



# The Law Officers' Departments

## **Departmental Report**

**The Government's Expenditure Plans  
2001–2002 to 2003–2004 and  
Main Estimates 2001–02**



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and Main Estimates 2001-02**

*Presented to Parliament by*  
*the ATTORNEY GENERAL*  
*and the CHIEF SECRETARY TO THE TREASURY*  
*by Command of HER MAJESTY THE QUEEN*

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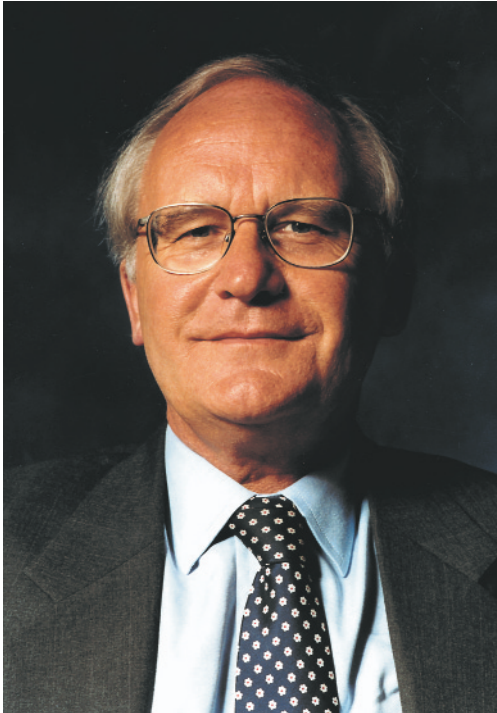
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# Contents

The work of The Law Officers' Departments	4
Introduction	5
1 Crown Prosecution Service	9
2 Serious Fraud Office	39
3 Treasury Solicitor's Department	55
Annex A: Main Estimates	69
CPS	71
SFO	83
TSD	93
Annex B: Common Core Tables	105



*The Right Honourable  
The Lord Williams of Mostyn QC  
Attorney General.*



The Law Officers' Departments comprise the Crown Prosecution Service, the Serious Fraud Office and the Treasury Solicitor's Department (together with the Legal Secretariat to the Law Officers and HM Crown Prosecution Service Inspectorate).

## **The work of The Law Officers' Departments**

The Crown Prosecution Service (CPS), which is headed by the Director of Public Prosecutions, was set up under the Prosecution of Offences Act 1985. It is responsible for deciding independently whether criminal proceedings begun by police in England and Wales should be continued, and for prosecuting those cases it decides to continue.

The Serious Fraud Office (SFO) was set up under the Criminal Justice Act 1987. It investigates and prosecutes the most serious or complex cases of fraud in England, Wales and Northern Ireland and thus contributes to the deterrence of such fraud.

The Treasury Solicitor's Department provides legal services to most Government Departments. The Treasury Solicitor is the Head of the Government Legal Service, which is the organisational name for the legal teams of most central Government bodies. Both the Legal Secretariat to the Law Officers and HM Crown Prosecution Service Inspectorate are included in the report of the Treasury Solicitor's Department. Both are small separate departments. The Legal Secretariat to the Law Officers services the Attorney General and the Solicitor General, whilst HM Crown Prosecution Service Inspectorate reports to the Attorney General on the performance of the Crown Prosecution Service.

## Introduction to the Law Officers Report

The Government is committed to building a fairer and more decent society. To help achieve this, it has set itself the challenge of modernising the way in which the country is governed, to enable progress through partnership, and greater efficiency, responsiveness and accountability.

In the criminal justice system, this translates into the delivery of an effective and efficient prosecution service, which retains and deserves public confidence. The Crown Prosecution Service and Serious Fraud Office have key roles to play in this commitment. I particularly welcome the establishment of HM Crown Prosecution Service Inspectorate, which was formally established on 1 October 2000 under the provisions of the Crown Prosecution Service Inspectorate Act 2000. This will promote a more effective and efficient Crown Prosecution Service through a process of inspection and evaluation.

The work of the Treasury Solicitor's Department cuts across the whole of Government, and is integral to the successful implementation of the modernising government agenda. I welcome the appointment on 28 July 2000 of Miss Juliet Wheldon CB QC to be Treasury Solicitor on the retirement of Sir Anthony Hammond KCB, QC, and I pay tribute to his outstanding service to the Government Legal Service over many years.

The result of the Spending Review 2000 will allow the Law Officers' Departments to work more effectively in the future.

### Working in Partnership

The Spending Review 2000 settlement for the **Crown Prosecution Service** (CPS) was a good one. It will help the CPS to address current problems and improve its performance. The new spending plans for the criminal justice departments recognise the links between the police, the prosecution and the courts and will encourage greater co-operation between them. As a result, performance will improve and the criminal justice system will be more effective.

I have also agreed with the Home Secretary and the Lord Chancellor to invest an additional £30.4 million from the new criminal justice system reserve in the CPS in 2001-02 to speed up the reform programme. The resources available to the CPS in 2001-02 will be 23 per cent higher in real terms than in 2000-01. A national recruitment campaign is already underway to recruit more lawyers and caseworkers. In agreeing these additional resources, the Home Secretary, the Lord Chancellor and I are recognising the important role undertaken by the CPS.

Serious, international, and organised crime presents an increasing challenge to law enforcement agencies. Criminals are operating across boundaries and using modern technology, such as the internet, to facilitate crime and launder money. Prosecutors need to develop skills to keep ahead of the criminals and funding has been provided for a European and International Division within the CPS to ensure appropriate strategies are in place to meet the challenges brought by these crimes.

The CPS has been extending its use of its lawyers in the Crown Court. Hitherto CPS lawyers have had limited rights of audience in the Crown Court, presenting non-contested work, particularly Plea and Direction Hearings, committals for sentence and appeals but following implementation of the Access to Justice Act in July 2000, they now enjoy full

## INTRODUCTION

rights of audience. I am pleased that CPS advocates are now taking on a limited number of contested trials in the Crown Court and welcome the prospect of more trials being dealt with in this way.

The introduction of Designated Caseworkers (“DCWs”) (lay presenters) into magistrates’ courts has been a marked success. DCWs have approached their new responsibilities professionally and with confidence, and have quickly earned the respect of the bench and other court users. The CPS will be training more DCWs and, in partnership with the courts and other criminal justice partners, it will be seeking to make sure that they are deployed effectively.

The **Serious Fraud Office** (SFO) has continued to contribute to the overarching Criminal Justice System (CJS) aim of delivery of justice. During the year 1999–2000 the SFO prosecuted 8 trials with 92% of defendants being convicted. The SFO remains on course to meet the key performance targets agreed in the Comprehensive Spending Review. The Spending Review 2000, covering the years 2001–02 to 2003–04, examined the SFO’s recent record in investigating and prosecuting serious and complex fraud, and considered what improvements might be possible given additional resources. The outcome was a significant increase in resources, with the SFO committed to deliver a significantly increased caseload, and speedier investigations and prosecutions.

Achieving these new targets will require increased effectiveness and efficiency across all SFO activities. It has therefore conducted a fundamental review of the changes needed to deliver this and to meet the full range of government policies for change, including the Modernising Government agenda and civil service reform. The result is a linked and prioritised series of projects over the next three years, which are already under way. The effects of these will include giving increased emphasis to developing business and case planning, and strategic relationships; sharing knowledge and best practice; developing staff; and embedding processes for continuous improvement.

The **Treasury Solicitor’s Department** deals with a wide range of important legal issues, which cut across the whole of Government. It is concerned with the development and implementation of a wide range of policy issues, and makes a major contribution to joined up government.

Litigation is central to the Department’s activity and it handles many of the most important cases in which the Crown is involved. The volume of this work continues to increase.

The Advisory Divisions continue to be closely involved in helping their client departments take forward the Government’s policies and legislative programme and will play an active part in assisting those clients to meet their own objectives.

To enable it to continue to meet its key Public Service Agreement targets, the Department has initiated reviews of its client care arrangements and other internal systems and controls. During the coming year the Department will be subject to a formal quinquennial review in line with standard practice for all Executive Agencies. This will be an opportunity to confirm that their client Departments are properly served and to re-evaluate the direction of the Department and further improve the delivery of high quality legal services.

All my departments are participating in the Green Government Initiative.

### **Modernisation**

The CPS is implementing a two-step programme of information technology modernisation to improve efficiency in the Service and to improve communication with its CJS partners and others in government:

- The first phase, *Connect 42*, is providing all lawyers and caseworkers with modern personal computers with e-mail links, and access via the Government Secure Intranet to legal reference material.
- The second phase, known as *Compass*, is the procurement of a managed service through a private finance initiative contract. This will include a case management system that will link with the police case preparation system NSPIS and other IT systems in the CJS.

The Treasury Solicitor's Department is committed to the greater use of IT in the interests of meeting its business objectives. This includes the procurement of a practice and case management system and further increased use of electronic information sharing through the use of networked CD ROMS and the introduction of an Intranet.

The SFO has contributed to a range of modernisation initiatives across central government. In particular, SFO has connected all its staff to the government secure intranet and is developing its own intranet and an improved website. It continues to develop and use IT tools and techniques in its investigations and in presenting cases in court.

Treasury Solicitor's Department in November 2000 was re-assessed for and retained its accreditation to the Investors in People (IIP) standard. The SFO has achieved IIP accreditation. The CPS are seeking accreditation on an Area by Area basis, and by the end of March 2000 had achieved accreditation in 36 Areas, 3 HQ Directorates and 2 HQ Divisions.

A handwritten signature in black ink, appearing to read "Gareth Williams". The signature is written in a cursive, flowing style.

**Attorney General**







**1**

# The Crown Prosecution Service

## Introduction

1. The Crown Prosecution Service (CPS) was set up in 1986. It is a national prosecution service dealing with criminal cases investigated by the police in England and Wales. The CPS is headed by the Director of Public Prosecutions and employs approximately 6,000 staff.
2. The role of the CPS is to prosecute criminal cases fairly and effectively by:
  - advising the police on cases for possible prosecution;
  - reviewing cases submitted by the police;
  - preparing cases for the magistrates' courts and the Crown Court;
  - presenting cases at court and instructing private sector advocates where appropriate; and
  - working with others to improve the effectiveness and efficiency of the criminal justice system.
3. Before proceeding with a prosecution, Crown Prosecutors must first review each case against the Code for Crown Prosecutors. The Code is designed to make sure everyone knows the principles the CPS applies when carrying out its work. These principles are:
  - whether there is enough **evidence** to provide a realistic prospect of conviction against each defendant on each charge and, if so,
  - whether a prosecution is needed in the **public interest**.
4. The Director is under a statutory duty to publish the Code for Crown Prosecutors. The fourth edition of the Code was published in October 2000. The changes were matters of emphasis rather than principle.
5. The CPS is a public authority for the purposes of the Human Rights Act 1998. In carrying out their role, Crown Prosecutors must apply the principles of the European Convention on Human Rights in accordance with the Act.

## Aim and Objectives

6. The Crown Prosecution Service's overall aim, which reflects the Government's priorities for the criminal justice system and the unique role of the CPS is:

to contribute to the reduction both of crime and the fear of crime and to increase public confidence in the criminal justice system **by fair and independent review of cases and by firm, fair, and effective prosecution at court.**

7. The CPS objectives, which support the aim and spell out what is involved in the delivery of the CPS's core business are:
- to deal with prosecution cases **in a timely and efficient manner in partnership with other agencies;**
  - to ensure that the charges proceeded with are appropriate to the evidence and to the seriousness of the offending **by the consistent, fair and independent review of cases in accordance with the Code for Crown Prosecutors;**
  - to enable the courts to reach just decisions **by fairly, thoroughly and firmly presenting prosecution cases; rigorously testing defence cases and scrupulously complying with the duties of disclosure;**
  - **to meet the needs of victims and witnesses** in the criminal justice system, in co-operation with other criminal justice agencies.

## Delivering better public services: progress

8. In setting out its spending plans for 1999-2002 in the 1998 Comprehensive Spending Review (CSR), the Government set new priorities for public spending with significant extra resources in key services such as education and health. The Government also committed to linking this extra investment to modernisation and reform in order to raise standards and improve the quality of public services. The White Paper, 'Public Services for the Future: Modernisation, Reform, Accountability' (Cm4181), December 1998 and its supplement published in March 1999 (Cm4315) delivered this commitment by publishing for the first time measurable targets (PSAs) for the full range of the Government's objectives.
9. A full and detailed report on all these targets was published in the March 2000 Departmental reports.
10. As the Government recognised at the time of the 1998 CSR, setting targets for central Government was a process that would need to be refined over time. In the 2000 Spending Review, which set new plans for public spending for 2001 to 2004, the Government has further developed PSAs in order to prioritise the most important goals and reforms it wants to deliver. These targets are set out in the White Paper Spending Review 2000: Public Service Agreements 2001-04, (Cm 4808), July 2000 and will be fully reported on in the Spring 2002 departmental reports.
11. The White Paper, "Modernising Government", published in March 1999, is a development of the Government's vision for reform and modernisation of the delivery of public services. These principles provide a means of achieving the results of the PSA targets.

## Spending Review 2000 PSA targets

12. The CPS has the following targets which contribute to the criminal justice system Public Service Agreement for 2001-2004:

**Table 1: Spending Review Targets**

PSA Target	Performance Indicator	Target
By 2004 reduce the time from arrest to sentence or other disposal by:  <i>Reducing the time from charge to disposal for all defendants, with a target to be specified by March 2001;</i>	<i>Time from <u>charge</u> to disposal for all defendants</i>	<i>An interim target was set to reduce the time taken to deal with offenders by 2 days by 31 March 2000. That target was achieved. Work is underway to quantify a further target</i>
<i>Dealing with 80% of youth court cases within their time targets; and</i>	<i>Time from <u>arrest</u> to sentence or other disposal</i>	<i>80% within time targets</i>
<i>By 2002 halving from 142 to 71 days the time taken from arrest to sentence for the persistent young offenders (PYOs) and maintaining that level thereafter</i>	<i>Time from <u>arrest</u> to sentence or other disposal</i>	<i>71 days by 2002</i>
By 2004 improve the standard by which the CJS meets the rights of defendants, by achieving 100% of targets in a basket of measures as defined in the CJS Business Plan		100% of targets by 2004
To increase the number and proportion of recorded crimes for which an offender is brought to justice	Number of recorded crimes for which the offender is cautioned, convicted or has an offence taken into consideration by the courts	To be specified
By 2004 ensure that the levels of fear of crimes in the key categories of violent crime, burglary and car crime, reported in the British Crime Survey (BCS), are lower than the levels reported in the 2001 BCS	Proportion in levels of fear of those crimes reported in the BCS	Lower levels than in 2001 BCS (by 2004)
By 2002 improve by 5% the satisfaction level of victims and witnesses with their treatment in CJS and thereafter at least maintain that level of performance		5% by 2002
By 2004 improve the level of public confidence in the CJS including improving that of ethnic minority communities		By 2004

## Reporting on CSR PSA targets

13. The CPS is working with the police and the courts to meet the criminal justice system objectives including meeting the needs of victims and witnesses and reducing the time taken to deal with all offences. The following table shows the progress the CPS has made in achieving the departmental CSR PSA targets which covered the three year period between April 1998 to March 2001. The CPS has made considerable progress during the year, against a difficult background of the move to 42 areas, a range of other changes, and pressure on resources. In particular the CPS has worked hard with local criminal justice system partners to meet the Government's aim of reducing the time it takes to prosecute persistent young offenders. In 1996 the recorded average overall time from arrest to sentence was 142 days. In 1998 the average was 125 days and in 1999 the average reduced to 108 days.

**Table 2: CSR PSA Targets**

PSA Target	Performance Indicator	Target	Outturn	Comment
By March 2002 increase from 93% to 100% the proportion of prosecution witness expenses sent no later than 10 working days from receipt of correctly paid completed claim form	Proportion of correctly completed claims which are paid within 10 days	100% by 2002	97.7% (by Dec 2000)	This target shows some slippage. The target for 2000-01 was to increase to 100% the proportion of witness expenses a within the agreed time-scales. This target is not part of the SR2000 PSA or SDA. It remains an important management target and monitoring of CPS performance against it will continue
By March 2002 increase from 88% to 97% the proportion of complaints replied to within 10 working days of receipt	Proportion of replies to complaints which are made within 10 working days of receipt	97% by 2002	91.6% (by Dec 2000)	We expect this target to be met. The target for 2000-01 was 89% of complaints to be replied to within 10 days. Monitoring will continue and a new performance target has been set as: <i>to increase to 95% the proportion of replies to complaints which are made within 10 days by 31 March 2004 with an interim target of 93% by 31 March 2002</i>

1 CROWN PROSECUTION SERVICE

PSA Target	Performance Indicator	Target	Outturn	Comment
In conjunction with other CJAs to halve the time taken from arrest to sentence for persistent young offenders from 142 days to 71 days by 31 March 2002	Time from arrest to sentence	71 days by 2002	95 days (by Dec 2000)	Significant improvements have been achieved to bring the level down to 95 days in the third quarter of 2000 and the expectation is that the target will be achieved. This target is being carried forward as part of SR2000 in the same format
To reduce the time taken from arrest to sentence or other disposal	Time from arrest to sentence or other disposal		Reduction of 2 days (by March 2000)	Reductions have been achieved. An interim target of a 2 day reduction by 31 March 2000 was met. Work is underway to set a further quantified target to be carried forward in SR2000
An improvement in the overall satisfaction level of victims, witnesses' and jurors with their treatment in the CJS		Improve by 5% by 2002		Initial analysis of BCS 2000 indicates a victim satisfaction level of 58% compared with 63% in 1998, the baseline year. Overall witness satisfaction with the CPS is 87% (76% for the CJS). This will be the baseline for future improvements. This target is being taken forward as part of S2000
Set target to reduce the proportion of cases dismissed on a submission of no case to answer in the magistrates' court which are attributable to failure in the review process	No of cases dismissed where there is no case to answer attributable to failures in the review process	5 cases per 100,000 by March 2004	8 cases per 100,000 (Dec 2000)	This target has been met. The 2000-01 target was 9 cases per 100,000. The target is being taken forward in the SR2000 SDA
Set target to reduce the proportion of cases resulting in a non-jury acquittal in the Crown Court which are attributable to failures in the review process	No of cases resulting in a non-jury acquittal in the Crown Court attributable to failures in the review process	4 cases per 1,000 by March 2004	6 cases per 1,000 (Dec 2000)	This target has been met. The 2000-01 target was 7 cases per 1,000. The target is being taken forward in the SR2000 SDA

1 CROWN PROSECUTION SERVICE

PSA Target	Performance Indicator	Target	Outturn	Comment
Set target to increase the proportion of advocacy which meets the CPS's advocacy standards	Proportion of advocates who meet the CPS's advocacy standards	To increase to 10% the proportion of advocates whose performance is significantly above normal requirements by March 2004	0.6% of advocates had failed to meet the standards (Sept 2000)	This target has been met. The 2000-01 target was to reduce to 2.5% the proportion of advocates who fail to meet the standards. This target is being taken forward in the SR2000 SDA
By March 2002 reduce unit costs per case in real terms by 1.3%	Unit costs % reduction	Reduce by 1.3% in real terms	MC £115.54  CC £890.78	The figure for unit costs has increased slightly for Baseline 1998-99 costs 1999-00. MC £111.54 CC £846.55
By March 2002 increase proportion of undisputed invoices paid in accordance with terms of 30 days from 96% to 100%	Proportion of correct invoices paid within terms	100%	95.2% (by Dec 2000)	This target shows some slippage. The 2000-01 target was to pay 100% of invoices within terms or 30 days. This target is not part of the SR 2000 PSA or SDA. It remains an important management target and monitoring of CPS performance against it will continue
Improve sickness absence by 30% by 2003	Sick absence rates	7.4 days	11.5 days	The outturn for 2000 reflects an increase in sickness absence rates. Further work will be needed to meet the target by Dec 2003
By March 2002 reduce accommodation costs per head in real terms by 10%	Accommodation costs	Reduce by 10%	£5,460 at March 2000. A reduction of 8.49%	Working from a base-line of £5,967 per head for 1998/99. The reduction has been achieved by: <i>the elimination of double running costs at some sites; the reduction in annual maintenance expenditure; and the successful review and appeal of CILOR (rates) expenditure</i>



## Departmental operations and CSR PSA productivity targets

14. The CPS is working to achieve 3% year on year efficiency savings. We will continue to develop other measures of efficiency. As part of our contribution to the improved efficiency of the criminal justice system as a whole, the CPS, by using rights of audience and lay reviewers and presenters, will handle cases more efficiently. We will also continue to benchmark Area activities to help Areas improve their performance and reduce costs.

