will be 12.3% of salaries plus £530,000; and  
 Employer's contributions for 2014–15 will be 12.3% of salaries plus £530,000.

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

	2012–13	2011–12
	%	%
Inflation assumption	2.4%	2.5%
Rate of increase in salaries	4.2%	4.3%
Rate of increase for pensions in payment and deferred pensions	2.4%	2.5%
Discount rate	4.2%	4.9%

#### Mortality Assumptions

- Non retired Members (retiring in normal health) = S1PA\_CMI\_2009\_1.25% Tables
- Current Pensioners (normal health) = S1PA\_CMI\_2009\_1.25% Tables

#### Life expectancy of a male (female):

- future pensioner aged 65 in 20 years time 23.7 (26.6)
- current pensioners aged 65 21.8 (24.7)

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%	61.4%	62,342	7.0%	62.3%	55,751
Government bonds	2.8%	11.1%	11,270	3.1%	17.0%	15,213
Other bonds	3.9%	10.2%	10,356	4.1%	7.7%	6,891
Property	5.7%	9.3%	9,442	6.0%	9.9%	8,859
Cash/liquidity	0.5%	0.8%	812	0.5%	3.1%	2,774
Other	7.0%	7.2%	7,310	0.0%	0.0%	0
<b>Total</b>	<b>5.82%</b>	<b>100.0%</b>	<b>101,532</b>	<b>5.60%</b>	<b>100.0%</b>	<b>89,488</b>
<b>Present value of scheme liabilities</b>			<b>(133,140)</b>			<b>(114,483)</b>
<b>Deficit of the scheme</b>			<b>(31,608)</b>			<b>(24,995)</b>
<b>Net pension liability</b>			<b>(31,608)</b>			<b>(24,995)</b>

## 4d. Analysis of amounts recognised in SoCNE

	2012–13	2011–12
	£000	£000
<b>Pension cost</b>		
Current service cost	2,516	2,227
Past service cost	11	0
Effect of curtailment	0	142
<b>Total operating charge</b>	<b>2,527</b>	<b>2,369</b>

	2012–13	2011–12
	£000	£000
<b>Analysis of interest cost on pension scheme – assets/(liabilities)</b>		
Expected return on pension scheme assets	(4,994)	(5,567)
Interest on pension scheme liabilities	5,587	5,786
<b>Net interest costs</b>	<b>593</b>	<b>219</b>

## 4e. Analysis of amounts recognised in other comprehensive expenditure

	2012–13	2011–12
	£000	£000
Pension actuarial gain/(loss)	(6,339)	(5,597)
<b>Total shown in other comprehensive expenditure</b>	<b>(6,339)</b>	<b>(5,597)</b>

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

	2012–13	2011–12
	£000	£000
<b>Opening present value of liabilities</b>	<b>114,483</b>	<b>105,584</b>
Current service cost	2,516	2,227
Interest cost	5,587	5,786
Contributions by members	901	912
Actuarial (gains)/losses on liabilities*	13,922	3,734
Benefits paid	(4,280)	(3,902)
Past service cost	11	0
Curtailements	0	142
<b>Closing present value of liabilities</b>	<b>133,140</b>	<b>114,483</b>

\* Includes changes to actuarial assumptions

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

	2012-13 £000	2011-12 £000
<b>Opening fair value of assets</b>	<b>89,488</b>	<b>85,827</b>
Expected return on assets	4,994	5,567
Actuarial gains/(losses) on assets	7,583	(1,863)
Contributions by the employer	2,846	2,947
Contributions by members	901	912
Benefits paid	(4,280)	(3,902)
<b>Closing fair value of assets</b>	<b>101,532</b>	<b>89,488</b>

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

	2012-13 £000	2011-12 £000	2010-11 £000	2009-10 £000	2008-09 £000
Fair value of assets	101,532	89,488	85,827	80,897	61,661
Present value of liabilities	133,140	114,483	105,584	110,526	81,256
<b>Surplus/(deficit)</b>	<b>(31,608)</b>	<b>(24,995)</b>	<b>(19,757)</b>	<b>(29,539)</b>	<b>(19,595)</b>
Experience gains/(losses) on scheme assets	7,583	(1,863)	973	15,919	17,704
Experience gains/(losses) on scheme liabilities	0	0	(433)	0	0
Percentage experience gains/(losses) on scheme assets	<b>7%</b>	<b>(2%)</b>	<b>1%</b>	<b>20%</b>	<b>29%</b>
Percentage experience gains/(losses) on scheme liabilities	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