## Resources

### 2000 Spending Review

15. The outcome of the 2000 spending review, which was announced in July 2000, set new budgets for the CPS for the three years from 2001-02 to 2003-04. As part of the implementation of Resource Accounting and Budgeting the 2000 Review was conducted in resource terms. The spending plans for the CPS and for other criminal justice departments recognise the important links between the police, the prosecution and the courts and seek to encourage greater joint planning and management of the criminal justice system. The Spending Review settlement for the CPS was a good one. Details of the expenditure plans for 2001-02 to 2003-04 can be found in Annex B of this report. The Main Estimate for the CPS for 2001-02 is published at Annex A.

### Criminal Justice Reserve

16. As part of the new Spending Review plans, the Treasury created a criminal justice reserve worth £100 million in 2001-02 and £525 million over the three years up to 2003-04. The reserve is part of the Home Office's expenditure plans. The Attorney General, the Home Secretary and the Lord Chancellor must all agree to the use of the reserve and the release of funding has also to be agreed by the Treasury. Ministers have agreed to invest an additional £30.4 million from the reserve in 2001-02 in order to speed up the reform of the CPS. A national recruitment campaign is already underway to recruit another 500 lawyers and caseworkers in 2001-02. The Home Office, the Lord Chancellor's Department and the CPS have agreed special arrangements for managing the criminal justice reserve and the allocations to the CPS will be taken up through the normal process of Supplementary Estimates.

## Modernising the CPS

17. The CPS is introducing a comprehensive reform programme to become a modern prosecuting authority of stature, providing the best quality service possible to victims of crime and the public, and playing a full role in delivering the shared aims and objectives for the Criminal Justice System.

### Criminal Justice Policy Making

#### Joint working

18. The CPS, Home Office and Lord Chancellor's Department work together to deliver the Government's overarching targets for the Criminal Justice System. New joint planning structures are in place at Ministerial and senior official level and the CPS contributes to a Criminal Justice Joint Planning unit, set up to improve CJS planning and performance.

19. The CPS adheres to a joint and Ministerially-agreed set of principles for criminal justice policy development, so that criminal policy initiatives and legislation is developed with full consultation on, and assessment of, the impact it will have across the CJS.
20. The CJS Business Plan for 2000-2001, published in May 2000, sets out how the CPS and the other CJS Departments will work together during the year to deliver the CJS targets.
21. Each CCP is playing a leading role in the recently established local Area Criminal Justice Strategy Committees, whose role is to monitor local performance and secure any necessary improvements to meet the CJS aims, objectives and targets.

## **Responsive Public Services**

### **Persistent young offenders**

22. The CPS has a key role in ensuring that the Government's Youth Justice Pledge – a commitment to reduce the time taken to deal with all persistent young offenders from arrest to sentence to 71 days – is met. Areas have formed specialist youth teams and adopted fast tracking case management systems. Good practice is continually being identified and procedural improvements have been agreed with the police and courts. A national training package for youth issues has also been developed.
23. As a result, steady progress continues to be made, especially in the magistrates' courts, where many Areas are already regularly obtaining results considerably better than the required target. A substantial amount of work is taking place to improve performance in those Areas not currently achieving the required standard. Further efforts are being made to reduce the time taken for those cases heard or sentenced in the Crown Court.

### **Racially aggravated crime**

24. The CPS Racist Incident Monitoring Scheme Annual Report for the year ending March 2000 was published in December 2000. The scheme monitors prosecution decisions and outcomes in cases referred by the police to the CPS for prosecution, which fall within the Macpherson report definition of a racist incident. New offences of racially aggravated crime were introduced on 30 September 1998 by the Crime and Disorder Act 1998 and the monitoring scheme was revised to take these into account.
25. The number of such recorded cases increased from 1,603 in the previous year to 2,417 last year, an increase of 51%. CPS lawyers were satisfied that there was sufficient evidence in 79% of the cases to establish racial aggravation as defined in the new Act. They were able to prosecute 48% of the offences in these cases as charges under the Act and the remaining 52% under existing legislation. Convictions were obtained on 79% of all charges captured by the monitoring scheme.

### **The Stephen Lawrence Inquiry**

26. The CPS has continued to work towards implementing the recommendations of the Macpherson Inquiry. The Code for Crown Prosecutors was amended to include discriminatory hostility as a public interest factor in favour of prosecution in addition to the existing factor of discriminatory motivation. A further amendment to the Code draws attention to the importance of Crown Prosecutors considering the court's sentencing powers when deciding whether to accept a defendant's plea, particularly where there are

aggravating features. Both of these amendments reinforce CPS commitment to robust and effective prosecution of racist crime.

### **Domestic violence**

27. The CPS continues to contribute to the Government's national strategy to tackle violence against women under the auspices of the Women's Unit. The CPS is represented at both Ministerial and official level on inter-departmental groups on domestic violence and contributed towards the multi-agency guidance (for addressing domestic violence) published in March 2000. The CPS is reviewing its Policy for prosecuting cases of domestic violence.

### **Direct communication with victims**

28. Sir Iain Glidewell's recommendations resulting from the independent review of the CPS, and the recommendations of Sir William Macpherson's report into the death of Stephen Lawrence, proposed that the CPS should take responsibility to communicate decisions direct to victims rather than via the police.
29. The CPS has conducted a detailed scoping study to develop options on communicating decisions to victims of crime in certain cases, with a national roll-out starting in April 2001.

### **Improving the service to vulnerable or intimidated witnesses**

30. The CPS has continued to work closely with the Home Office and others to implement the package of measures proposed in the report *Speaking Up For Justice*, many of which were in the Youth Justice and Criminal Evidence Act 1999 which received Royal Assent in July 1999. Measures included:
- greater protection for rape victims, including the prohibition of cross-examination by the defendant in person of such victims which came into effect on 4 September 2000;
  - new measures to help child witnesses including video pre-trial cross-examination and the use of intermediaries to help children give evidence;
  - range of measures to help vulnerable or intimidated witnesses give evidence, such as the use of video-recorded pre-trial evidence in chief and live TV links.

### **Service First**

31. As part of the *Service First* Programme, the CPS reports against those 4 of the 6 Service standards which are applicable to our work. These standards are:
- *correspondence*: (The CPS has defined correspondence for these purposes as complaints). In the year 1999-2000, timely replies were made in 88.3% of complaints, against a target of 87%.
  - *telephone calls*: in 1999-2000 the CPS met its target of answering its Customer Service line in three rings in 95% of calls.
  - *give customers clear information, along with telephone and e-mail enquiry points*: the CPS telephone contact number for Customer Service is published on our web-site, and with our e-mail address is included in our publications, such as our Annual Report and Business Plan;

- *complaints*: the CPS is meeting this standard (see above). The complaints procedure is published on the Internet, and a leaflet is available in hard copy and on the CPS website, and advertised in CPS publications.

### **Single enquiry point**

32. The CPS is committed to working with other criminal justice agencies to improve the service it provides to the public. We have been working with other criminal justice agencies in Leicestershire and Rutland to pilot a scheme for a single point of enquiry for complaints about the criminal justice system. A telephone helpline offers advice and guidance and a leaflet giving advice about members and their complaints procedures and contact details has been distributed within the Area. The pilot, which commenced in August 1999, is ongoing and will be evaluated by an inter-agency working group.

### **Reaching more people**

33. As part of the CPS' plans to become more diversity aware we have, for the first time, prepared a number of documents about our work in languages other than English and Welsh. These include the revised *Code for Crown Prosecutors* and publicity leaflets, now available in a further 12 languages. In addition Braille and audio tapes of the Code have been produced. A number of CPS Area Annual Reports 1999-2000 were translated into other languages for distribution and translations of other documents are available on demand.

### **CPS Areas and their local community**

34. Each of the 42 CCPs has taken responsibility to establish a more positive relationship with the public, to explain the role of the CPS and to listen and respond to local concerns. Each CCP accounts for performance of their Area to the communities they serve in a local Annual Report. Reports for the first year of performance by each Area were all published by October 2000.

## **Quality Public Services**

### **Criminal Justice Units and Trial Units**

35. The CPS has embarked on a significant programme to reduce duplication and delay in case preparation and to focus efficiency savings gained towards the more serious cases at the Crown Court. CCPs in each of the 42 Areas have been planning, in consultation with their Chief Constables, and other Criminal Justice partners, to establish Criminal Justice Units (CJUs). Where possible within existing estate constraints, opportunities are being sought to collocate CPS lawyers and caseworkers with police administrators in joint units sharing common systems and processes. Where collocation is not possible, efforts are being made to secure similar benefits electronically.
36. At the same time, the CPS is establishing Trial Units (TUs) to focus on the preparation and presentation of the more serious cases at the Crown Court. Most TUs will be located in existing CPS premises many of which are conveniently located close to each of the 78 Crown Court centres. Opportunities are being explored to locate TUs within Crown Court centres where space is available and efficiency savings are envisaged.
37. CJUs and TUs are a good example of how the CPS is driving forward the Modernising Government agenda, working closely with our CJS partners and maximising the use of shared resources.

**The Narey “Reducing Delay” provisions**

38. In November 1999, the CPS successfully implemented the main Narey provisions contained in the Crime and Disorder Act aimed at reducing delay. Early First Hearings (EFH) for likely guilty pleas, and Early Administrative Hearings (EAH) for contested cases, are now a regular feature at all magistrates’ courts where defendants appear at the next available court after charge. A significant change has been the use of Designated Caseworkers (DCWs) to present these straightforward EFH prosecutions. They have been particularly successful where the courts have been able to list sufficient cases of the right category, with the result that a number of Crown Prosecutors can now be redeployed into Trial Units to focus on the more serious cases in the Crown Court. The CPS has about 190 DCWs and will be training a further 50 in 2001/02.
39. More recently, in January 2001 the Section 51 provisions for sending indictable only cases straight to the Crown Court were implemented nationally. These offences include the most serious cases, e.g. murder and rape. After, in most instances, a single hearing in the magistrates’ court, a preliminary hearing takes place in the Crown Court, often only 8 days later.

**Statutory time limits pilots**

40. Pilots on statutory time limits, which restrict the time available for various phases of the prosecution process, are being conducted in the original Narey pilot sites of Blackburn and Burnley; Croydon, Bromley and Sutton; Northamptonshire; North Staffordshire; North Wales and Tyneside. They commenced in November 1999 and will last for 18 months to test the new procedures and the effects, if any, of the Human Rights Act 1998.

**Joint Performance Management (JPM) with the Police**

41. JPM continues to provide an effective tool to improve the quality and timeliness of police files. A system of exception reporting was introduced in November 1999 to capture the quality of files following national implementation of the Narey arrangements. The original JPM process has been retained for full files (those prepared for summary trial or committal to the Crown Court).
42. The JPM process continues to be developed. A pilot examination of the feasibility of extending the exception reporting system for all files is being undertaken in Kent and Northants. Changes are also being devised to meet the changing needs of Criminal Justice Units and Trial Units, and also the changes to indictable only cases.

**Joint Performance Management (JPM) with the Courts**

43. The CPS continues to operate a JPM arrangement with the Court Service at a number of Crown Court centres where management information is gathered about ineffective and ‘cracked’ trials. A package is being developed in consultation with the Lord Chancellor’s Department and Justices’ Clerks Society for application in the magistrates’ court. This is likely to be introduced in 2001.

**Higher Court Advocates (HCAs)**

44. The CPS has been training and deploying a growing number of Higher Court Advocates to exercise, initially limited, and now unrestricted, rights of audience in the higher courts

as part of its strategy to shift the centre of gravity towards the more serious casework in the Crown Court.

45. The Treasury recently provided the CPS with flexibility to transfer up to £650,000 from prosecution costs (unspent counsel fees) to running costs to assist in the wider deployment of HCAs. The additional funding was allocated to Areas pro-rata on the number of HCAs available to be deployed. The CPS will bid for similar flexibility to transfer prosecution costs in future years to maintain this initiative.
46. More regular exposure of CPS HCAs to Crown Court practice and procedure, coupled with the stimulus of appearing before a Crown Court judge, and against experienced independent barristers, will provide a number of benefits. These include improved timeliness and quality of case preparation, more effective presentation, and development of CPS lawyers' knowledge, skills and professionalism.
47. Chief Crown Prosecutors will use the freedom afforded by the Access to Justice Act to decide how to split the work between in-house and independent lawyers. The key considerations will be the need for quality and cost-effectiveness.

#### **Working with the Bar**

48. The CPS and Bar continue to work together to develop and take forward new initiatives in order to improve the level and standard of service provided to the courts. The CPS is working closely with the Lord Chancellor's Department and the Bar's Remuneration and Terms of Work Committee on the structure of a unified fee scheme for introduction in 2001, to address the disparity between prosecution and defence fees.

#### **Disclosure**

49. The CPS has worked closely with the Attorney General's office on an extensive consultation exercise aimed at developing good practice guidelines on disclosure of evidence. The guidelines emphasise the importance of fair and timely disclosure and provide an important framework for ensuring that prosecutors comply with their duties and obligations under the disclosure regime.
50. The CPS is taking forward the recommendations of the CPS Inspectorate Thematic Review of the Disclosure of Unused Material by developing a national joint action plan with the police. Once agreed, the action plan will form the basis of a long-term project on improving our performance on disclosure.

#### **Implementing the Human Rights Act 1998**

51. The CPS prepared for the implementation of the Human Rights Act 1998, which came fully into force on 2nd October 2000. Detailed guidance on the Act and the Convention was distributed to all prosecutors and training, linked to the guidance, was provided to over 2,200 prosecutors and caseworkers.

#### **Cross-border and organised crime**

52. The CPS is ensuring that it, and its staff, are able to meet Government (and wider) objectives in the challenging field of fighting cross-border, and serious and organised crime. Cross-border crime poses numerous challenges to the CJS, and in recognition of

this the CPS has created a European and International Division (EID). The Division will seek to co-ordinate the CPS response to European and international level initiatives, thereby enhancing the CPS' capability to tackle cross-border, high-tech, and organised and serious crime.

### **Eurojust**

53. A programme of training is being developed that will improve the awareness of all lawyers and caseworkers to the roles of European Institutions. They will also learn of the effect the impact and application European and international criminal justice initiatives will have on domestic caseloads and casework. A cadre of specialist prosecutors and caseworkers from each of the CPS Areas, and HQ, will receive further training. Specialist policy advice is being provided to the service by EID, and secondment opportunities are already enabling the right staff to take up foreign liaison officers. So far, positions as liaison magistrate in France and UK representative to Eurojust, a multinational unit set up by the European Union, have been filled. The CPS is looking to place additional staff in other liaison posts.

### **Better Quality Services**

54. The CPS aims to review all its spending against Better Quality Service (BQS) principles by 2003-2004. The Administrative Support Services Review, the CPS' first review under the auspices of the Government's BQS programme, was completed successfully by the close of 1999 and proposals for CPS Area administration services to be provided by 10 administrative Service Centres were approved in January 2000.
55. An implementation plan has been approved and is underway. It is envisaged that all the proposals will be implemented over a 2-4 year time-scale. A recruitment exercise has been undertaken to appoint the Service Centre managers.
56. The next phase of the BQS programme, a review of the CPS Headquarters functions, is underway. This review is being led by a senior executive from the Post Office and is looking at the role, structure and size of Headquarters and its relationship with the 42 CPS Areas.

### **CPS Inspectorate**

57. The Crown Prosecution Service Inspectorate Act 2000 came into effect on 1 October 2000 and the Inspectorate then became Her Majesty's Crown Prosecution Service Inspectorate (HMCPSI). In anticipation of its expansion and change of status, the Inspectorate moved to new accommodation outside CPS Headquarters in April 2000. From April 2001, it will be funded through the vote of the Treasury Solicitor's Department. This step ensures that the funding of the independent Inspectorate is quite separate from that of the CPS itself.
58. The purpose of the Inspectorate is to promote the efficiency and effectiveness of the CPS through a process of inspection and evaluation; the provision of advice; and the identification and promotion of good practice. The Area inspection programme entails approximately 21 inspections (and published reports) per year together with a programme of five or six thematic reviews. Reports have so far been published for the following Areas:

<i>Dorset</i>	<i>Derbyshire</i>	<i>Cambridgeshire</i>	<i>Kent</i>
<i>Merseyside</i>	<i>Nottinghamshire</i>	<i>South Wales</i>	<i>West Midlands</i>
<i>Gloucester</i>	<i>Essex</i>	<i>South Yorkshire</i>	
<i>West Mercia</i>	<i>Lancashire</i>	<i>Suffolk</i>	
<i>Northumbria</i>	<i>Durham</i>	<i>Cheshire</i>	

59. Each Area report examines in detail on performance in relation to the key aspects of casework, management and operational issues, financial management, human resources, equality and diversity and relationships with other criminal justice agencies.
60. In order to ensure that the new Area inspection programme has a wide perspective, the additional legal inspectors required were recruited by means of open competition including advertisement in the national press. Similarly, the new management and financial skills required so that the Inspectorate could discharge its wider remit have been acquired by creating three new non-legal posts, Business Management Inspectors, which were also filled by external open competition.
61. In order to ensure a broad and penetrating approach to inspections HMCPSI has introduced lay inspectors. With the assistance of national voluntary bodies (principally Citizens' Advice Bureau, Victim Support and the National Association for the Care and Resettlement of Offenders), the Inspectorate has obtained the services of volunteers who are well informed members of the public from outside the criminal justice agencies.
62. In February 2001 the Chief Inspector published a report for an extended period from 1 August 1999 to 30 September 2000 which covered the period leading up to its transition to an independent statutory body.

#### **Thematic reviews**

63. In February 2000 the Inspectorate published a thematic review of advocacy and case presentation which was followed in March by publication of the report of a review of CPS compliance with the prosecution obligation of disclosure. In August 2000 it published a thematic review of performance indicator compliance and case outcomes. Other topics covered by the thematic review programme for 2000/2001 include the operation of the custody time limit regime and the handling of road traffic cases involving fatalities although some of these may have to be deferred.
64. During 2000/2001, a significant proportion of the resources available for thematic work has been devoted to such work undertaken jointly with other criminal justice inspectorates. In April 2000, the first report of a review undertaken jointly by all six inspectorates involved with the criminal justice system (CPSI, HM Magistrates' Courts' Service Inspectorate, HM Inspectorate of Constabularies, HM Inspectorate of Prisons, HM Inspectorate of Probation and the Social Services Inspectorate) was published. It related to information flows within the criminal justice system. The Inspectorate also provided the Project Manager and administrative support for a major thematic review (undertaken jointly with HM Magistrates' Courts' Service Inspectorate and HM Inspectorate of Constabularies) of progress in relation to reducing delay in youth cases. That report was presented to Ministers at the beginning of February and was published on 1 March.

## **Information Age Government**

65. The CPS is working with its criminal justice system partners through the Integrating Business and Information Systems (IBIS) initiative to produce a joined-up and co-ordinated approach to the development of information technology across the system.
66. In contributing to IBIS, the CPS is investing in new information and communications technology to raise its level of IT capability, to introduce a case management system, and to develop its current infrastructure.



**Connect 42 project**

67. The first stage of the CPS's IT modernisation programme is the Connect 42 project, which has been funded in part from the first tranche of the Capital Modernisation Fund. This project addresses the lack of IT available to lawyers and caseworkers and will provide a modern IT infrastructure with office automation facilities for all operational staff in the CPS Areas and will include staff training. More than 5,000 staff will be given access to desktop PCs, standard applications, legal reference material, the Internet, and e-mail facilities to allow more effective communication internally and with other criminal justice agencies. Connect 42 will be rolled out to all 42 Areas by late 2001.

**Compass project**

68. The second stage is the Compass project, which in combination with Connect 42, will provide an essential strategic component of the Government's "joined-up" approach to the CJS. Compass will provide a case management system and an electronic prosecution case file to improve the quality and timeliness of casework decisions, processes and management, and provide information on resources and performance. The Compass project will be a new partnership between the CPS and a private sector supplier. Procurement of the Compass system is underway. The contract was advertised in the Office Journal of the European Communities (OJEC) in October 2000. The award of the contract is expected late 2001, with the development of the case management system during 2002 and subsequent roll out during 2003.

**Government Secure Intranet (GSI)**

69. The CPS considers the Government Secure Intranet (GSI) an important element in enabling the Service to communicate more effectively with its partners in Government and the Criminal Justice System.
70. The Connect 42 pilot site at Sussex successfully gained the GSI accreditation during 2000 and will be rolled out to the Areas by the end of 2001. An associated Connect HQ project (see below) will ensure all CPS staff are on the GSI by 2002.

**Connect HQ Project**

71. The Connect HQ project is also underway. This project will implement the replacement and upgrading of the current IT infrastructure, at CPS HQ, the Service Centres and the Area Secretariats, to Connect 42 standards thus ensuring that administrative and policy support to operational staff can continue to be provided effectively. This project in conjunction with Connect 42 will, for the first time, provide the CPS with a single standard, centrally managed IT infrastructure, with common services across the CPS. The project will provide a significant contribution to the achievement of the Government's agenda for electronic government and will be completed by 2002.

**Personnel Information Management and Monitoring System (PIMMS) Project**

72. The PIMMS project will replace the current bureau based personnel system (Argosy) with a more modern system based on a Commercial Off The Shelf (COTS) package. The Argosy system, provided by ADP Chessington, will no longer be available as from 30th March 2001 so it is imperative that a replacement system is introduced within that time scale. A supplier was selected at the beginning of November 2000 and work has begun to customise the package to meet CPS needs, prior to implementation in March 2001. The

new system will initially be introduced to HQ and the Service Centres. Subsequently it is intended to provide a "read only" service to the Areas. The possibility of extending the system to all CPS staff via the intranet, for self service purposes, is also being considered.

### **Electronic Service Delivery (ESD)**

73. The CPS is committed to delivering its services electronically by 2005. This includes the interim targets of 100% of routine purchases being transacted on line by 2002, and 25% of its services being available electronically by 2002.
74. The delivery of these targets will be dependent upon the successful implementation of the three strategic IT projects currently being progressed which will provide a single IT infrastructure, and with it the basis to deliver CPS services electronically to other partners in the criminal justice system and to victims and witnesses.

### **Electronic purchasing and procurement**

75. Procurement within the CPS ranges from stationary to major capital expenditure such as IT. The CPS has introduced the use of the Government Procurement Card and plans to pay all invoices by the Banks Automated Clearing System (BACS), where suppliers agree. This initiative will run in parallel with electronic service delivery and provides value for money. Over 80% of our supplies are bought through this method and under a single contract. Currently, the supplier has the capability to receive purchase orders and invoice the department on line.
76. In addition, the CPS is currently exploring the potential use of Electronic Tendering. This should be achievable when the IT infrastructure is in place, and subject to overcoming any regulatory and audit requirements. Consideration is being given to the use of a commercial electronic tender box, which is currently available in the private sector.

### **Internet**

77. The CPS web site (*www.cps.gov.uk*) is available in English and Welsh. It provides a considerable amount of information about our business, our staff and structure, our achievements and press releases, including the Business Plan and CPS Annual Report. All members of the public can access this site and we continue to experience increasing numbers of e-mail correspondence. The CPS has two Internet e-mail addresses, one for enquiries (*enquiries@cps.gov.uk*) and one for complaints (*complaints@cps.gov.uk*).

### **Prototype intranet**

78. The CPS is developing an intranet prototype in CPS Sussex and in other Areas as Connect 42 is rolled out. Results of the pilot will inform further development work and the provisional date for implementation of an intranet system is January 2002.

### **Telephony**

79. The CPS has introduced a managed telephony service, which delivers a common modern service to all staff. The contract commenced in 1998 and will terminate in 2006. As part of the contract, all offices having been cabled for voice and data communications, which will support the rollout of the Connect 42 IT infrastructure. The same functionality is also capable of supporting cordless telephony, extended home working, Intranet services, desk to desk video-conferencing and business wide networking

80. The contract provides an advanced public network service, the most advanced wiring infrastructure and a state of the art switching system. An independent Value for Money Report confirmed that it is one of the most modern and “best of breed” Telephony services.

#### **Departmental records**

81. With the introduction of the Modernising Government initiative, the Data Protection Act 1998 and ECHR, a much greater emphasis has been put on the good management and security of personal information.
82. During the year the CPS Security Unit has focussed on improving security awareness by revising the CPS Security Manual and producing guidance on the Handling of Protective Marked Material. The Unit has also sought to accredit CPS IT systems, in particular, the security accreditation for Connect 42 to the Government Secure Intranet (GSI) and Police National Network (PNN2).

## **Valuing Public Service**

#### **Vision and values**

83. The principles of the Modernising Government Agenda are complementary to the Vision and Values which the CPS developed in conjunction with stakeholders, staff at all levels and the trades unions, and published in July 1999.

#### **Investors in People accreditation**

84. By December 2000, the CPS had achieved or been recommended for Investors in People accreditation at Headquarters and in 37 Areas, covering 79% of CPS staff.

#### **Equality and Diversity**

85. In the last year the department has lost some high profile employment tribunal cases, received a preliminary report from Sylvia Denman into Race Discrimination in the Crown Prosecution Service that made a series of recommendations and was subject to a formal investigation by the Commission for Racial Equality into one of its London branches.
86. In July 2000, a CPS Diversity Unit was established and has already highlighted issues for immediate action and pursued change in many areas. All work on Equality and Diversity is underpinned by three guiding principles: that Equality and Diversity must be mainstreamed and integral to the day to day business of the organisation; that Equality and Diversity work must cover both employment and prosecution issues; that all decisions on Equality and Diversity must be informed by the views of diverse communities and those groups of staff who traditionally experience discrimination.
87. During the year a programme for training all CPS employees in Equality and Diversity has been started. The programme will run over eighteen months and reach up to 2000 managers and staff.
88. A series of Equality and Diversity events focusing on prosecuting have been run. These events aim to share good practice across Areas and to enable staff to engage with

community representatives. A system for monitoring in prosecution decisions service delivery has been developed.

89. Monitoring in employment by ethnicity, gender and disability has been reported on quarterly and targets for improvement, where there is under-representation, have been set and changes to recruitment, selection, internal complaints procedures, and training and development are in progress. A benchmarking system for Equality and Diversity has been piloted in two Areas.

#### **Staff attitude survey and stress audit**

90. In February 2000, the CPS used independent consultants to undertake a staff attitude and stress survey of all its staff. The results were published in May 2000 and revealed a high level of stress amongst CPS staff. The survey also showed that staff are generally satisfied with the importance, nature and variety of their work, the support of immediate colleagues and the overall employment package within the civil service.
91. In response, the CPS has reviewed support systems for staff suffering from stress and are reviewing the arrangements for the provision of advice on health and safety issues. Arrangements will be made for a further survey, with the results from the original survey acting as a benchmark, to identify any progress made and any areas of continued concern.

#### **Leadership**

92. In February 2000 the CPS invited two Private Sector Managers to assist in the development of leadership skills for CCPs and Senior HQ Directors. Over a four month period individual coaching was provided to all CCPs, with the purpose of promoting an interchange between private and public sector on handling day to day management issues. As a result of this programme a training needs analysis was developed which will inform the leadership training planned for 2001.

#### **Training strategy**

93. The National Training and Development Plan 2000-01 aims to ensure that all staff receive the training and experience they need to develop their potential, help the Service meet its objectives and offer a high quality prosecution service. The Plan complements and informs local training and development plans which meet specific Area and individual training needs.

#### **Family Friendly Policies**

94. The department has in place a number of family friendly measures aimed at helping staff balance their work and domestic responsibilities.
95. Departmental policies available to all staff include the flexible working hours scheme, part-time working arrangements and job-sharing. In addition, maternity, parental, special and adoption leave provisions are in place to assist staff at times when needed.
96. The department operates a Childcare Subsidy Scheme, which provides a contribution towards the cost of childcare. Although eligibility for the scheme is subject to certain criteria, it is available to all staff and at present there are approximately 700 users on the scheme.

97. The department also runs a career break scheme aimed specifically at assisting with domestic responsibilities such as coping with the care of young children, elderly or dependant relatives and can be offered for periods of up to 5 years. Career breaks can also be granted to enable staff to accompany their partners on transfer to employment at a new location when compassionate transfers cannot be arranged.
98. The feasibility of homeworking is currently being explored and the department has recently joined the Cabinet Office Family Friendly Working Group in order to gain an insight into how this particular working method operates in other departments and whether or not it could be reasonably introduced within CPS. In addition, in order to ensure that CPS Family Friendly policies continue to compare favourably with other departments, we will be seeking to explore what other policies and initiatives are currently being operated and/or being introduced Civil Service wide.
99. A user-friendly Family Friendly Booklet giving an overview of departmental policies has been prepared and will shortly be distributed to all staff.

#### **Succession planning**

100. The CPS is in the process of drawing up new succession planning policies which will include plans for an interchange programme for implementing exchanges and good practice with the private and wider public sectors. This process should be completed by December 2000.

#### **360 Degree feedback**

101. Proposals are being drawn up for introducing 360 degree feedback for SCS staff. These proposals will be piloted by March 2001.

## **Investment**

#### **Departmental Investment Strategy**

102. An important outcome of SR2000 is the publication of a new Departmental Investment Strategy (DIS) for the CPS this year. As a consequence of the increase in the value of the department's asset base resulting from investment in IT infrastructure over the SR2000 period the CPS is reviewing existing systems for asset management and control.
103. The department has a small capital base and the main assets are office furniture and computer equipment for 5,668 staff. The CPS occupies space in 96 buildings, of which 92 are owned by private landlords. The Department owns Crown Freeholds on the 4 remaining properties, which have a total value of £3.8 million. The CPS seeks to make the best use of its capital and current assets and recognises the clear links between capital and current spending.

104. The table below details the departmental asset base as at 31 March 2000.

**Table 3: Departmental Capital Asset Base as at 31 March 2000**

Assets at Net Book Value @ 31 March 2000	(£'000s)
Departmental existing capital:	
Land and buildings	3,845
Other	9,160
<b>Total</b>	<b>13,005</b>

### Strategic Policy Context

105. The CPS is a key component in delivering the Government's criminal justice objectives. It is therefore essential that the CPS is able to play a positive role in the development of IT in the criminal justice system and to work constructively with others in the system including the Integrating Business and Information Systems (IBIS). Current and future investment over the Spending Review 2000 period and beyond will therefore be geared towards improving the CPS's computer and information systems capability. The CPS DIS recognises the need to improve, in partnership with other CJS agencies, the effectiveness and efficiency of the prosecution process through a combination of extending and modernising the asset base and the redesign of business processes. The main focus of CPS investment during 2000-2001 and the Spending Review 2000 period is Information Technology and associated accommodation improvements and furniture replacement. It is crucial that the CPS has a modern IT infrastructure that can link electronically with partners in the CJS.
106. By providing up to date IT infrastructure throughout the CPS that will support links with the Courts and the Police the CPS is laying the foundation for sharing electronic files, modernising and speeding up the prosecution process and reducing duplication of effort. The collocation of CPS and Police staff in Criminal Justice Units (CJU) and the consequential changes in working practices will provide further capacity for better integration leading to improved case preparation and more effective joint working.
107. The nature of the prosecution process means that it is not possible to detail precisely how the investment will link to the achievement of the individual targets in the Public Service Agreements of the department and the criminal justice system. Prosecution of criminal cases is a single homogenous process. The Police, the Courts and the CPS each play a part in bringing cases to court. Investment in the CPS will help improve the performance of the whole system but cannot be linked directly, in a quantifiable way, to individual PSA targets. The modernisation and extension of IT infrastructure will bring benefits in terms of aiding the achievement of timeliness targets, which support one of the main CPS objectives for the Spending Review 2000 period. The creation of CJUs will also provide a framework for speedier processing of cases, less duplication and improve the quality of preparation of case files.
108. As described in the Modernising government section above the CPS has four main investment programmes for the review period.
- **Connect 42** - *the provision of access to modern IT infrastructure and office automation facilities for all Area (Branch) staff.* Focusing on improving business processes and providing the functionality to link electronically with other CJS agencies.

- **Compass** - proposed PFI to develop an effective case management system, support and refresh IT infrastructure as required. An effective case management system, which will handle electronic case files and provide a workflow system, will revolutionise the existing paper based system.
- **Joint Police/Crown Prosecution Service Criminal Justice Units** - better integration of police and Crown Prosecution Service administrative functions related the preparation of case files, the management of Magistrates' Court cases and the warning of witnesses. The new units will be more effective and efficient and make a key contribution to the achievement of a "joined-up" CJS.
- **HQ, Area Secretariat and Service Centre IT Infrastructure** - replacement and upgrading of IT infrastructure to Connect 42 standard and the provision of access to the GSI. There is a legacy of under-investment in IT infrastructure. Out-dated technology, both software and hardware, must be upgraded to modern standards to ensure that administrative and policy support to operational staff can continue to be provided effectively.

### Capital Allocation

109. The table below shows the profile of planned expenditure over the Spending Review 2000 period.

**Table 4: Total Capital Allocation 2000-01 to 2003-04**

	2000-01	2001-02	2002-03	2003-04
£000s	3,506	16,650	4,300	4,000
*Capital investment by the Private Sector	-	3,849	12,871	14,742

\* Capital investment by the private sector is capital provided under PFI or PPP contracts

110. Spending plans for the period 1999-2000 to 2001-02 include a provision for capital expenditure of £4 million a year, a total of £12 million. An additional £12 million has been granted from the Capital Modernisation Fund for 2000-02. The CPS's strategy is that, primarily, funds should be managed centrally to secure economies of scale, and should be directed towards the expenditure projects that contribute most to achieving the CPS's aims and objectives.