#### 4i. Sensitivity analysis

	+0.1% £000	0% £000
<b>Adjustment to discount rate</b>		
Present value of total obligation	(29,424)	(31,608)
Projected service cost	3,056	3,149

	+1yr £000	none £000
<b>Adjustment to mortality age rate assumption</b>		
Present value of total obligation	(34,282)	(31,608)
Projected service cost	3,221	3,149

	+0.1% £000	0% £000
<b>Adjustment to inflation</b>		
Present value of total obligation	(33,832)	(31,608)
Projected service cost	3,244	3,149

## 5. Taxation

	2012–13	2011–12
	£000	£000
UK corporation tax	30	0
<b>Total</b>	<b>30</b>	<b>0</b>

Probation Trusts are corporate bodies under the OM Act 2007, supplying court work and offender management services to the MoJ. Probation Trusts are therefore subject to CT on their profits and 'profit' for this purpose means income and chargeable gains.

## 6. Other administrative costs and programme costs

### 6a. Administration costs

	2012-13		2011-12	
	£000	£000	£000	£000
Rentals under operating leases	61		69	
Accommodation, maintenance and utilities	1,964		2,002	
Travel, subsistence and hospitality	321		706	
Professional services	218		210	
IT services	926		1,029	
Communications, office supplies and services	311		294	
Other staff related	321		330	
Offender costs	178		291	
Other expenditure	1,084		923	
External Auditors' remuneration – statutory accounts	27		49	
External Auditors' remuneration – other	0		1	
Internal Auditors' remuneration and expenses	23		20	
		<b>5,434</b>		<b>5,924</b>
Depreciation of tangible non-cash assets	35		46	
Amortisation of intangible non-cash assets	4		5	
Other provisions provided for in year	0		(45)	
		39		6
<b>Total</b>		<b>5,473</b>		<b>5,930</b>

## 7. Income

### 7a. Administration income

	2012-13		2011-12	
	£000	£000	£000	£000
Income receivable from the sponsoring department – NOMS	23,240		23,589	
Rent receivable from minor occupiers of Probation estate property:				
From external tenants	59		65	
		<b>23,299</b>		<b>23,654</b>
Other EU income		131		87
Other income received from Probation Trusts		3		0
Other income from NOMS		95		106
Other income from other Government departments		137		235
Miscellaneous income		199		148
		<b>23,864</b>		<b>24,230</b>
Interest received:				
From bank	3		4	
From car loans	3		3	
<b>Total interest received</b>		<b>6</b>		<b>7</b>
<b>Total administration income</b>		<b>23,870</b>		<b>24,237</b>

## 8. Property, plant and equipment

	2012-13					Total £000
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	
	£000	£000	£000	£000	£000	
<b>Cost or valuation</b>						
<b>As at 1 April 2012</b>	52	275	0	0	0	327
Disposals	0	(62)	0	0	0	(62)
Indexation/revaluation	7	7	0	0	0	14
<b>As at 31 March 2013</b>	<b>59</b>	<b>220</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>279</b>
<b>Depreciation</b>						
<b>As at 1 April 2012</b>	26	228	0	0	0	254
Charge in year	10	25	0	0	0	35
Disposals	0	(58)	0	0	0	(58)
Indexation/revaluation	5	6	0	0	0	11
<b>As at 31 March 2013</b>	<b>41</b>	<b>201</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>242</b>
<b>Carrying value as at 31 March 2013</b>	<b>18</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37</b>
<b>Carrying value as at 31 March 2012</b>	<b>26</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>
<b>Asset financing</b>						
Owned	18	19	0	0	0	37
<b>Carrying value as at 31 March 2013</b>	<b>18</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37</b>

## 8. (Continued)

	2011-12					Total £000
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	
	£000	£000	£000	£000	£000	
<b>Cost or valuation</b>						
As at 1 April 2011	52	271	0	0	0	323
Indexation/revaluation	0	4	0	0	0	4
<b>As at 31 March 2012</b>	<b>52</b>	<b>275</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>327</b>
<b>Depreciation</b>						
As at 1 April 2011	17	190	0	0	0	207
Charge in year	9	37	0	0	0	46
Indexation/revaluation	0	1	0	0	0	1
<b>As at 31 March 2012</b>	<b>26</b>	<b>228</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>254</b>
<b>Carrying value as at 31 March 2012</b>	<b>26</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>
<b>Carrying value as at 31 March 2011</b>	<b>35</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>116</b>
<b>Asset financing</b>						
Owned	26	47	0	0	0	73
<b>Carrying value as at 31 March 2012</b>	<b>26</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73</b>