**Table 5: Long Term Capital Projects**

Project	Year of start/ Original estimate of year of completion	Current estimate of year of completion	Original estimate total expenditure	Current estimate total expenditure	Spent in past years	Estimates provision for 2001-02	To be spent in future years
Connect 42: implementing IT infrastructure	1999-00/ 2001-02	2001-02	18,917	24,395	12,711	11,684	-
Connect HQ: CPS HQ Service Centres Area Secretariats	2000-01/ 2001-02	2001-02	3,075	3,075	1,025	2,050	-
<b>Total</b>			<b>21,992</b>	<b>27,470</b>	<b>13,736</b>	<b>13,734</b>	<b>-</b>

(1) All figures have been revalued to estimate year process using the GDP deflator

(2) "Year of Completion" refers to the financial year in which the last significant payment to contractors is expected to be made

**Capital Modernisation Fund**

111. The CPS is engaged in a two-step Modernisation Programme to raise its level of IT capability and to develop a case management system. Step 1 addresses the lack of modern IT available to lawyers and caseworkers in CPS Areas and will provide basic infrastructure and staff training. More than 5000 staff in over 90 locations will be given access to desktop PCs, standard applications and e-mail facilities to allow more effective communication internally and with other criminal justice agencies. Step 2 will involve the development of a managed IS service through a Public Private Partnership (PPP) arrangement to support prosecution casework and link electronically with the police and others in the criminal justice system.
112. Funding for the urgent work of Step 1 is provided, in part, through the Capital Modernisation Fund (CMF). CMF will contribute £12 million, between 2000-02 with CPS contributing a further £6 million. The pilot for Step 1, CPS Sussex Area was completed in spring 2000 and national rollout commenced in autumn 2000. The project will be completed by late 2001.
113. The procurement process for the PPP is underway. The IS/IT service will automate the prosecution case file to improve the quality and timeliness of casework decisions, processes and management and provide information on resources and performance. The project is included in the Treasury PFI Task Force list of significant projects and the Task Force is represented on the Department's PPP Project Board. The aim of the project is to improve the efficiency and effectiveness of the CPS's casework function through the procurement and implementation of information system and associated change management services.

**Procedures and systems**

114. Capital expenditure is allocated on the basis of bids from Areas and HQ divisions. Competing bids are assessed in terms of the strength of the business case and the extent to which the expenditure promotes the CPS's aim and objectives including best value. The bids must include an assessment of the costs and benefits, a benefits realisation plan and justification for capital purchase compared with obtaining services in alternative ways.
115. Management of major capital projects is allocated to a suitably trained project manager who will be responsible for establishing appropriate systems in accordance with PRINCE 2 guidelines to monitor progress against the project plan and budget. Projects are evaluated on completion to ensure that they have achieved the goals that were set and to identify good practice that could be incorporated into the plans for subsequent projects. All major accommodation changes (those which will involve expenditure of more than £10,000) must be supported by an investment appraisal and have to be approved by CPS HQ.
116. Each Chief Crown Prosecutor is allocated a small capital budget to cover the cost of furniture and office equipment. The Chief Crown Prosecutor is responsible for controlling his budget but the benefits that are derived from the capital allocation will be reviewed annually by the Centre.



**Asset disposal**

117. The candidates for disposal are those properties for which the CPS holds either freehold or leasehold rights. While there are currently no plans for disposing of any of the freehold properties over the next three years the department's ongoing programme of estate rationalisation may result in the identification of vacant space. Where space becomes vacant it is actively marketed, both to other Government departments through PACE and on the commercial market through our Managing Agents. Both broad and specific targets are set for disposal in terms of time and income, and these are regularly reviewed where we encounter difficulty in disposing of vacant space. The overall aim is to reduce vacant space to no more than 2% of the department's holdings.

**Accommodation**

118. In order to move to a new 42 Area structure, the CPS has had to rationalise and improve some of its accommodation. The rationalisation is being implemented in stages and the department has earmarked capital provision of £0.6 million for this programme in 1999-2000 and £0.5 million in each of the two subsequent years.
119. The move to Criminal Justice Units and Trial Units, which will amalgamate some of the functions of the Police and the CPS and require the co-location of staff from both agencies, could have significant implications for the department's estate.

**Performance and achievements**

120. The CPS collects data monitoring performance against its corporate measures and targets. The key results for the year ending March 2000 were as follows:
- the proportion of advance information sent to the defence within agreed time-scales rose from 82.3% to 86.6%, meeting the annual target of 83%;
  - committal papers were despatched within agreed timescales in 62.7% of cases, compared with 51.9% in 1998-99, meeting the annual target of 60%;
  - 71.1% of briefs were delivered to counsel within agreed timescales, compared with 67.8% for 1998-99 and an annual target of 80%;
  - dismissals no case to answer attributable to failings in the review process amounted to 0.01% of finalised cases in magistrates' courts, or 10 per 100,000. 1999-00 was the first year for this measure;
  - non-jury acquittals and bind overs attributable to failings in the review process amounted to 0.7% of finalised cases in the Crown Court, or 7.2 per thousand. 1999-00 was the first year for this measure;
  - service advocacy standards were met in 95% of cases. This was the first year for this target;
  - 97.5% of witness expenses were paid within 10 days, compared with 95.5% in 1998-99 and an annual target of 100%;
  - timely replies were made to 88.3% of complaints, compared with 87.7% in 1998-99 and an annual target of 87%;
  - the proportion of undisputed invoices paid within 30 days rose from 96% to 97%, against a target of 100%;
  - we replied to 94.4% of correspondence from members of parliament within 15 days compared with 92.9% during 1998-99 and a target of 100%.

### **Payment of witness expenses**

121. In 1999–2000 the CPS paid 91.15% of witness expenses within five working days and 97.33% within 10 working days of a properly completed claim form. These results are encouraging improvements on the 1998–99 figures which were 82% and 95.5% respectively.

### **Case outcomes**

122. Magistrates' courts convictions amounted to 98.3% of cases proceeding to a hearing, unchanged compared with the previous year.
123. In the Crown Court, convictions amounted to 88.6% of cases proceeding to a hearing, compared with 89.1% in 1998–99. Crown Court convictions have fallen slightly over recent years, from 90.6% in 1997–98. This is believed to be in response to procedural changes:
- the plea before venue procedure was introduced with effect from October 1997, diverting guilty pleas in either way cases from the Crown Court to magistrates' courts;
  - “live” committals were abolished in April 1997, removing the ability of the prosecution to test witnesses before committal.
124. The same factors contributed to an increase in the proportion of Crown Court cases resulting in non-jury acquittal or bind-over, from 11% of completed cases in 1997–98 to 14.9% in 1999–00. However, CPS records suggest that non-jury acquittals and bind-overs attributable to failings in the CPS review process amounted to only 0.7% of finalised cases. Judge-directed acquittals fell from 21.2% of all acquittals in 1998–99 to 20.5% in 1999–00, compared with a figure of 26.3% during the year ending March 1992.
125. Discontinuance remained almost unchanged at 12.2% of cases completed in magistrates' courts, compared with 11.9% during the previous year.
126. The number of cases referred to and completed by the CPS was almost unchanged. Magistrates' courts receipts fell by 0.4% to 1,420,833, while finalisations rose by 0.8% to 1,434,194. Crown Court receipts totalled 126,013, almost identical with the figure recorded during the previous year, while finalisations fell by 0.3% to 124,348.

### **Weight of casework and agent sessions**

127. There was again a slight shift in the weight of the casework handled by the Service in magistrates' courts, with cases at the heavier end of the spectrum increasing:
- summary cases totalled 787,461, an increase of 0.4% compared with the previous year; while
  - indictable and either way cases totalled 580,019, an increase of 1.8%.

128. Although the number of cases dealt with in the Crown Court fell slightly, there was an increase in the number of indictable only proceedings, representing the most serious offences:

- either way proceedings fell by 6.4% to 58,669; while
- indictable only proceedings rose by 4.6% to 28,162.
- agent usage rose from 13.4% in 1998-99 to 18.1% in 1999-00.

#### **Advocates' fees**

129. Expenditure on advocates fees was again contained within the departments revised provision. The number of finalised cases in the Crown Court fell by 0.3% from 124,781 in 1998/99 to 124,348 in 1999–2000. Over the same period expenditure dropped by 2.3% from £81.3 million to £79.4 million. Thus the average unit cost for employing an external advocate rose from £652 to £660. Case Management Plans continue to be applied to assist in the management and valuation of high cost cases, particularly those involving leading and junior counsel.

130. The Attorney General and the Lord Chancellor have agreed to remove the disparity in fees paid to advocates in defence and prosecution work. From December 2000, after consultation with the Bar, there will be new graduated fee rates; and in April 2001 there will be a unified Fee Scheme covering cases up to 25 days in length. The Legal Services Commission and CPS have also agreed, after consultation with the Bar, to adopt a unified approach to the assessment of fees in very high cost cases.

#### **Area Management Plans**

131. Each of the 42 Areas produced an Area Management Plan for 2000-01 including targets for the year ahead, modified to take account of the additional funds allocated during the Performance Improvement Programme; details of the local strategies and procedures needed to achieve departmental objectives; caseload forecasts; and budgetary plans. Area plans were agreed centrally, and performance against targets will be monitored throughout the year.

132. Our anticipated caseload throughout the year is as follows:

**Table 6: Crown Prosecution Service output**

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
	outturn	outturn	outturn	outturn	plans	plans	plans
Magistrates' courts defendants finalised (000s)	1,418	1,423	1,434	1,400	1,400	1,400	1,400
Crown Court defendants finalised (000s)	128	125	124	124	125	125	125

**Table 7: Unit Costs**

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
	outturn	outturn	outturn	outturn	plans	plans	plans
Magistrates' courts*	119.05	114.17	115.54	130.80	142.21	148.35	151.73
Crown Court*	879.25	866.51	890.78	984.48	1,061.80	1,107.66	1,132.93

\* In real terms using the GDP deflator based at 1999-00 prices

### **Analysis of activity costs**

133. The Service continues to use activity based costs analyses to inform Areas budget allocations. Work also continues to enhance the Activity Based Costing (ABC) tool. For example, a Steering Group has been set up, and separate timings have been developed for London.

### **Procurement**

#### **Estate management**

134. In 1999-00 the annual cost per head in terms of accommodation fell to £5,460. A reduction of 8.49% compared to the preceding year. Vacant space now represents 2.5% of the total space on the estate.
135. The moves to implement the recommendations of Glidewell with regard to co-location with the police, Criminal Justice Units and Trial Units, continues to involve innovative solutions and requires a flexible approach. Until the short term requirements for change are concluded it is difficult to form a long term strategy for the estate.

#### **Facilities management**

136. The CPS has continued to ensure that value for money and best practice is obtained from its contracts. In order to increase purchasing power and simplify contract management CPS Headquarters and CPS London have joined resources in respect of a number of facilities contracts.

#### **Environmental issues**

137. The move towards greater use of IT and implementation of other Glidewell recommendations will have environmental benefits. By greater use of IT across the criminal justice system it should become possible to transfer files electronically thereby reducing use of paper. Similarly by movement towards co-location with the police it will be possible to implement a single file system, again reducing use of paper and electricity.
138. During the year the CPS has established an Environmental Management Committee in its South West Region. This committee will take forward the development of an environmental management system, which will be used to roll out across appropriate buildings on the estate.
139. It is also proposed to employ specialist environmental consultants to conduct a survey of the departments' main sites and report on appropriate actions to reduce energy use and manage the buildings in a more environmentally friendly manner.

140. The first of a proposed series of articles on green issues has appeared in CPS News.
141. The Green Minister for the CPS is the Solicitor General. The Green Minister has responsibility for:
- promoting the integration of sustainable development within the CPS;
  - encouraging the use of environmental appraisals as part of policy making; and
  - continuing to improve the environmental performance of the CPS in managing its buildings and facilities ('greening operations').
142. The "green" contact for the CPS is Andy Walker, telephone 020 7796 8007

## Personnel

### Investors in people (IiP)

143. To date 36 Areas and 3 HQ Directorates have achieved IiP accreditation. 3 HQ Directorates and 6 Areas are currently working towards achieving accreditation by the end of December 2000. Once all the CPS Areas and HQ Directorates have achieved the IiP standards the CPS aims to achieve corporate recognition. As an evolving standard, corporate recognition will be against new variables, which include further exploration of diversity issues and more development of individual skills and knowledge.

**Table 8: Senior Civil Service (SCS) pay including Chief Crown Prosecutors (CCPs) and CPS London Assistant Chief Crown Prosecutors (ACCPs)**

Salary range	No. of Staff		TOTAL
	SCS	CCP/ACCP	
Below £40,000			
£40,000 - £44,999			
£45,000 - £49,999		1	1
£50,000 - £54,999	7	13	20
£55,000 - £59,999	3	16	19
£60,000 - £64,999	4	8	12
£65,000 - £69,999	2	3	5
£70,000 - £74,999	1	3	4
£75,000 - £79,999	2	1	3
£80,000 - £84,999	2		2
£85,000 - £89,999			
£90,000 - £94,999			
£95,000 - £99,999			
£100,000 - £104,999	1		1
£105,000 - £109,999			
£110,000 - £114,999			
£115,000 - £119,999			
£120,000 - £124,999			
£125,000 - £129,999	1		1

**Recruitment and equal opportunities**

144. Recruitment to the CPS is carried out through systems based on fair and open competition and selection on merit, in accordance with the Civil Service Commissioners' Recruitment Code, unless one of the permitted exceptions to fair and open competition applies. All recruitment activity is subject to audit, both internally and by the Commissioners' Recruitment Auditors.
145. During the last 12 months, the CPS made the following number of appointments on either a fixed term or permanent basis:

**Table 9: Recruitment**

Level	Total	Female	Ethnic Minority	Appointees who meet the definition of disability under the DDA 1995
Pay Band A1	155	128	11	3
Pay Band A2	131	93	24	1
Pay Band B1	7	4	2	
Pay Band B2	4	3		
Pay Band B3	2			
Pay Band C1	36	20	5	
Pay Band C2	19	8		
Level D	6	2		
Level E	9	3	2	
SCS	2	1		

146. In addition, the following permitted exceptions to fair and open competition have been made: Eight former civil servants have been re-instated and sixteen temporary appointments have been extended beyond 12 months. Of the latter, three administrative appointments were extended pending the outcome of fair and open recruitment campaigns, eight were extended due to the closure of Service Centres and the resulting staffing implications, and five were extended for operational reasons.

**Information Systems Strategy**

147. The Information Systems Strategic Plan (ISSP) was implemented during 1999, and is overseen by a Business and Information Systems Strategy Group (BISSG). The ISSP identified a target applications architecture for the CPS of which the major components are the provision of personal computers with access to required applications (Connect 42), access to a case management system (Compass), and secure access to other CJS strategic systems (GSI and Interface developments). The Strategic Plan is to be revised and updated in the early part of 2001 and will incorporate elements of the e-business strategy as required under the Modernising Government White Paper

### **CPS's Annual Report**

148. The Director's Annual Report for 1999-2000 was published on 18 July 2000. The report set out the progress which had been made in making a success of the new ways of working which the CPS adopted following on from the re-organisation of the Service in April 1999. The Director reported on the part the CPS has played in criminal justice system developments and reported on the Service's performance in 1999-00.

### **Further information**

Further information on the work of the Crown Prosecution Service may be obtained from:

#### **Crown Prosecution Service**

**50 Ludgate Hill**

**London EC4M 7EX**

**Tel: 0207 796 8000**

**Web: <http://www.cps.gov.uk>**

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**2**

# The Serious Fraud Office



## Serious Fraud Office

1. The Serious Fraud Office (SFO) was established by the Criminal Justice Act 1987, following the 1986 Fraud Trials Committee Report (the Roskill Report). Under that Act its role is to investigate and prosecute cases of serious or complex fraud in England, Wales and Northern Ireland and thus contribute to deterring such fraud. It is headed by the Director, Mrs Rosalind Wright CB, who acts under the superintendence of the Attorney General.
2. The SFO introduced a multi-disciplinary approach to the investigation and prosecution of serious and complex fraud. Each case is allocated to a team that includes lawyers, accountants and specialist financial investigators, information technology and other specialists, law clerks and police officers, of whom there are a substantial number working on SFO cases at any one time. The SFO makes extensive use of private sector expertise as necessary, for example employing private sector accountants to assist in investigations and using counsel to prosecute.
3. Since the SFO became operational in 1988 to 31 December 2000, 219 trials have taken place resulting in at least 1 person at a trial being convicted on 176 occasions (80%). In terms of defendants these trials involved 485 defendants of whom 337 were convicted (69%). For the current year 1 April 2000 to 14 December 2000 the comparative figures are 20 trials (41 defendants) completed where 19 trials (35 defendants) have resulted in at least 1 person receiving a conviction (95% trial, 85% defendants).

## Delivering better public services: progress

4. The SFO is part of the Criminal Justice System (CJS) in the United Kingdom, and is affected by changes and developments in that system. To achieve its aim and objectives it must take into account and be part of developments in the wider world of law enforcement and financial regulation as well as acknowledging the financial parameters within which it must operate.
5. In setting out its spending plans for 1999-2000 in the 1998 Comprehensive Spending Review (CSR), the Government set new priorities for public spending and resources in key areas such as the CJS. The Government also committed to linking this extra investment to modernisation and reform to raise standards and improve the quality of public services. The White Paper, "Public Services for the Future: Modernisation, Reform, Accountability" (Cm 4181), December 1998 and its supplement published in March 1999 (Cm 4315) delivered this commitment by publishing for the first time Public Service Agreements (PSAs), with measurable targets, for the whole range of the Government's objectives. A report on the SFO's key targets and performance against them so far was included in the SFO's March 2000 Departmental Report (Cm 4607) and a current progress report is at paragraph 14.
6. As the Government recognised at the time of the 1998 CSR, setting targets for central government was a process that would need to be refined over time. In the 2000 Spending Review (SR2000), which set new plans for public spending for 2001-02 to 2003-04, the Government has further developed PSAs in order to prioritise the most important goals and reforms it wants to deliver. Targets for smaller departments such as the SFO are now included in more detailed Service Delivery Agreements (SDAs). The new targets for the SFO are set out below in paragraph 9; performance against them will be fully reported in

the Spring 2002 and subsequent Reports. As part of the CJS, the SFO is also involved in some aspects of CJS joint planning and the PSA for the CJS.

7. The White Paper, “Modernising Government”, published in March 1999 sets out the Government’s vision for reform and modernisation of the delivery of public services. Because of the nature of the SFO’s business, the major impact has been in relation to the civil service reform agenda.

## Spending Review 2000 SDA targets

8. The SFO seeks to deter fraud. It is therefore important that its public credibility is maintained and the basis on which it has to work is well understood. The small size of the caseload means that the picture in any one year may be distorted by the results of one or two cases. Even though the prosecution was properly brought and the case well handled convictions may not be obtained. In these circumstances changes in the pattern of case results and trends over time will provide better information about the performance of the SFO. The PSA and SDA targets follow this approach.
9. The structure of the new SDA targets remains the same as in the 1998 PSA. However the performance required is significantly higher. The new key targets to be achieved by 2003-04 are:
  - an average caseload of 110 active cases (including appeals) within allocated resources. This compares with the figure of 85 which formed the basis of the SFO’s SR2000 submission and which underlies the resources allocated and presumes that the SFO will be able to accept increasing numbers of suitable cases;
  - a long-run average investigation time of 16.5 months;
  - a long-run average prosecution stage length of 14.5 months. This takes account of the likely impact of the new disclosure regime and human rights challenges.