## 9. Intangible assets

	2012-13				
	Development	Software	Licences	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
<b>Cost or valuation</b>					
As at 1 April 2012	14	6	0	0	20
As at 31 March 2013	14	6	0	0	20
<b>Amortisation</b>					
As at 1 April 2012	6	4	0	0	10
Charge in year	3	1	0	0	4
As at 31 March 2013	9	5	0	0	14
<b>Carrying value as at 31 March 2013</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>6</b>
<b>Carrying value as at 31 March 2012</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>10</b>
<b>Asset financing</b>					
Owned	5	1	0	0	6
Carrying value as at 31 March 2013	5	1	0	0	6

## 9. (Continued)

	2011-12				
	Development	Software	Licences	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
<b>Cost or valuation</b>					
As at 1 April 2011	14	6	0	0	20
As at 31 March 2012	14	6	0	0	20
<b>Amortisation</b>					
As at 1 April 2011	3	2	0	0	5
Charge in year	3	2	0	0	5
As at 31 March 2012	6	4	0	0	10
<b>Carrying value as at 31 March 2012</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>10</b>
<b>Carrying value as at 31 March 2011</b>	<b>11</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>15</b>
<b>Asset financing</b>					
Owned	8	2	0	0	10
<b>Carrying value as at 31 March 2012</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>10</b>

## 10. Impairments

There were no impairments in the year 2012/13 or previous financial year 2011/12.

## 11. Assets held for sale

There were no assets held for sale during the year 2012/13 or previous financial year 2011/12.

## 12. Trade receivables and other current assets

### 12a. Analysis by type

	2012–13 £000	2011–12 £000
<b>Amounts falling due within one year</b>		
Trade receivables	150	96
Deposits and advances	26	34
Receivables due from Probation Trusts	7	0
Receivables due from NOMS agency	1,992	216
Receivables due from all other Government departments	41	39
Prepayments	72	80
Accrued income	64	36
	<b>2,352</b>	<b>501</b>
<b>Amounts falling due after more than one year</b>		
Deposits and advances	13	33
	<b>13</b>	<b>33</b>
<b>Total</b>	<b>2,365</b>	<b>534</b>

### 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)	2,015	222	0	0
Balances with local authorities	32	33	0	0
	<b>2,047</b>	<b>255</b>	<b>0</b>	<b>0</b>
Balances with bodies external to Government	305	246	13	33
<b>Total</b>	<b>2,352</b>	<b>501</b>	<b>13</b>	<b>33</b>

## 13. Cash and cash equivalents

	2012–13 £000	2011–12 £000
Balance at 1 April	106	1,041
Net change in cash and cash equivalents	7	(935)
<b>Balance at 31 March</b>	<b>113</b>	<b>106</b>
The following balances at 31 March are held at:		
Commercial banks and cash in hand	113	106
<b>Balance at 31 March</b>	<b>113</b>	<b>106</b>

## 14. Trade payables and other current liabilities

### 14a. Analysis by type

	2012–13	2011–12
	£000	£000
<b>Amounts falling due within one year (excluding taxation)</b>		
Trade payables	319	102
Other payables	11	19
Accruals	547	126
Deferred income	248	162
Staff payables	405	520
Payables due to Probation Trusts	1	18
Payables due to NOMS Agency	262	367
Payables due to all other Government departments	11	0
Unpaid pensions contributions due to the pensions scheme	15	15
	<b>1,819</b>	<b>1,329</b>
<b>Tax falling due within one year</b>		
VAT	1,035	183
Corporation tax	30	0
Other taxation and social security	342	0
	<b>1,407</b>	<b>183</b>
<b>Total amounts falling due within one year</b>	<b>3,226</b>	<b>1,512</b>
<b>Amounts falling due after more than one year</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>3,226</b>	<b>1,512</b>

### 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)	1,672	568	0	0
Balances with local authorities	3	0	0	0
Balances with NHS bodies	6	0	0	0
	<b>1,681</b>	<b>568</b>	<b>0</b>	<b>0</b>
Balances with bodies external to Government	1,545	944	0	0
<b>Total</b>	<b>3,226</b>	<b>1,512</b>	<b>0</b>	<b>0</b>

## 15. Provisions for liabilities and charges

	2012–13	2011–12
	£000	£000
Balance at 1 April	0	45
Provisions not required written back	0	(45)
<b>Balance as at 31 March</b>	<b>0</b>	<b>0</b>

## 16. Capital commitments

There are no capital commitments in 2012/13 or previous financial year 2011/12.