Achieving the caseload target will require a minimum average efficiency improvement of 5.9% a year from 2001-02 to 2003-04.
10. Many of the factors that affect the length of cases are outside the SFO’s control. This is particularly so where a case involves overseas enquiries (which the majority of cases now do) or extradition, or after a case has been transferred or committed to the Crown Court. In spite of these difficulties, the SFO is committed to reduce the length of investigation and prosecution phases by improving timeliness in those areas that it can control.

## Aim and objectives

11. The **aim** of the SFO is to contribute to
  - reducing fraud and the cost of fraud;
  - the delivery of justice and the rule of law;
  - maintaining confidence in the UK’s business and financial institutions.

12. The **objectives** of the SFO are to take on appropriate cases and
- investigate them and bring them to a successful conclusion as quickly as individual circumstances allow;
  - when a decision to prosecute is made, prosecute fairly and in a way that enables the jury to understand the issues.
13. In carrying out its aim and objectives, the SFO will
- work efficiently and effectively;
  - co-operate with other agencies and overseas jurisdictions;
  - ensure that its activities and the way they are reported contribute to deterring fraud.

## Departmental Operations and CSR PSA targets

14. The SFO has set the following performance targets to be achieved by 31 March 2002
- To increase caseload, including appeals, from 73 cases per year in 1998-99 to 77 cases per year within resources provided. Significant progress has already been made to meet this target and the position at 31 December is 71 active cases (see Table 1) plus 5 appeals, giving a total of 76 cases. Although this figure is just below the 2002 target figure, and it is less than the figure of 83 reported in the 2000 Departmental Report, it still reflects that the SFO is well on track to achieve the target by March 2002. As the table shows, a major factor in caseload variation from year to year is the number of trials in any one year;
  - To reduce average time from accepting a case and completing investigations to 17.5 months and to reduce the average length of the prosecution stage between transfer/committal and verdict to 16 months. Significant progress has already been made to meet these targets and the present position is 17 months for the investigation stage and 15 months for the prosecution stage as a long run average of all present and historic cases. Analysis of short term case lengths shows that a number of individual cases are exceeding target times, due to events outside the control of the SFO and are likely to have an adverse affect on these current positions. The SFO is seeking to address these issues, in particular, those surrounding police resourcing for fraud cases.

**Table 1: Caseload at year end**

Number of Active Cases (including appeals)	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01 at 31 Dec
Investigation	29	38	53	66	55	49	53	49
Prosecutions	20	14	18	19	28	21	28	22
Active Cases	49	52	71	85	83	70	81	71
Appeals	2	3	7	3	2	4	4	5
<b>Total Cases</b>	<b>51</b>	<b>55</b>	<b>78</b>	<b>88</b>	<b>85</b>	<b>74</b>	<b>85</b>	<b>76</b>
Number of trials during year	26	12	11	8	14	21	8	20

15. Additionally the following baseline measures are being refined and will be reported on:
- The proportion of cases reaching prosecution phase following investigation where an offence has been committed. An unusually low figure could raise questions about the effectiveness of vetting. The current long-run proportion is about 90%;
  - The long run rate showing defendants successfully prosecuted. This provides a quality check over time. The current long-run rate is 69%; the figure so far for 2000-01 is 85%. Although there is no 'right' long-run rate, a reasonable expectation based on past performance is in the 60-75% range;
16. The SFO is looking at maintaining efficiency and service delivery by considering setting targets over the whole remaining period of the CSR PSA and the future period of the SR2000 SDA. These are linked to the initiatives discussed in paragraph 17 below. Current plans include:
- The long run average costs of investigating and prosecuting cases to seek improved use of resources and decision making;
  - Reduce the proportion of indirect to total costs to demonstrate efficiency and effectiveness in the use of internal (administrative) resources;
  - Improve internal systems to meet the whole of government target (100%) for increasing the proportion of undisputed supplier invoices paid in accordance with terms or in their absence, 30 days, from 94.5% (1999-2000).

## Modernising Government

17. To meet the modernising government agenda, the SFO has in the past year
- improved management training at all levels; introduced a new appraisal system; started a review of pay and grading (see paragraphs 53-63 below for further information).
  - improved its business planning; started work on a linked series of projects to improve investigations and promulgate best practice; is putting together a programme for testing the EFQM Excellence Model to identify priority areas for improvement; has reviewed ways of improving value for money in support services and implemented changes
  - connected to the Government Secure Intranet (GSI); and has started to transfer to the Crown Court and disclose to the defence on CD-ROM rather than paper.

## Management and operation of the SFO

18. In exercising her statutory responsibilities under the Criminal Justice Act 1987, the Director is supported by the Management Board. This currently comprises the Director, four Assistant Directors in charge of operating divisions, the Assistant Director in charge of the Policy Division, the Principal Establishment and Finance Officer, the Head of Financial Investigations and the Head of Accountancy. Twice a year Association of Chief Police Officers (ACPO) representatives attend the Board meetings. The SFO is currently seeking to recruit non-executive directors as members of the Board.
19. The role of the Management Board is to provide leadership and corporate direction to the work and staff of the SFO. To this end it has:
- reduced the frequency of meetings to monthly, so that meetings concentrate on strategic rather than routine issues.

- achieved a better balance between consideration of operational and support issues.
  - revised and improved arrangements for business planning, and for managing the programme to improve operational effectiveness and value for money (see paragraphs 44-46 below).
  - introduced and operated a risk management system to meet the requirements of the Turnbull Report on corporate governance.
20. Meetings of the Board are open to all staff, except when staffing matters are being discussed; and the minutes are available to all staff on their computers.
21. Each operating division is made up of lawyers, accountants and other specialist financial investigators, IT specialists and support staff. Inter-disciplinary teams, each headed by a case controller, are formed from within operating divisions to deal with cases allotted to them, and case budgets are delegated. Management information systems provide the Director with information on case budgets, expenditure, timetables and she meets with each division monthly to discuss the cases and their progress. Police officers are, wherever possible, accommodated alongside other team members. A Memorandum of Understanding (**MOU**) with ACPO sets out the agreed approach to SFO investigations, and who will be responsible for different aspects of the work. Each division has an alignment with police forces in a geographical area although all take cases from the Metropolitan and City police forces.
22. The statutory criteria for accepting cases are interpreted in the light of published criteria agreed by the Law Officers. The key criterion for deciding whether the SFO should accept a case is that the suspected fraud is such that the direction of the investigation should be in the hands of those responsible for the prosecution.
23. In determining whether this is met, factors taken into account include:
- cases where the monies at risk or lost are at least £1 million. (This is simply an objective and recognisable signpost of seriousness and likely public concern, rather than the main indicator of suitability);
  - cases likely to give rise to national publicity and widespread public concern. These include frauds on government departments, public bodies, the governments of other countries and commercial cases of public interest;
  - cases requiring highly specialised knowledge of, for example, stock exchange practices or regulated markets;
  - cases in which there is a significant international dimension;
  - cases where legal, accountancy, and investigative skills need to be brought together; and
  - cases which appear to be complex, and in which the use of Section 2 powers may be appropriate.

None of those factors, taken individually, should necessarily be regarded as conclusive.

## **Working with other bodies**

24. There is an increasing tendency for fraudsters to take advantage of the differences in law and procedure in foreign jurisdictions. The SFO therefore pays great attention to its relationships with authorities overseas and gives priority to establishing good working

relationships with other judicial and police authorities. During the year the SFO has continued to promote informal and formal judicial co-operation in international Mutual Legal Assistance (MLA).

25. An SFO lawyer is one of the UK representatives on the European Judicial Network (Tampere Initiative) and the Office has been closely involved in negotiations for setting up the Eurojust Provisional Unit. The Director has given presentations to the Ecole National de la Magistrature in France, the Cambridge International Symposium on Economic Crime, the Russian Federal Securities Commission, the Institute of Directors in Monaco and the International Economic Crime Conference in Singapore. An exchange programme has been set up for staff of the SFO and Home Office Judicial Co-operation Unit and the Ministry of Justice Federal Office (Judicial Co-operation) in Berne, Switzerland. Other members of the Office have participated in seminars, conferences and working groups on international criminal issues.
26. The Office continues to make contributions to improving international understanding and practical co-operation in the fight against criminal fraud and organised financial crime and welcomes the improvements made to date within the EU and elsewhere in the world.
27. Under the current arrangements for MLA the SFO is able to use investigation powers under Section 2 of the Criminal Justice Act 1987 to carry out investigations for overseas authorities in cases of serious or complex fraud where a formal request is submitted to the Secretary of State at the Home Office (**UK Central Authority**), referred to the SFO and accepted as suitable. In the year to 31 December 2000 the SFO has received 33 such requests from the UK Central Authority to carry out such investigations and undertook 27, which fell within its powers. A further 16 supplementary requests have been received and undertaken in addition. Comparative figures from 1998-99 to 31 December 2000 are contained below in Table 2 below.

**Table 2: MLA activity**

	1998-99	1999-00	2000-01 (9 mths)
Requests referred from UKCA	22	35	33
Accepted	10	15	27
Awaiting acceptance	2*	7*	1*
Supplementary requests	25	10	16
Number of Countries	10	12	15

Note: \* awaiting undertakings or further information to allow SFO to exercise powers.

28. Close relationships with other Government departments and financial regulators involved in the investigation and prosecution of fraud are also important to the efficient working of the Office. The exchange of information and evidence is permitted under Section 3 of the Criminal Justice Act 1987. The SFO and Crown Prosecution Service (**CPS**) form a Joint Vetting Committee (**JVC**) to allocate cases that might be borderline for acceptance in the light of the criteria above. The JVC has a police representative nominated by ACPO and where appropriate officers from individual forces attend to discuss their cases. The JVC is also a forum for discussing matters of mutual interest.

29. Criteria for referral of cases of mutual interest have now been agreed between the Financial Services Authority (**FSA**), the SFO, police and CPS. A MOU provides a framework for dealing with cases where regulatory or administrative penalties rather than criminal prosecution appear more appropriate. The Financial Services and Markets Act 2000, which is expected to come into force later this year, includes a number of criminal offences specifically designed to deal with investment fraud as well as administrative penalties for market manipulation. The SFO and FSA will continue to work closely together to prevent, deter and punish financial frauds in these areas.

## 2000-01 Outturn

30. The provisional outturn for 2000-01 is £19.3 million, the same amount as in Estimates taking into account Supplementary Estimates.

## Expenditure plans: Summary Cash and Resource

31. Following the introduction of resource accounting and budgeting (RAB), there have been a number of changes to the core tables in this year's departmental report. RAB provides a more accurate measure of departmental expenditure by matching costs to time, and measuring the full cost of government activity, including non-cash expenditure such as depreciation, cost of capital charges and provisions. The aim of the tables is to provide a detailed analysis of departmental expenditure plans in resource terms, showing: resource consumption and capital investment; Voted and non-Voted expenditure; and expenditure in three-year Departmental Expenditure Limits (**DEL**) and Annually Managed Expenditure (**AME**).
32. Following the decision to introduce resource budgeting in two stages, the major non-cash items - depreciation, cost of capital charges and provisions - score in AME for the SR2000 years (2001-02 to 2003-04). Throughout the tables, non-cash expenditure in AME is distinguished from annually managed programme expenditure for the department. In Stage 2 resource budgeting which is scheduled for the 2002 Spending Review, these items will score in DEL.
33. Because RAB data is at present available only from 1998-99, the scope of the resource tables is restricted to 1998-99 to 2003-04, the last year covered by SR2000. However, in the core tables, Table 11 sets out DEL in cash terms from 1995-96 to 2001-02, whilst Table 12 shows the cash to RAB reconciliation for DEL numbers from 1998-99 to 2000-01.

34. The Summary expenditure plans are shown in Tables 3 & 4 below.

**Table 3: Summary Cash plans:  
Departmental Expenditure Limit**

£ million

Voted in estimates		1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2000-01
		outturn	outturn	outturn	outturn	outturn	plan	estimated
Administration	Class V Vote 5 A	10	10	10	9	8	9	9
*I&P Running Costs	Class V Vote 5 B	1	1	1	2	3	3	3
*I&P	Class V Vote 5C	6	6	6	6	6	6	7
<b>Total</b>		<b>17</b>	<b>17</b>	<b>16</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>19</b>

Note: Cash plans include an accruing superannuation liability charge.

\* I&P = Investigation and Prosecution

**Table 4: Summary Resource plans:  
Departmental Expenditure Limit**

£ million

Request for Resources		1998-99	1999-00	2000-01	2000-01	2001-02	2002-03	2003-04
		outturn	outturn	plans	estimated outturn	plans	plans	plans
Administration	Class V Vote 5 A	9	9	8	9	10	11	12
*I&P Running Costs	Class V Vote 5 B	2	2	3	3	5	5	5
* I&P	Class V Vote 5C	5	5	6	7	6	6	6
<b>Total</b>		<b>16</b>	<b>16</b>	<b>17</b>	<b>19</b>	<b>21</b>	<b>22</b>	<b>23</b>

\* I&P = Investigation and Prosecution

35. Expenditure on administration includes running costs and capital spending. Investigation and prosecution running costs covers direct case related running cost expenditure. Investigation and prosecution programme expenditure covers Counsel fees, witness expenses and other direct case investigation and prosecution costs that are demand led costs and not cash limited. No specific provision to cover very large cases has been made, since both the incidence and size of such cases is unpredictable.
36. The SFO operates a delegated budgeting system to encourage value for money, and budgeting rounds are held two or three times a year. Case budgets are delegated to case controllers and are reviewed as necessary in the light of changes in case plans and the SFO undertakes monthly reviews of expenditure throughout the financial year to ensure that expenditure stays within provision.
37. Additional public expenditure provision was made in both the CSR and the SR2000 for future years reflecting the Government's commitment to improve the CJS and the importance it attaches to improving productivity in the economy through reducing fraud. The SFO continues to seek to meet increasing caseload demands through increases in efficiency and effectiveness. An important contribution over the next few years is expected from further improvements in the use of information systems and technology, and particularly from improved document management and searching (see paragraph 48 below).



## Appropriations in Aid (AinA)

38. Appropriations in Aid are either recovered VAT on contracted out services or allowable costs awarded to the SFO. Summary cash plans (Table 3) are net of any AinA and the only related receipts on Running Costs (Table 5) are recoverable VAT on contracted out services.

## Running costs and staffing

39. The SFO seeks to achieve a cost-effective balance between permanent and temporary staff and keeps its staffing plans (Table 6) under review so that staff numbers can be accommodated within running costs provision. The increased resources allocated in the SR2000 to increase caseload and timeliness will lead to a further increase in staff in 2001-02. During 1999-2000, the SFO had nine members of the Senior Civil Service, falling within the salary bands indicated in Table 7.

**Table 5: Running costs**

	£ million						
Voted in Estimates	1995-96 outturn	1996-97 outturn	1997-98 outturn	1998-99 outturn	1999-00 outturn	2000-01 plan	2000-01 estimated outturn
<b>Gross Running Cost</b>							
Civil Service Paybill <sup>(1)</sup>	5	5	5	5	5	5	6
Administration Investigation & Prosecution	6	5	5	6	6	7	7
Total	11	10	10	11	11	12	13
Related receipts				1	1	1	1
Net Expenditure	11	10	10	10	10	11	12

Notes: <sup>(1)</sup>This covers the pay costs, including employers' earnings related national insurance, of civil servants in running costs (as given in the table on departmental staffing).

**Table 6: Staffing**

Voted in Estimates	1995-96 outturn	1996-97 outturn	1997-98 outturn	1998-99 outturn	1999-00 outturn	2000-01 plan	2000-01 estimated outturn
Civil service full time equivalents	138	159	160	150	166	165	169
Overtime	2	2	2	2	2	2	1
Casuals	22	13	13	8	9	9	22
Total	162	174	175	160	177	176	192

**Table 7: Senior Civil Service Salaries**

£5000 Bands	Number of Staff
£50,000 - 55,0000	1
£55,000 - 59,999	1
£60,000 - 64,999	4
£65,000 - 69,999	2
£125,000 - 130,000	1

## Departmental investment strategy

40. The SFO does not have policy responsibility for any area of programme capital expenditure. The provision published in the CSR and SR2000 outcomes details the total available to the department for administrative capital and is cash limited. All current and capital expenditure supports core operational functionality and is planned, as far as possible, to take account of changing circumstances which may affect these operations, in advance of their occurrence. The SFO will continue to seek value for money on all procurement and contracts. Given the small size of the SFO, this is most effectively carried out through continuing partnerships with larger public sector organisations that have dedicated resources working in these areas.
41. The SFO is not asset rich. The headquarters and sole office is Elm House, in central London. This building is occupied on a full repairing lease and there is regular current maintenance expenditure to support the fabric of the property and make good the inherited maintenance backlog. Other property, relating directly to cases, is rented on a needs basis. Other capital expenditure is mainly incurred on office equipment and furniture and on IT. The SFO has sought to identify opportunities to increase the utilisation of its very limited assets. Plans for future investment are not likely to have a material effect on the level of current expenditure on future maintenance or capital charges under resource accounting and budgeting.
42. Expenditure planned for the CSR period included a phased plan to improve utilisation of space within Elm House, maintaining office equipment levels and maintaining the forensic IT capability to match the increasing demands for IT related investigative techniques. The reduction in the capital provision reflected the planned reduced need for IT capital as a result of the financing of the DOCMAN project. Changes in the way the project is being carried forward, implemented in September 2000, have led to increases in the need for IT capital for future years (see paragraph 48).