## 17. Commitments under lease

The Trust has no lease commitment for 2012/13 or financial year 2011/12.

## 18. Other financial commitments

The Trust has not entered into any other financial commitments in 2012/13 or 2011/12.

## 19. Deferred tax asset

The Trust has no deferred tax in 2012/13 or financial year 2011/12.

## 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 does not have any contingent liabilities in 2012/13 or financial year 2011/12.

## 22. Losses and special payments

### 22a. Losses statement

	2012–13		2011–12	
	Number of cases	Total value £000	Number of cases	Total value £000
Cash losses	4	7	0	0
<b>Total</b>	<b>4</b>	<b>7</b>	<b>0</b>	<b>0</b>

### 22b. Special payments schedule

	2012–13		2011–12	
	Number of cases	Total value £000	Number of cases	Total value £000
Special payments	1	1	0	0
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>

## 23. General fund

	2012–13 £000	2011–12 £000
Balance at 1 April	(25,812)	(20,937)
Prior period adjustment (Note 28)	0	0
<b>Balance restated at 1 April</b>	<b>(25,812)</b>	<b>(20,397)</b>
Net transfers from Operating Activities:		
Statement of Comprehensive Net Expenditure	(193)	182
Actuarial gains and losses	(6,339)	(5,597)
<b>Balance at 31 March</b>	<b>(32,344)</b>	<b>(25,812)</b>

## 24. Revaluation reserve

### 24a. Property, plant and equipment

	2012–13	2011–12
	£000	£000
Balance at 1 April	28	25
<b>Balance restated at 1 April</b>	<b>28</b>	<b>25</b>
Arising on revaluations of PPE during the year (net)	3	3
<b>Balance at 31 March</b>	<b>31</b>	<b>28</b>

### 24b. Intangibles

Nil

## 25. Related party transactions

NOMS and the MoJ are regarded as a related party. During the year, the Trust had various material transactions with the MoJ. 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.

## 26. Third-party assets

There are no third party assets held by the Trust in 2012/13 or 2011/12.

## 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.

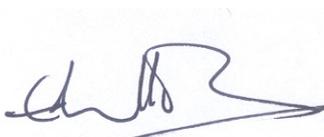
## 28. Prior period adjustments

There are no prior period adjustments.

## 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 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 OM 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 SYPT, 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](http://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 8 buildings occupied by SYPT.

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 MoJ 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 (GGC)

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/>

### 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;
- 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

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

## About our data

There are limitations to the accuracy of our financial and non-financial sustainability data which we continue to improve the quality of.

Current energy, water and waste reporting systems take 8 weeks for data to be released from MoJ. Because of the publication deadlines of this report, the final month of 2012/13 is estimated using full year data for 2012/13.

## Contact

Simon Alexander  
45 Division Street  
Sheffield  
S1 4GE  
Tel 03000 470820  
Email: [simon.alexander@south-yorkshire.probation.gsi.gov.uk](mailto:simon.alexander@south-yorkshire.probation.gsi.gov.uk)

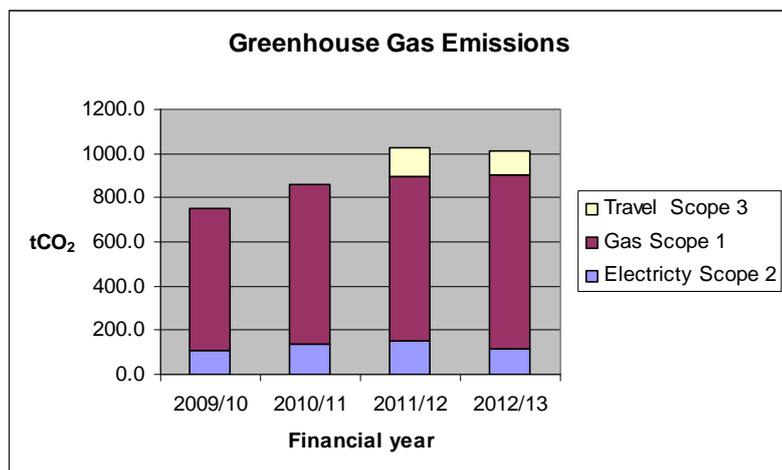
## Summary of our reported performance 2012/13

Benchmark measures	2011/12	2012/13
Annual tCO <sub>2</sub> buildings by unit areas (m <sup>2</sup> )	0.1 tCO <sub>2</sub> /m <sup>2</sup>	0.1 tCO <sub>2</sub> /m <sup>2</sup>
Annual tCO <sub>2</sub> emitted buildings per person (FTE)	1.71 tCO <sub>2</sub> per FTE	1.76 tCO <sub>2</sub> per FTE
Cost per energy unit (kWh)	£0.05/kWh	£0.05/kWh
Annual water consumption per person (m <sup>3</sup> /FTE)	13.86 m <sup>3</sup> per FTE	2.99 m <sup>3</sup> per FTE
Annual waste per person (FTE)	0.26 t per FTE	0.20 t per FTE
Paper use per person	8.55 per FTE	13.18 per FTE

## Detailed performance data (year by year comparison)

### Greenhouse gas emissions

Non-Financial Indicators (tCO <sub>2</sub> e)	2009/10	2010/11	2011/12	2012/13
Total gross emissions for Scopes 1 & 2	754	859	897	906
Total gross emissions for Scope 3	0	0	129.8	106.9

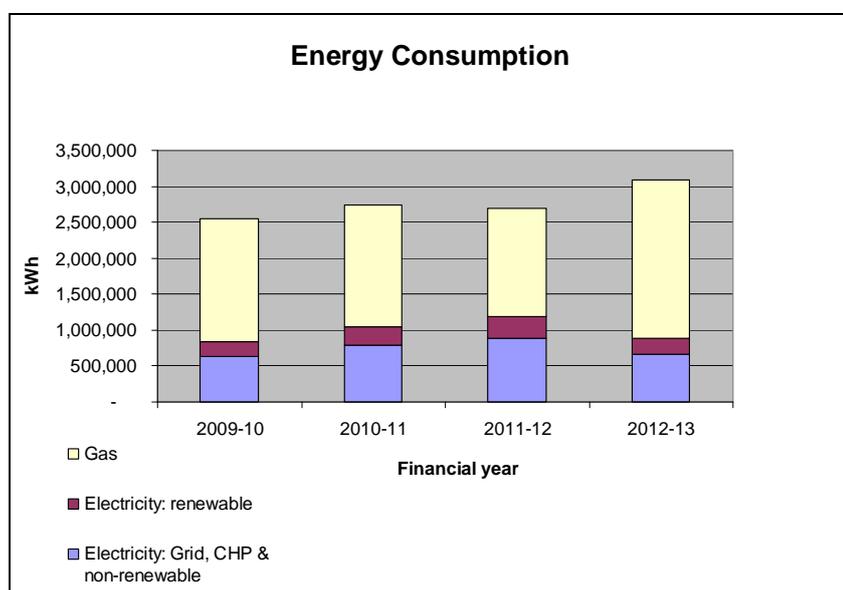


### Target

GGC require us to reduce our greenhouse gas emissions from the 2009/10 baseline.

### Managing energy use from buildings

		2009–10	2010–11	2011–12	2012–13
Non-Financial (kWh)	Electricity: Grid, CHP & non-renewable (Scope 2)	632,274	787,639	891,636	670,613
	Electricity: renewable (Scope 2)	210,758	262,546	297,212	223,538
	Gas (Scope 1)	1,705,368	1,688,819	1,504,188	2,194,662
	Other energy sources	-	-	-	-
	<b>Total energy (KWh)</b>	<b>2,548,400</b>	<b>2,739,004</b>	<b>2,693,036</b>	<b>3,088,813</b>
Financial indicators	Expenditure on energy (£)	£133,614	£126,903	£144,233	£159,243