## Counsel fees and costs awarded against the SFO

43. Spending on counsel fees and costs awarded against the SFO is now given in Table 8 below.

**Table 8: Counsel Fees and Costs awarded against the SFO**

£000's

	Outturn 1995-96	Outturn 1996-97	Outturn 1997-98	Outturn 1998-99	Outturn 1999-00	Estimated Outturn 2000-01	Plan 2001-02
Counsel Fees	3,308	3,044	2,564	2,790	2,461	3,300	3,500
Costs awarded	5	30	1	192	0	0	0

## Value for money

44. The SFO has continued to build on its plans to achieve better value for money across its activities. Competitive arrangements for selecting and appointing counsel have continued. Contract procedures are being strengthened in order to gain improved value for money from competition.
45. The SFO has a major programme of linked projects in hand to improve the efficiency and effectiveness of the way investigations are handled. The projects fall into five areas: planning and monitoring; personnel; training; standards and quality; and tools and methods. Each project is being undertaken by small project teams drawn from volunteers across the Office, under the overall management of the Head of Accountancy, and with project management support. The aim of these projects is to contribute to caseload and timeliness targets, and to improve quality.
46. Having put this programme in place, the SFO has undertaken a wider review of additional projects needed to meet SFO targets, and wider objectives such as the government's civil service reform and modernising government agendas. These have now been meshed in with the improving investigations projects to form an overall programme of improvements. Many of these projects are designed to improve value for money, by looking at the way current systems and services - such as finance, payroll, personnel management and accommodation - are provided, and what are the options for change to meet future SFO needs. The SFO will continue to regularly and systematically review services and activities in line with the policy set out in the handbook, 'Better Quality Services'.

## Information technology

47. The SFO's Computer Forensics Unit maintains an IT technical infrastructure which increasingly contributes to the efficiency and effectiveness of the work of the Office. The operation and scope continues to be developed to match the growing trend in IT-based fraud and improve the capacity to recover and analyse computer-based material seized by the Office during its investigations. Such recovery and the subsequent processing of the material are increasingly important, and are most cost-effectively carried out in-house. The SFO will continue to review its capacity for such processing in the future.
48. During the year the SFO re-evaluated its plans (the DOCMAN project) to use IT-based document management tools to improve the quality and speed of investigations and prosecutions. It took account of the way IT was currently being used to support SFO cases, particularly in scanning and searching large amounts of documentary material; the

way document management facilities and tools had developed since the contract to develop DOCMAN services was let at the beginning of 1998; and the progress that had so far been made under that contract. Following lengthy discussions with IBM, it was mutually agreed to renegotiate the contract, and the amended contract was signed in September 2000. Under it IBM continue to provide IT services to the SFO; but the SFO has taken responsibility for the design and planning of DOCMAN facilities, and the ownership of IT equipment used. A feasibility study for a phased introduction of these facilities has been produced and approved by the Management Board, and the first phase is being implemented.

49. Upgrading of IT facilities to support general office functions continues. The SFO is now connected to the Government Secure Intranet; and the finance system is being further upgraded. Work to secure accreditation to the BS 7799 security standard is well advanced, with assessment planned for the first half of 2001.

## Payment performance

50. The SFO fully complies with the CBI prompt payment code and already adheres to the guidance contained in BS7890 'Achieving good payment performance in commercial transactions'. Current payment policy is to pay bills in accordance with agreed contractual conditions, or where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later. For all invoices paid, numbering 6497, an increase from 5529 in the previous year, from 1 April 1999 to 31 March 2000, over 94% were paid within this payment policy.

## Environmental issues

51. Along with the other Law Officers' Departments (LODs), the SFO is involved in a continuing review of environmental issues, reporting to the Solicitor General as Green Minister. A green transport plan has been put in place and the department has joined with other LODs in producing a shared green housekeeping policy.
52. Energy efficiency and the economical use of water remain important elements in the maintenance programme for Elm House. However, the correlation between overall consumption and caseload and staff number increases will mean that the SFO will need to further explore and promote green policies with increasing vigour. These policies continue to feature in the SFO's procurement decisions. The level of paper recycling remains high and increased use of scanning and electronic transfer is beginning to reduce the volume of paper consumed. Progress on the DOCMAN project will continue to accelerate this. Recycling of newspapers, fluorescent tubes and other items continues.

## Staffing

53. At 4 April 2000, the SFO had 170 permanent staff compared with 149 at April 1999. The number of temporary staff fell from 62 in the previous year to 33, of which 13 were in the provinces. These figures exclude consultants, counsel employed on individual cases and police officers working within the Office. The marked increase in permanent staff resulted from vacant posts being filled and some new posts being created.

54. Recruitment has been continuous throughout the year, and as table 9 shows, the number of applicants for each post available has been very large in relation to the number of appointments. The SFO needed to find a fair and objective way of managing this. A review of recruitment strategy resulted in the introduction of assessment testing as part of the process. The various tests are designed not to discriminate against applicants in any way and are utilised solely as a means of reducing numbers to a manageable level for interview. As a result, the quality of new recruits has risen over the year.
55. There have been a number of occasions where permitted exceptions to fair and open competition have been used. The speed and resource needs of SFO cases are unpredictable. An additional problem is the frequent need to provide a minimal presence for cases outside London where it would otherwise not be required. For these reasons the SFO initially offers only short-term contracts (typically 3 months) to a range of staff providing mainly administrative support for cases. This in turn means that contracts often need to be renewed. 18 people have been employed in this way over the year for total periods varying from 4 months to 12 months.
56. A Recruitment Guide has been distributed to all staff who are eligible to participate as assessors on recruitment boards. The Guide is provided in addition to their mandatory attendance on formal selection interviewing training courses.
57. The SFO is committed to treating all applicants fairly and reasonably irrespective of their ethnic or national origin, sex, marital status, sexual orientation, age, religion or disability. Table 9 provides details relating to all external recruitment conducted throughout the year. The results suggest that there are no obvious indications of bias in our procedures. This will be kept under regular review, and further work carried out as part of the civil service reform action plan.

**Table 9: Women, ethnic minority and disabled candidates appointed**

Band	Applications	Appointments	Women	Ethnic Minority	Disabled People
Band 6/7	306	5	3	0	0
Band 4/5	75	1	1	0	0
Band 3	490	10	5	1	0
Band 1/2	740	21	10	3	0

58. The SFO is similarly committed to treat all its employees fairly. Table 10 analyses staff by grade, and shows the number of women, ethnic minority and disabled staff in post at 4 April 2000. The imbalances at higher grades may represent imbalances in the recruitment pool, or procedures in the past may have contained unconscious bias. If the latter, current results suggest that it is no longer true; during the year ethnic minority staff (17% of the total) gained 46% of available promotions. The figures for disabled staff are believed to be too low, and the SFO are re-surveying all staff to ensure that future figures are accurate.

**Table 10: Permanent Women, Ethnic Minority and Disabled Staff**

Band	No. of posts	Women	Ethnic Minority	Disabled People
SCS	9	1	1	0
Band 6/7	34	12	0	0
Band 4/5	41	14	5	1
Band 3	43	21	14	0
Band 1/2	43	24	9	0
<b>Total</b>	<b>170</b>	<b>72</b>	<b>29</b>	<b>1</b>

## Human Resource Management

59. The SFO continues to offer training in equal opportunities by video to all staff. Staff participated in positive action training programmes for women designed to ensure that women fully contribute to the organisation's role at management level. The SFO is a member of Opportunity 2000, and subscribed to Familylife Solutions (which provides information on childcare and eldercare to working people). The Office also offered assistance to staff who incurred additional childcare costs when on training courses or detached duty.
60. This year has seen significant progress toward the application of an integrated Human Resource Strategy. The SFO was accredited as an Investor in People in November 1999. This achievement took a great deal of commitment and effort by the whole organisation. It has produced real benefits, and given a solid foundation on which to build in all aspects of people development. This includes:
- A clear framework of priorities for training and development, linked to business needs, and focusing of effort to meet those priorities
  - Effective use of in-house expertise to deliver specialist training
  - Effective induction training
  - Better performance management skills
  - Improved communication of the SFO's goals and targets
61. Work has started on the strategy for future re-assessment to maintain the standard and identifying key areas that would most benefit from further work. One is how the overall costs and benefits of training and development are assessed. The process will involve reviewing how training and development data is collected in relation to the objectives set in the Business Plan.
62. Another area is the appraisal system. This had changed little in recent years; its format was outdated, and the direct link to performance pay had raised concerns about its objectivity and consistency. The new approach to appraisal and performance pay is designed to create a more open and honest assessment of people's performance and development needs; and provide a more systematic means of making performance pay awards.

63. Work has started on further improvements to performance management to contribute to the delivery of SFO objectives, and mesh with the wider government objectives of civil service reform. This will include a major review of the present pay and grading arrangements.

## **Sickness absences**

64. The SFO has reviewed its management of sickness absence and set targets for reduction. As part of its strategy to achieve reductions, it has offered health-screening checks to staff. A managing attendance policy was introduced in February 2000, and the figures for the first six months show an average sick absence of two days per person. This figure excludes those employees on long-term sick leave, since incorporation of these figures would not provide a true reflection of absence within such a small department. Regular monitoring of absence levels is reported back to divisions, and referrals to BMI Health Services are considered where appropriate.
65. There have been recent isolated occasions where retirement on the grounds of ill-health was deemed appropriate. In such cases, it is the SFO's policy to ensure that matters are dealt with expeditiously in the interest of the employee and the Office. The SFO is currently within the target set for small departments for ill-health retirements.

## **Further information**

Further information on the work of the SFO may be obtained from:

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Elm House

10-16 Elm Street

London WC1X 0BJ

Telephone number: 020 7239 7272

Fax number: 020 7837 1689

Website: <http://www.sfo.gov.uk>

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**3**

# Treasury Solicitor's Department



## Introduction

1. The post of Treasury Solicitor was formally established in 1661. A permanent staff was established in 1806, at which time funds were allocated to the Treasury Solicitor's Department through a separate Estimate. The Department's role was widened by the Treasury Solicitor Act 1876, which made the Treasury Solicitor a corporation sole. The Department was launched as an Executive Agency from 1 April 1996, retaining the name Treasury Solicitor's Department (TSD).
2. The Treasury Solicitor is also Head of the Government Legal Service, which is the organisational name for the legal teams of about 30 central Government Departments, Agencies and public bodies, who between them employ almost 1400 lawyers. The Treasury Solicitor is supported in this role by the Government Legal Service Secretariat, which was incorporated into the Agency on 1 April 1997.
3. Ministerial oversight of the Department rests with the Attorney General who is supported by the Legal Secretariat to the Law Officers (LSLO), described at paragraphs 7 & 8 below.
4. The costs of the Department are met by funds Voted by Parliament and income from charges to client departments which are Appropriated in Aid. The costs of LSLO also fall on this Estimate, as will the costs of the HM Crown Prosecution Service Inspectorate (CPSI) from 1 April 2001. Residual costs from the Government Property Lawyers Agency (GPL), which was closed in September 1999, also fall on this Estimate (paragraph 11).
5. In accordance with normal arrangements the Agency will be subject to a Quinquennial Review of its functions and operations in 2001.

## Scope of Activities

### Treasury Solicitor's Department (TSD)

6. TSD is located, in the main, at Queen Anne's Chambers, 28 Broadway, London SW1H 9JS, although some of its staff are co-located in the Departments to which they provide legal advice. The work of TSD is briefly described below but is set out more fully in TSD's Annual Report, copies of which are available from the contact given in the 'Further Information' section of this Report, or by logging on to the TSD web site at [www.open.gov.uk/tsd/tsdhome.htm](http://www.open.gov.uk/tsd/tsdhome.htm):
  - **Litigation Division** provides a civil litigation service to most Government departments and many other publicly-funded bodies. Among the major areas covered by the Division are commercial and property litigation (including debt recovery); personal injury and clinical negligence; planning and environmental work; employment law; and charity matters. The Division also handles litigation which is unique to Government and which will often raise questions of constitutional importance, for example in the increasingly important area of human rights. The Division also has a strong involvement in public inquiries, of which recent examples are BSE, Bloody Sunday, Bristol Royal Infirmary, Southall Rail Crash, Thames Safety and Ladbroke Grove Rail Crash.

The Division is one of the largest civil litigation departments in the country; its cases are more often reported in the Times law reports than any other law firm. The Division recovers its costs from client Departments through charges for its time. It competes against private sector legal teams for some of its work.

- **Advisory Divisions** provide legal advice to Ministers and officials of HM Treasury, Cabinet Office, Ministry of Defence and the Departments for Culture, Media and Sport, Education and Employment, International Development and a number of smaller departments. This advice covers all aspects of the client department's work, including drafting instructions for Parliamentary Counsel; preparing statutory instruments; assisting the passage of legislation through Parliament; and constitutional reform, including devolution to Scotland and Wales and issues arising from the incorporation into UK law of the European Convention on Human Rights. The Head of each Division is responsible for ensuring that clients' requirements are met and legal work is of the appropriate quality. The costs of advisory work are recovered from client departments.
- **European Division** provides and co-ordinates legal services in support of the Government's policies in relation to the European Union. It advises the European Secretariat of the Cabinet Office, conducts all litigation on behalf of the UK in the European Court of Justice, and through co-ordination seeks to ensure a consistent approach to questions of Community law among Departments. The Division also provides training for the Government Legal Service in Community law and practice. The work of European Division is funded from the Treasury Solicitor Estimate.
- **Bona Vacantia Division** is responsible for administering the estates of persons who die intestate and without known kin and the assets of dissolved companies and failed trusts in England and Wales (except for the Duchies of Lancaster and Cornwall). The collection of bona vacantia in Northern Ireland is dealt with by the Crown Solicitor under the direction of the TSD. The Division transferred the sum of £12 million to the Exchequer in respect of work carried out in the financial year 1999/2000. The costs of BV are met from the Crown's Nominee Account.
- **Government Legal Service Secretariat** advises and supports the Treasury Solicitor in her role of Head of the Government Legal Service (GLS). It services the GLS' management committee, the GLS Liaison Group, and its various cross-Departmental Sub-Groups; and works with Departments to ensure that lawyers of the right quality and experience are recruited and retained; and that their careers are properly developed through the application of good management practice. It advises the Head of the GLS and the Liaison Group on matters relating to the development and future management of the Service; and on questions of policy and practice which affect more than one Department. It also liaises with the Law Society and the Bar Council on matters affecting the profession. The costs of the Secretariat are funded largely from the Estimate, although some services, recruitment and training for example, are charged out to Departments.
- **Resources and Services Division (RSD)** provides administration services, including finance, library, personnel and training, information systems, office services and records management, in support of the Agency's legal work. RSD also provides certain support services to LSLO and CPSI, and has taken over responsibility for residual GPL issues. The costs of RSD are taken into account in the Agency's charges to clients. RSD is currently using the European Framework for Quality Management (EFQM) to assess and improve the quality of the services it provides.

**Table X1: Treasury Solicitor's Department Agency's Resource Estimate**

	1998-99 Outturn	1999-00 Outturn	2000-01 Estimate	2001-02 Plans	2002-03 Plans
Staff Numbers	389	442	461	525	525
Gross Administration Costs (£000)	20,212	23,207	28,166	34,066	34,066

**Legal Secretariat to the Law Officers (LSLO)**

7. The objective of LSLO is to provide high grade legal advice and support to the Law Officers in their role as principal legal advisers to the Crown and Ministers; and in the discharge of their statutory responsibility for superintendence of the Directors of Public Prosecutions for England and Wales, and Northern Ireland and the Director of the Serious Fraud Office. Superintendence involves consideration of issues relating to prosecution policy and practice as well as to individual cases of substantial public interest.
8. The Law Officers also have responsibilities for bringing certain types of legal proceedings in their own name in the public interest and for the granting of consent to prosecutions for offences. LSLO also ensures appropriate co-ordination across the Law Officers' Departments and contributes towards developing, with those Departments, the cross cutting policies for the Criminal Justice System.

**Table X2: Legal Secretariat to the Law Officers' Resource Estimate**

	1998-99 Outturn	1999-00 Outturn	2000-01 Estimate	2001-02 Plans	2002-03 Plans
Staff Numbers	29	27	32	34	34
Gross Administration Costs (£000)	2188	2082	2319	2205	2205

**HM Crown Prosecution Service Inspectorate (HMCPSI)**

9. HMCPSI was established as an independent Statutory body by the Crown Prosecution Service Inspectorate Act 2000, which came into effect on 1 October 2000. The Chief Inspector is appointed by and reports to the Attorney General.
10. The role of HMCPSI is to promote the efficiency and effectiveness of the Crown Prosecution Service (CPS) through a process of inspection and evaluation; the provision of advice; and the identification and promotion of good practice. It achieves this primarily through an Area inspection programme operating a two year cycle during which it visits and publishes reports on each of the 42 CPS Areas and the Casework and Policy Directorates at CPS Headquarters. It also maintains a programme (approximately five or six each year) of thematic reviews and each year also conducts a number of inspections jointly with other criminal justice inspectorates.

**Table X3: HM Crown Prosecution Service inspectorate's Resource Estimate**

	1998-99 Outturn	1999-00 Outturn	2000-01 Estimate	2001-02 Plans	2002-03 Plans
Staff Numbers	-	-	-	37	37
Gross Administration Costs (£000)	-	-	-	3060	3060

**Government Property Lawyers (GPL)**

11. Following a thorough review of the Government Property Lawyers, the Government concluded that there was no longer a requirement to maintain a central conveyancing function in the public sector. As a result, the GPL Agency was closed in September 1999. There are, however, residual costs which continue to fall on the TSD Estimate.