**Target**

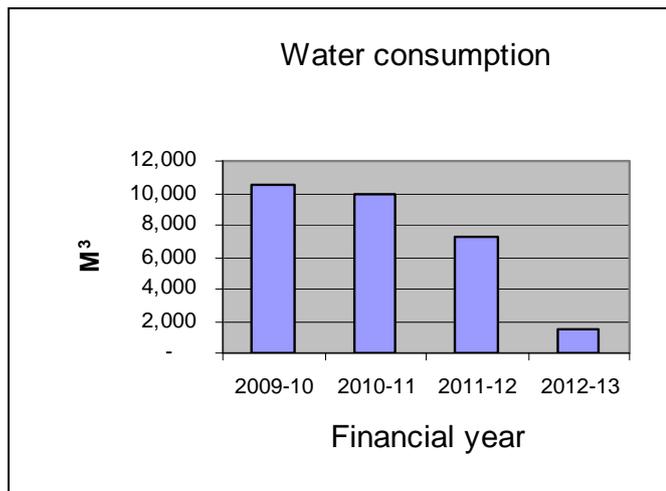
The Trust has an action to reduce the consumption of utilities in SYPT buildings across the county within its 2013/14 Business plan.

**Managing water use**

**Water**

Non-Financial Indicators **Total Water consumption (m<sup>3</sup>)**  
 Financial Indicators **Total Water Supply costs (£)**

2009-10	2010-11	2011-12	2012-13
10,492	9,982	7,307	1,529
£29,530	£26,737	£21,646	£10,296



**Target**

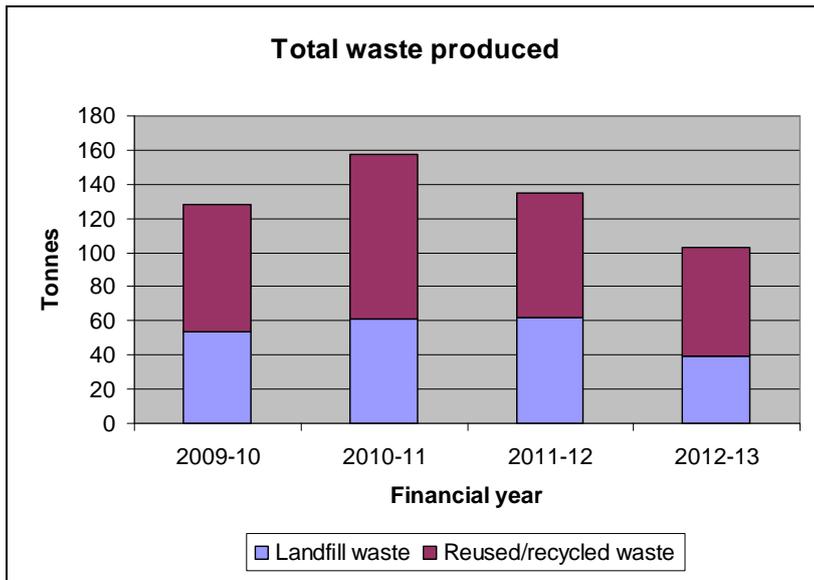
The Trust has an action to reduce the consumption of utilities in SYPT buildings across the county within its 2013/14 Business plan.

**Managing office waste**

**Waste**

Non-financial indicators (tonnes) **Total Waste Produced (Tonnes)**  
 Non-hazardous waste  
 Landfill waste  
 Reused/recycled waste  
 Financial indicators **Total waste costs (£)**  
 Landfill waste  
 Reused/recycled waste

2009-10	2010-11	2011-12	2012-13
54	61	62	39
74	96	73	64
<b>128</b>	<b>157</b>	<b>135</b>	<b>103</b>
4,337	4,898	4,949	3,127
11,065	13,633	7,209	6,334
<b>£15,402</b>	<b>£18,531</b>	<b>£12,158</b>	<b>£9,461</b>



**Target**

The Trust has an action to Work towards a paper light office in at least one Local Delivery Unit within its 2013/14 Business plan.

**Carbon Emissions: Travel**

Mileages	2011/12	2012/13
Cars owned by the Trust	-	-
Vans and HGVs owned by the Trust	-	138,712
Cars not owned by the Trust	599,384	509,810
Vans and HGVs not owned by the Trust	-	-
Taxi and Bus travel	8,256	4,081
Rail travel	187,079	111,753
<b>Total travel mileage</b>	<b>794,719</b>	<b>764,356</b>
<b>Total Business miles cost</b>	<b>£243,600</b>	<b>£216,022</b>

**Target**

We are committed to reducing business travel costs by 10% in 2013/14. Additional phone and video conferencing facilities have been purchased to enable this.