**Table X4: Government Property Lawyers' Resource Estimate**

	1998-99 Outturn	1999-00 Outturn	2000-01 Estimate	2001-02 Plans	2002-03 Plans
Staff Numbers	98	9	-	-	-
Gross Administration Costs (£000)	4511	860	800	800	800

**Plans and Administration Costs**

12. In 2000-01, the total resource provision for administration costs for the HM Procurator General and Treasury Solicitor administration Estimate were originally set at £26m but has been increased by £5m due to increased demand for services and increased capital charge as a result of a revaluation of the Department's premises. The total amount funds work in TSD (£28m), GPL (£0.8m), and LSLO (£2.2m). Around 80% of these costs will be recovered from charges to clients departments and Appropriated in Aid, leaving net Voted resource provision for administration at £8m.
13. The Department also receives Voted funds to meet legal costs arising from its activities. These are known as Operational Costs and include payments to counsel, expert witnesses, solicitor agents and costs arising from court cases. Resource provision for 2000/01 was originally set at £28m, but was increased to by £7m due to increased legal activity. All but £3m of these costs will be recovered from client departments as case disbursements. The balance relates mainly to work carried out by the Attorney General in his public interest role.
14. The Department's resource plans, administration costs and staffing levels are set out in the following table:

**Table X5: Treasury Solicitor's Department Resource Estimate**

£000	1998-99 Outturn	1999-00 Outturn	2000-01 Estimate	2001-02 Plans	2002-03 Plans
DEL (Net of AinA)					
TSD Administration	538	1797	4969	3885	3885
LSLO Administration	2188	2082	2319	2205	2205
GPL Administration	1929	668	660	750	750
CPSI Administration	-	-	-	3060	3060
Operational Costs	2650	1192	3000	2767	2767
Capital (TSD & LSLO)	577	701	830	1500	1500
<b>TOTAL</b>	<b>7882</b>	<b>6440</b>	<b>11778</b>	<b>11413</b>	<b>11413</b>
AME					
Non-property capital charge and depreciation	1342	924	1817	1707	1707
Administration Costs					
Paybill	18993	17876	19663	25800	25800
Other	7918	8273	11622	14331	14331
<b>TOTAL</b>	<b>26911</b>	<b>26149</b>	<b>31285</b>	<b>40131</b>	<b>40131</b>
Related Administration Receipts	22229	21575	23310	30231	30231
Staff Numbers	516	478	493	596	596

15. Against a background of continuing demand for its services, the Treasury Solicitor's Department moved to net running costs control on 1 April 1999. This provides the Department with greater flexibility to respond to client demand quickly and efficiently. Receipts expected as Appropriations in Aid in 2000/01 and plans for 2001/02 and 2002/03 are shown in the following table:

**Table X6: Treasury Solicitor's Department Appropriations In Aid (Resource)**

£000	2000/01 Outturn	2001/02 Plans	2002/03 Plans
TSD Administration	23310	30231	30231
Operational Costs	32000	32233	32233
<b>TOTAL</b>	<b>53310</b>	<b>62464</b>	<b>62464</b>

## Delivering Better Public Services: Progress

16. In setting out its spending plans for 1999-2002 in the 1998 Comprehensive Spending Review (CSR), the Government set new priorities for public spending with significant extra resources in key services such as education and health. The Government also committed to linking this extra investment to modernisation and reform to raise standards and improve the quality of public services. The White Paper, "Public Services for the Future: Modernisation, Reform, Accountability" (Cm 4181), December 1998 and its supplement published in March 1999 (Cm 4315) delivered this commitment by publishing for the first time measurable targets (PSAs) for the full range of the Government's objectives.
17. A full and detailed report on all of these targets was published in the March 2000 Departmental Reports.
18. As the Government recognised at the time of the 1998 CSR, setting targets for central Government was a process that would need to be refined over time. In the 2000 Spending Review, which set new plans for public spending for 2001 to 2004, the Government has further developed PSAs in order to prioritise the most important goals and reforms it wants to deliver. These targets are set out in the White Paper, "Spending Review 2000: Public Service Agreements 2001-04" (Cm 4808), July 2000 and will be fully reported on in the Spring 2002 departmental reports. In addition Service Delivery Agreements (SDAs) were introduced for a range of Departments including TSD. TSD's SDA is available on its website.
19. The White Paper, "Modernising Government", published in March 1999 is a statement of the Government's vision for reform and modernisation of the delivery of public services. These principles provide a means of achieving the results of PSA and SDA targets.

### Departmental Objectives

20. Although it remains an independent Government Department, the Treasury Solicitor's Department has operated as an Executive Agency since 1 April 1996. The Agency's primary objective is :
 

To provide high quality and competitive litigation and advisory services which meet the needs of clients.
21. In addition it has a separate objective in respect of its bona vacantia work :
 

Through expeditious and high quality casework to collect and manage Bona Vacantia on behalf of the Crown.
22. Key Business Targets are set by the Attorney General and these feed through into the Public Service Agreement, which also includes targets common to all areas of Government. Progress against achievement of the policy objectives is monitored by a Ministerial Advisory Board.

**CSR PSA Targets**

23. The following table outlines the Agency's CSR PSA targets (and current performance in achieving them) :

**Table X7: CSR PSA Targets**

Measure	Target 2000/01	Forecast Outturn
<b>PSA Targets for the Objectives:</b>		
To achieve a reduction in average unit costs per chargeable hour in Litigation Division in real terms	2.5%	0%
To achieve a minimum annual average of chargeable hours per Litigation case holder	1,140 hrs	1,150 hrs
To achieve a level of client satisfaction for <u>advisory work</u> of 95-100%, set against a level of 90% in earlier years and to maintain that level thereafter	95-100%	95-100%
<b>PSA Targets For Departmental Operation:</b>		
To recover the full operational costs of chargeable services and to maintain that recovery level thereafter	100%	100%
To improve the level of income recovery from clients within 30 days of their receipt of a validated invoice from 75% in 1998/99 to 100% by 2001/02 and to maintain that level thereafter	90%	77%
To increase the proportion of undisputed supplier invoices paid in accordance with terms or 30 days from 95% to 100% by 2001/02 and to maintain that level thereafter	100%	85%
To reduce the proportion of indirect costs to total costs by 2001/02 and to maintain that level thereafter	17%	18.5%
<b>PSA Target for Productivity</b>		
To reduce sick days absence per staff year by 30% by 2003/04	8.3 days	7.1 days

**Modernising Government Action Plans**

24. The Department is actively progressing the Government's modernisation programme, some specific examples of which are:
- setting-up a Performance Measurement Working Group so that timely and full consideration is given to the effectiveness of existing performance measures;
  - bench marking its central administration services using the European Framework for Quality Management;
  - actively making and seeking more use of IT in the delivery of its services, in developing its Internet site, introducing an Intranet and progressing the implementation of computerised case management systems;

- obtaining IiP accreditation and by putting itself forward for successful re-assessment;
  - using funds allocated from the Modernisation Fund to continue its reviews of staff appraisal and pay and grading, implement 360 degree feedback arrangements for the Senior Civil Service and develop succession planning arrangements for the GLS as a whole;
  - continuing work already undertaken to ensure best value for money and good procurement practice, in the selection and use of legal and non-legal service providers and seeking to adopt the Government Procurement Card.
25. Further details of some of these initiatives, and others, are included under separate headings below.

## Management Systems

26. The aim of the Agency's management information systems is to provide managers with timely and accurate information to enable effective control and decision making and to aid the planning process. Mechanisms are being put in place linking published targets to Directorates and individuals' objectives. PSA and SDA targets need to feed through into the management of the Agency and link into resource accounts and budgets, thereby providing a quality assurance that reported data is accurate, verifiable, comparable and on time.
27. The Agency's IS Strategy has been revised and updated in 2000 and an ambitious programme of work has been identified for the next 3 years. The Strategy, which will be taken forward under a newly formed sub-committee of the Management Board, will underpin the Agency's wider aim of improving the quality of services provided to clients. The Strategy, when delivered, will support the Agency with modern, resilient IT systems and will aim to maximise the return on investment in IT.
28. During 2000-2001 the Agency continued to make good progress in implementing modern information systems:
- The Department joined the GSI and has provided e-mail access to all staff. Internet access from desktop PCs via GSI will be available to all staff who require it by March 2001.
  - The Agency implemented a new financial accounting system to replace an earlier outdated system and support resource accounting. It is anticipated that the major part of the system will be implemented by March 2001.
  - The Agency's Electronic Library project has provided a range of legal and other research material including on-line access to the library catalogue and to a range of legal CD-ROMs from desktop PCs.
  - An Intranet, TSOL (Treasury Solicitor's On-Line), is being developed for the Agency which will promote information and knowledge sharing among staff. Building on that a further Intranet, LION (Legal Information On-Line), is being designed which will provide a similar forum for legal staff across government and which will form the basis of a "community of interest" on the GSI. A new site is also being developed for Bona Vacantia Division (see paragraph 37).



## Departmental Investment Strategies

29. TSD requires capital funding for IT projects associated with improving efficiency and services, and continued investment in maintaining its accommodation and other office equipment and furniture. Capital investment in all these areas will be undertaken in accordance with TSD's Departmental Investment Strategy, which is linked directly to its prime objectives. Its main investment over the next three years will be in IT, with the emphasis on:-
- improved communication both internally and externally with clients, service providers, members of the legal profession and the public;
  - speedy access to information;
  - Statutory and clients' requirements for cases to be dealt with in shorter timescales; and
  - business systems which will meet requirements for future years and support improvements in financial management, performance measurement and meet clients' wishes for more detailed information on the costs of legal services being provided to them.
30. This strategy is supported by:-
- the identification of priorities and objectives at a senior management level;
  - a clear indication about distribution between internal business systems and those which relate directly to improvement in services;
  - the use of accepted methodologies for each stage of projects;
  - post implementation review to ensure objectives set for each project have been met; and
  - appropriate and relevant training.
31. Over the next three years it is expected that new assets, mainly related to IT, to the value of between £1.5m and £2.0m will be purchased. Disposals over the same period are likely to be de minimis in value.

## The Environment

32. The Department's activities (ie the provision of legal services) have only minimal effect on environmental policy formulation. However, alongside the other Law Officers' Departments, TSD promotes green housekeeping and reports to the Solicitor General as the responsible Green Minister.
33. New measures have been put in place to monitor the use of electricity, gas and water, with a view to setting targets for reduced consumption, where possible, in future. The Department continues to recycle paper, fluorescent tubes and fax, printer and copier toners; and ensures that, where possible, it procures environmentally friendly goods and services and takes account of environmental issues in undertaking building projects. A Green Transport Plan has also been put into operation to minimise any impact on the environment which the Department's travel requirements could have. The Department has recently revised and re-issued its Green Housekeeping Policy Statement to all staff.

34. The Department's Green contact is Dave Thomson, Queen Anne's Chambers, 28 Broadway, London SW1H 9JS, telephone 020 7210 3084.

## **Information Age Government**

35. The information Age Champion for the Treasury Solicitor's Department is John Burnett, PEFO, who keeps all Information Age initiatives under review, as appropriate.
36. The Treasury Solicitor's Department is, however, a small Department whose clients consist mainly of other government departments and public bodies, rather than the general public. For this reason we were considered de minimis for the purposes of the original 25% electronic services target.
37. The Department is, however, committed to reviewing operations in the light of the Information Age initiatives and in early 2001 will launch a new website for Bona Vacantia, which is the only Division within the Department which interfaces with the general public. It is intended that this will be an interactive website which will enable the public to have electronic access to guidelines and forms relating to the Division. A key feature of the site will be an on-line auction procedure to enable the sale of domain names which, along with other areas of Intellectual Property, have increasingly formed part of the assets the Division receives on behalf of the Crown.
38. The Department joined the GSI in 2000 and has made GSI e-mail available to all staff in Queen Anne's Chambers. By March 2001 it is intended that, following security awareness training, Internet access will be made available from the desktop, via GSI, to all staff who require it.

## **Investors in People**

39. Following our successful IiP assessment in 1999 the Agency put in place an Action Plan to respond to the development recommendations made by the assessor. We have been working on these over the last year to ensure that we maintain the positive changes which were already made, refine our planning processes, make training and development integral to the work of the Agency and further develop effective communication. Staff are more proactive in identifying clear training needs and in order to meet these needs the Agency increased its investment in training and development (eg the budget for 2000/01 was increased by about 50%).
40. One of the major developments during the year was the introduction of the new staff appraisal system which provided us with a good opportunity to ensure that clear standards and objectives were set for all staff, so that performance improvements could be established, that training was provided for everyone and that the effects of the training were properly evaluated. The results of the evaluation are being used to inform the second phase of training. The new system will be closely monitored and the outcome evaluated to ensure that it is meeting the performance and development needs of staff.
41. The Agency was very successfully reviewed against the IiP standard in December 2000. Working towards the Investors in People standard has acted as a catalyst for making changes to improve our management of the Agency. Our belief in and recognition of the value of our people, their performance and their contribution to the success of the Agency was recognised when we achieved the IiP Standard in September 1999.

42. We are conscious that this is only a beginning, we now need to capitalise on this success by building a solid future through a process of review and continuous development. We have shown, by the changes which we have made to both the systems and the culture of the organisation, that iIP is here to stay and that it will continue to provide a model for good practice in all aspects of people development in the Agency.

## Equal Opportunities

43. On 1 April 2000 there were 466 staff in post in the Treasury Solicitor's Department of whom 41 members of staff were recorded as non respondents or non participants in a disability survey and 32 were recorded as non respondents or non participants in a survey of ethnic origin.
44. Of staff in post at 1 April 2000, 47.4% were male and 52.6% were female. 5.4% had declared a disability and, of those who had declared their ethnic origin, 81.5% were white and 18.4% were from ethnic minorities.
45. There were 16 promotions in the year 1 April 1999 to 31 March 2000. Of those promoted 6.25% had declared a disability; 62.5% were male and 37.5% were female. Promotees who had declared their ethnic origins break down as 62.5% white and 25% from ethnic minorities, with the balance made up of non respondents or non participants.

## Paybill and Senior Civil Service

46. More than 80% of the total gross running costs for TSD, GPL and LSLO are pay related. The paybill figure given above includes salaries paid to members of the Senior Civil Service. On 1 April 2000, the number of people in the SCS who received salaries above £40,000 is as follows:-

**Table X8: Salaries received by SCS above £40,000**

Salary Band £k	No. of Staff
40 - 44,999	0
45 - 49,999	3
50 - 54,999	3
55 - 59,999	7
60 - 64,999	13
65 - 69,999	5
70 - 74,999	5
75 - 79,999	4
80 - 84,999	0
85 - 89,999	1
90 - 94,999	1
95 - 99,999	0
100 - 104,999	0
105 - 109,999	0
110 - 115,000	1
<b>TOTAL</b>	<b>43</b>

## Recruitment Information

47. There are systems in place in the Agency to ensure that all recruitment is carried out on the basis of fair and open competition and selection on merit in accordance with the recruitment code laid down by the Civil Service Commissioners. Such systems are subject to internal review and were last audited on behalf of the Commissioners in May 1999.
48. Between 1 December 1999 and 30 November 2000, 65 new members of staff were recruited to the Agency. Details are given in the following table:-

**Table X9: Recruitment to the Agency**

Grade	Number Appointed	Male	Female	of which: Ethnic Minority	of which: Disabled
Grade 7	12	5	7	2	0
Legal Officer	10	3	7	2	0
Legal Trainee	7	1	6	0	0
Administrative Officer	33	14	19	18	1
Support Grade Band 2	3	3	0	1	0
<b>TOTAL</b>	<b>65</b>	<b>26</b>	<b>39</b>	<b>23</b>	<b>1</b>

49. The permitted exceptions to fair and open competition and selection on merit have been used on 2 occasions in the same period:
- one casual employee had their appointment extended beyond 12 months as the work for which the casual had originally been appointed was not completed within the anticipated timescale.
  - one former civil servant was re-appointed at Grade 6 level.

## Further Information

50. Further information on the work of the Treasury Solicitor's Department and copies of the Annual Report may be obtained from -

**The Director of Resources and Services**  
**Treasury Solicitor's Department**  
**Queen Anne's Chambers**  
**28 Broadway**  
**London SW1H 9JS**  
**Telephone : 020 7210 3017**  
**[www.open.gov.uk/tsd/tsdhome.htm](http://www.open.gov.uk/tsd/tsdhome.htm)**





4

# Annex A Main Estimates

## Symbols

For convenience, the symbols used throughout the Estimates are reproduced below:-

### *Public Expenditure:*

- A section of an Estimate which contains discretionary expenditure
- Φ Income receipts which are classified as negative DEL or negative DEL in respect of income from capital receipts including assets sales and which are, exceptionally surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid.
- Δ Income receipts which are classified as negative AME or negative AME in respect of income from capital receipts including assets sales and which are, exceptionally surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid.
- Extra receipts which are classified as 'other spending outside DEL' and are surrendered direct to the Consolidated Fund as extra receipts.
- Ω Includes notional expenditure in respect of capital charges offset by matching negative expenditure in Column 2 of the Part II table of the Estimate.

### *Statutory authority for expenditure*

- Items where provision is sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act

### *Accounting and audit arrangements for grants in aid and certain subscriptions, etc, international organisations.*

- ♥ The accounts of this body are audited by the Comptroller and Auditor General and presented to Parliament
- ◆ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament. The books and accounts are also open to inspection by the Comptroller and Auditor General
- ♠ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament

## **The Crown Prosecution Service**

### **Introductory Note**

1. This Estimate covers the resource and cash requirement of the Crown Prosecution Service.
2. It covers the Administrative costs, capital costs and operational costs incurred by the Crown Prosecution Service in England and Wales.
3. Further details of the expenditure are contained in Annex B of this booklet.
4. Symbols are explained on the first page of Annex A.



**The Crown Prosecution Service**

<b>Part I</b>	<b>£</b>
<b>RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>	<b>374,664,000</b>
<b>Total Net Resource Requirement</b>	<b>374,664,000</b>
<b>Net cash requirement</b>	<b>380,763,000</b>

Amounts required in the year ending 31 March 2002 for expenditure by the Crown Prosecution Service on:

**RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions**

Administrative costs, including the hire of private prosecuting agents; Crown prosecutions; and in connection with the confiscation of the proceeds of crime; and associated non-cash items.