## Glossary

SYPT – South Yorkshire Probation Trust  
OMI – Offender Management Inspection  
NOMS – National Offender Management Service  
PTRS – Probation Trust Rating System  
PCC – Police and Crime Commissioner  
UPW – Unpaid Work  
IDAP – Integrated Domestic Abuse Programme  
CAFCASS – Children and Family Court Advisory and Support Service  
LDU – Local Delivery Unit  
BME – Black and Minority Ethnic  
TQMG – Trust Quality Management Group  
DRR – Drug Rehabilitation Requirement  
TRP – Transforming Rehabilitation Programme  
CIP – Continuous Improvement Programme  
HMIP – Her Majesty’s Inspector of Probation  
YJS – Youth Justice Service  
RJ – Restorative Justice  
MAPPA – Multi-Agency Public Protection Arrangements  
FReM – Financial Reporting Manual  
NDC – National Data Centre  
NDPB – Non-Departmental Public Body  
HMT – HM Treasury  
ICO – Information Commissioner’s Office  
DCLG – Department of Communities and Local Government  
MoJ – Ministry of Justice  
SFO – Serious Further Offences  
GSI – Government Secure Intranet  
ISF – Information Security Forum  
LGPS – Local Government Pension Scheme  
GGC – Greening Government Commitments

# Annex 1.0

## Probation Trust Rating System – PTRS

### OM41 – MAPPA Effectiveness (3 components)

- **SMB Attendance** – The percentage attendance at MAPPA Strategic Management Board by Probation Trusts. (Requires one member of Trust to attend.)
- **VISOR Form20 Match** – The percentage number of Category 2 MAPPA Offenders managed at Level 2/3 that are recorded on Crams are also recorded on VISOR.
- **Level 23 Attendance** – The percentage number of attendance at MAPPA Level 2 and 3 meetings by Probation Trust where the Probation Trust is invited they are represented.

### OM26 – Oasys QA – Oasys Quality Assurance

The percentage number of Oasys Assessments completed by Staff in the previous quarter that are assessed as Good or Sufficient. Currently this figure only includes Barnsley and Sheffield. Doncaster and Rotherham were excluded under the Reflective Supervision Model.

### OM32 – Victim Feedback

The percentage number of victims that are satisfied with the level of service provided by SYPT. This is a survey distributed to victims following their contact with SYPT.

### OMI 2 Risk of Harm

This is an OMI Inspection Measure. Sample of files read in April 2012 and measured against set criteria. This is the risk of harm measure.

### OM21 Reduce Re-offending

The percentage difference between the predicted rate of re-offending in SYPT and the actual number of offenders re-offending.

### INT09 – Employment at Termination

The percentage number of offenders in suitable employment at the end of their order/licence. Measured through assessment which the offender manager completes on Oasys.

### OM17 – Accommodation at Termination

The percentage number of offenders in settled/stable accommodation at the end of their order/licence. Measured through assessment which the offender manager completes on Oasys.

### OMI 2 Likelihood of Re-offending

This is an OMI Inspection Measure. Sample of files read in April 2012 and measured against set criteria. This is the likelihood of re-offending measure.

### OMI 2 Interventions

This is an OMI Inspection Measure. Sample of files read in April 2012 and measured against set criteria. This is the interventions measure.

### OM20 – Order and Licence Successfully Completed

Percentage number of offenders that complete their order or licence successfully. i.e. fully complete or returned to Court for good progress.

### OM29 – Offender Feedback

The percentage number of offenders who are satisfied with the level of service received from the Probation Trust. Snapshot survey completed on offenders, completed each year for a period of 2 weeks each year.

**OMI 2 Assessment and Sentence Planning**

This is an OMI Inspection Measure. Sample of files read in April 2012 and measured against set criteria. This is the Assessment and Sentence measure.

**OMI 2 Enforcement and Compliance**

This is an OMI Inspection Measure. Sample of files read in April 2012 and measured against set criteria. This is the Enforcement and Compliance Measure.

**Public Protection, Reduce Re-offending and Sentence Delivery**

These are the 3 domains in PTRS and the overall rating that is determined by the results of the metrics above that fall in to those domains. Ratings that can be given are between 1 and 4 with 1 being the lowest and 4 being the highest. A trust can only receive a 4 if they are in the top 5 in England and Wales.



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