The **Crown Prosecution Service** will account for this Estimate

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1			
<b>Total net resource requirement</b>	<b>374,664,000</b>	<b>168,549,000</b>	<b>206,115,000</b>
Net Cash Requirement	380,763,000	171,669,000	209,094,000

**The Crown Prosecution Service**

<b>Part II</b>						<b>£000</b>			
<b>Resources</b>						<b>Capital</b>	<b>2001-02</b>	<b>2000-01</b>	<b>1999-00</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A	Net Total Resource	Net Total Resources
<b>RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>									
281,629	117,965	-	399,594	24,930	374,664	16,650	-	338,941	313,994
<b>SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)</b>									
<i>Central Government Spending</i>									
□ A Administrative costs									
270,020	-	-	270,020	930	269,090	16,650	-	247,838	232,162
B Crown prosecutions and legal services									
-	118,800	-	118,800	24,000	94,800	-	-	84,734	78,769
<b>SPENDING IN ANNUALLY MANAGED EXPENDITURE</b>									
<i>Non-cash Items</i>									
□ C Administrative costs									
11,609	-	-	11,609	-	11,609	-	-	7,165	3,435
D Crown prosecutions and legal services									
-	-835	-	-835	-	-835	-	-	-796	-372
<b>281,629</b>	<b>117,965</b>	<b>-</b>	<b>399,594</b>	<b>24,930</b>	<b>374,664</b>	<b>16,650</b>	<b>-</b>	<b>338,941</b>	<b>313,994</b>

**The Crown Prosecution Service**

<b>Resource to cash reconciliation</b>		<b>2001-02</b>
		<b>£000</b>
<b>Net Total Resources</b>		<b>374,664</b>
<b>Voted Capital Items</b>		
Capital	16,650	
Less Non-operating A-in-A	-	
		<b>16,650</b>
<b>Accruals to cash adjustment</b>		
Cost of Capital charges	-2,245	
Depreciation	-10,206	
Other non-cash items	-83	
Increase (+)/Decrease (-) in stock	-	
Increase (+)/Decrease (-) in debtors	-	
Increase (-)/Decrease (+) in creditors	-500	
Increase (-)/Decrease (+) in provision	2,483	
Excess cash to be CFERd	-	
		<b>-10,551</b>
<b>Net Cash Required</b>		<b>380,763</b>

**The Crown Prosecution Service****Part III****Extra Receipts Payable to the Consolidated Fund**

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):-

	2001-02		2000-01		1999-00	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	500	-	-	-	1,850	<i>2,402</i>
Non-operating income not classified as AinA	-	-	-	-	-	-
Other income not classified as AinA	-	-	-	-	-	-
	500	-	-	-	1,850	<i>2,402</i>

**The Crown Prosecution Service****Forecast Operating Cost Statement – Main Estimate**

	Provision 2001-02		Provision 2000-01		Outturn 1999-00	
	£000	£000	£000	£000	£000	£000
<b>Administrative Costs</b>						
Voted Expenditure						
Staff Costs	195,333		171,000		160,031	
Other Administrative Costs	86,296		84,933		76,496	
Gross Administrative Costs		281,629		255,933		236,527
Operating Income		-930		-930		-1,780
<b>Total Net Administrative Costs</b>		<b>280,699</b>		<b>255,003</b>		<b>234,747</b>
<b>Programme Costs</b>						
Voted Expenditure						
Expenditure		117,965		107,938		100,397
Income		-24,500		-24,000		-30,599
Net Programme Costs		93,465		83,938		69,798
Non-voted expenditure						
Expenditure						
Income						
Net Programme Costs		-		-		-
<b>Total Net Programme costs</b>		<b>93,465</b>		<b>83,938</b>		<b>69,798</b>
<b>NET OPERATING COST</b>		<b>374,164</b>		<b>338,941</b>		<b>304,545</b>
<b>NET RESOURCE OUTTURN</b>		<b>374,664</b>		<b>338,941</b>		<b>313,994</b>
<b>RESOURCE BUDGET OUTTURN</b>		<b>384,164</b>		<b>338,941</b>		<b>304,545</b>

### The Crown Prosecution Service

FORECAST CASH FLOW STATEMENT	2001-02 Provision £000	2000-01 Provision £000	1999-00 Outturn £000
<b>Net Cash outflow from operating activities</b>	-364,113	-333,380	-300,909
<b>Capital expenditure and financial investment</b>	-16,650	-15,656	-3,287
<b>Receipts due to the Consolidated Fund which are outside the scope of the departments operations</b>	-	-	-
<b>Payments of amounts due to the Consolidated Fund</b>	-	-	-
<b>Financing</b>	380,763	349,036	306,598
<b>Increase (+)/decrease (-) in cash in the period</b> [Inflows = +/Outflows = -]	0	0	0

#### Notes to the cash flow statement

##### Note i: Reconciliation of operating cost to operating cash flows

<b>Net Operating Cost</b>	374,164	338,941	304,545
Remove non cash transactions	-11,107	-6,699	-3,408
Adjust for movements in working capital other than cash	0	0	-552
Use of provisions	1,056	1,138	324

<b>Net cash outflow from operating activities</b>	<b>364,113</b>	<b>333,380</b>	<b>300,909</b>
[Net outflow = +]			

##### Note ii: Analysis of capital expenditure and financial investment

Tangible fixed asset additions	16,650	15,565	3,287
Intangible fixed asset additions			
Proceeds of disposal of fixed assets			
Loans to other bodies			
Adjust for movements in working capital on capital expenditure and financial investment			
Net cash outflow for capital expenditure and financial investment			
Purchase of fixed assets			
Proceeds from disposal of fixed assets			

<b>Net cash outflow from capital expenditure and financial investment</b>	<b>16,650</b>	<b>15,565</b>	<b>3,287</b>
[Net outflow = +]			

<b>FORECAST CASH FLOW STATEMENT (continued)</b>	<b>2001-02 Provision £000</b>	<b>2000-01 Provision £000</b>	<b>1999-00 Outturn £000</b>
<b>Note iii: Analysis of financing and reconciliation to the net cash requirement</b>			
From Consolidated Fund (Supply):			
current year expenditure	380,763	349,036	306,598
From Consolidated Fund (Supply):			
prior year expenditure	0	0	
From Consolidated Fund (Non-Supply):			
Net payments from National Insurance Fund	–	–	
Net payments from contingencies Fund	0	0	
Net loans from the National Loans Fund	0	0	
<b>Net Financing</b>	<b>380,763</b>	<b>349,036</b>	<b>306,598</b>
Increase (–)/decrease (+) in cash			
<b>Net cash flows other than financing (net outflow = +)</b>	<b>380,763</b>	<b>349,036</b>	<b>306,598</b>
Adjust for payments and receipts not related to Supply:			
Amounts due to the Consolidated Fund- received in a prior year and paid over	0	0	3,568
Amounts due to the Consolidated Fund- received and not paid over	0	0	–2,272
NLF loans – net loans made to other bodies	–	–	
NLF loans – interest received from other bodies	–	–	
NLF loans – interest paid to other NLF	–	–	
Consolidated Fund Standing Services – payments	–	–	
National Insurance Fund financed activities – payments less receipts	–	–	
Adjust for payments financed from Contingencies Fund advances accounted for in a different year:			
Current year payments accounted for in following year	0	0	
Prior year payments accounted for in current year	0	0	
<b>Net cash requirement for the year</b>	<b>380,763</b>	<b>349,036</b>	<b>307,894</b>

**The Crown Prosecution Service****FORECAST RECONCILIATION OF NET RESOURCE OUTTURN TO NET OPERATING COST TO RESOURCE BUDGET OUTTURN**

	<b>2001-02 Provision £000</b>	<b>2000-01 Provision £000</b>	<b>1999-00 Outturn £000</b>
<b>Net Resource Outturn</b>	<b>374,664</b>	<b>338,941</b>	<b>313,994</b>
• Add non-voted expenditure in the OCS			
• Add Consolidated Fund Extra Receipts in the OCS	-500		-9,449
• Remove provision voted for earlier years			
• Remove other adjustments			
<b>Net Operating Costs</b>	<b>374,164</b>	<b>338,941</b>	<b>304,545</b>
• Add other Consolidated Fund Extra Receipts			
• Remove other expenditure shown in Estimates under the heading "Other Expenditure Outside DEL" that is outside Resource Budget			
• Add unallocated resource provision	10,000	0	0
• Other adjustments			
<b>Resource Budget Outturn</b>	<b>384,164</b>	<b>338,941</b>	<b>304,545</b>
<i>Of which:</i>			
Departmental Expenditure Limit (DEL)	374,446	333,710	301,806
Annually Managed Expenditure (AME)	9,718	5,231	2,739



## Explanation of Accounting Officer responsibilities

The Treasury has appointed the Director of Public Prosecutions as Accounting Officer for the Crown Prosecution Service with overall responsibility for preparing the Department's Estimate.

In addition the Treasury has appointed an additional Accounting Officer who is accountable to the Director of Public Prosecutions for all matters concerning the management of the Crown Prosecution Service. This appointment does not detract from the Head of Department's overall responsibility as Accounting Officer for the department's Estimate and overall net cash requirement.

The allocation of Accounting Officer responsibilities in the Crown Prosecution Service is as follows:

Request for Resources 1: Mr David Calvert-Smith QC, Accounting Officer and Permanent Head of Department

Mr Mark Addison, Additional Accounting Officer and Chief Executive of the Department

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum issued by the Treasury and published in *Government Accounting*. Under the terms of the Accounting Officer's Memorandum the relationship between the Crown Prosecution Service's Accounting Officer and Additional Accounting Officer, together with their respective responsibilities, is set out in writing.

**The Crown Prosecution Service**

<b>Appropriations in Aid</b>							<b>£000s</b>
<b>Detail</b>	<b>2001-02 provision</b>		<b>2000-01 provision</b>		<b>1999-2000 outturn</b>		
	<b>Non-op AinA</b>	<b>AinA</b>	<b>Non-op AinA</b>	<b>AinA</b>	<b>Non-op AinA</b>	<b>AinA</b>	
<b>RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>							
Income from rent in jointly occupied buildings and contract car contributions	930	–	930	–	930	–	
Costs awarded to CPS in court	24,000	–	24,000	–	22,000	–	
<b>Total</b>	<b>24,930</b>	<b>–</b>	<b>24,930</b>	<b>–</b>	<b>22,930</b>	<b>–</b>	

Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of costs from private tenants in jointly occupied buildings, leased cars and costs awarded to the CPS in court.

## The Crown Prosecution Service

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### Notes to the Estimate

1. There have been no changes to the Crown Prosecution Service's accounting policies since the 2000-01 Main Estimate.
2. The **Departmental Expenditure Limit** (DEL) of the Crown Prosecution Service for 2001-2002 is £390,540,000.
3. The **Administration Cost Limit** within DEL for the Crown Prosecution Service for 2001-02 is £274,090,000.
4. The provision sought for 2001-02 is 15.2% higher than the final net provision and forecast outturn for 2000-01 of £338,941,000. A breakdown of the forecast outturn for 2000-01 by individual function is given in Table 2 of Annex B.
5. The provision sought in Part I of the Estimate rests on the sole authority of the Appropriation Act.
6. The Crown Prosecution Service may retain cash receipts of £24,930,000 to offset expenditure in 2001-02 which has been or will be appropriated in aid.

## **Serious Fraud Office**

### **Introduction**

1. This Estimate provides for the administration costs, capital costs and operational costs incurred by the Serious Fraud Office. Included are the costs for SFO staff, fees to counsel and outside accountants, witness expenses, use of information technology to improve the presentation of evidence, other investigation and prosecution costs and defendants' costs orders by the court to be paid by the SFO.
2. Further details of the expenditure of the SFO can be found in Chapter 2, of the Law Officers' Departments Departmental Report 2001 (CM 510).
3. Symbols are explained on the first page of Annex A.

**Serious Fraud Office****Part I****£**

<b>RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>	<b>20,750,000</b>
<b>Total Net Resource Requirement</b>	<b>20,750,000</b>
<b>Net cash requirement</b>	<b>21,350,000</b>

Amounts required in the year ending 31 March 2002 for expenditure by the Serious Fraud Office on:

**RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law**

administration; investigation, prosecution and associated non-cash items.

The Serious Fraud Office will account for this Estimate

	Net Total £	Allocated in Vote on Account £	Balance to Complete £
RfR1	20,750,000	9,383,000	11,367,000
<b>Total net resource requirement</b>	<b>20,750,000</b>	<b>9,383,000</b>	<b>11,367,000</b>
Net Cash Requirement	21,350,000	9,653,000	11,697,000

**Serious Fraud Office****Part II****£000**

<b>Resources</b>						<b>Capital</b>	<b>2001-02 £'000</b>	<b>2000-01 Provision</b>	<b>1999-00 Outturn</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A	Net Total Resource	Net Total Resources
<b>RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>									
14,840	6,380	-	21,220	470	20,750	600	-	19,319	15,860
<b>SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)</b>									
<i>Central Government Spending</i>									
<input type="checkbox"/> A Administrative costs									
9,765	-	-	9,765	-	9,765	600	-	8,550	9,416
B Investigation and prosecutions									
4,650	-	-	4,650	-	4,650	-	-	3,400	1,825
C Investigation and prosecutions									
-	6,380	-	6,380	470	5,910	-	-	7,119	4,463
<b>SPENDING IN ANNUALLY MANAGED EXPENDITURE</b>									
<i>Central Government Spending</i>									
<input type="checkbox"/> D Non-cash items in AME									
425	-	-	425	-	425	-	-	250	156
<b>14,840</b>	<b>6,380</b>	<b>-</b>	<b>21,220</b>	<b>470</b>	<b>20,750</b>	<b>600</b>	<b>-</b>	<b>19,319</b>	<b>15,860</b>

**Serious Fraud Office**

<b>Resource to cash reconciliation</b>	<b>2001-02</b>
	<b>£000</b>
<b>Net Total Resources</b>	<b>20,750</b>
<b>Voted Capital Items</b>	
Capital	600
Less Non-operating A-in-A	-
	<b>600</b>
<b>Accruals to cash adjustment</b>	
Cost of Capital charges	-100
Depreciation	-200
Other non-cash items	-50
Increase (+)/Decrease (-) in stock	-
Increase (+)/Decrease (-) in debtors	250
Increase (+)/Decrease (-) in creditors	225
Increase (+)/Decrease (-) in provision	-125
Excess cash to be CFERd	
	<b>0</b>
<b>Net Cash Required</b>	<b>21,350</b>

**Part III**

**Extra Receipts Payable to the Consolidated Fund** **£000**  
**In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipt being shown in italics:-**

	2001-02		2000-01		1999-00	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	-	-	-	-	-	-
Non-operating income not classified as AinA	-	-	-	-	-	-
Other income not classified as AinA	-	-	-	<i>440,000</i>	-	<i>2,500</i>
	-	-	-	<i>440,000</i>	-	<i>2,500</i>

**Serious Fraud Office****Forecast Operating Cost Statement - Main Estimate**

	Provision 2001-02		Provision 2000-01		Outturn 1999-00	
	£000	£000	£000	£000	£000	£000
<b>Administrative Costs</b>						
Staff Costs	6,800		5,736		5,441	
Other Administrative Costs	8,040		6,680		5,956	
Gross Administrative Costs		14,840		12,416		11,397
Operating Income		-		-		-
<b>Total Net Administrative Costs</b>		<b>14,840</b>		<b>12,416</b>		<b>11,397</b>
<b>Programme Costs</b>						
<b>Voted Expenditure</b>						
Expenditure		6,380		6,919		4,898
Income		-470		-300		-435
Net Programme Costs		5,910		6,619		4,463
<b>Non-voted expenditure</b>						
Expenditure						
Income						
Net Programme Costs		-		-		-
<b>Total Net Programme Costs</b>		<b>5,910</b>		<b>6,619</b>		<b>4,463</b>
<b>NET OPERATING COST</b>		<b>20,750</b>		<b>19,035</b>		<b>15,860</b>
<b>NET RESOURCE OUTTURN</b>		<b>20,750</b>		<b>19,035</b>		<b>15,860</b>
<b>RESOURCE BUDGET OUTTURN</b>		<b>20,650</b>		<b>18,935</b>		<b>15,784</b>



**Serious Fraud Office**

<b>FORECAST CASH FLOW STATEMENT</b>	<b>2001-02 Provision £000</b>	<b>2000-01 Provision £000</b>	<b>1999-00 Outturn £000</b>
<b>Net Cash outflow from operating services</b>	<b>-20,750</b>	<b>-19,035</b>	<b>-14,603</b>
<b>Capital expenditure and financial investment</b>	<b>-600</b>	<b>-284</b>	<b>-102</b>
<b>Payments to the Consolidated Fund</b>	<b>-</b>	<b>-</b>	<b>-6</b>
<b>Financing from the Consolidated Fund</b>	<b>21,350</b>	<b>19,319</b>	<b>17,086</b>
<b>Excess expenditure (1998-1999 only)</b>			<b>740</b>
<b>Current year CFER not paid over</b>			<b>2</b>
<b>Increase (+)/decrease (-) in cash in the period</b>	<b>0</b>	<b>0</b>	<b>3,117</b>
[Inflows = +/Outflows = -]			
<b>Notes to the cash flow statement</b>			
<b>Note i: Reconciliation of operating costs to operating cash flows</b>			
<b>Net Operating Cost</b>	<b>20,750</b>	<b>19,035</b>	<b>15,860</b>
Adjust for non-cash transactions	-525	-350	-257
Adjust for movements in working capital other than cash	475	300	-1050
Adjust for transfer from provision	50	50	50
<b>Net cash outflow from operating activities</b>	<b>20,750</b>	<b>19,035</b>	<b>14,603</b>
[Net outflow = +]			
<b>Note ii: Analysis of capital expenditure and financial investment</b>			
Tangible fixed asset additions	600	284	102
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>600</b>	<b>284</b>	<b>102</b>
[Net outflow = +]			
<b>Note iii: Analysis of financing and reconciliation to the net cash requirement</b>			
From Consolidated Fund (Supply): current year expenditure	21,350	19,319	17,086
From Consolidated Fund (Supply): prior year expenditure			740
CFER received and not paid over			2
CFER received in prior year and pair over			-6
<b>Net Financing</b>	<b>21,350</b>	<b>19,319</b>	<b>17,822</b>
Increase (-)/decrease (+) in cash			-3,117
<b>Net cash flows other than financing (net outflow = +)</b>	<b>21,350</b>	<b>19,319</b>	<b>14,705</b>
<b>Net cash requirement for the year</b>	<b>21,350</b>	<b>19,319</b>	<b>14,705</b>

**Serious Fraud Office****FORECAST RECONCILIATION OF NET OPERATING COST TO NET RESOURCE OUTTURN AND RESOURCE BUDGET OUTTURN**

	<b>2001-02</b>
	<b>£000</b>
<b>Net Resource Outturn</b>	<b>20,750</b>
<b>Net Operating Costs</b>	<b>20,750</b>
Other adjustments - release of provisions	-100
<b>Resource Budget Outturn</b>	<b>20,650</b>
Of which:	
Departmental Expenditure Limit (DEL)	20,225
Annually Managed Expenditure (AME)	425

## **Explanation of Accounting Officer responsibilities**

The Treasury has appointed the Director of the Serious Fraud Office, Mrs Rosalind Wright CB, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity for the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum issued by the Treasury and published in *Government Accounting*.

<b>Appropriations in Aid</b>		<b>£000s</b>					
<b>Detail</b>	<b>2001-02 provision</b>		<b>2000-01 provision</b>		<b>1999-2000 outturn</b>		
	<b>Operating</b>	<b>Non-op</b>	<b>Operating</b>	<b>Non-op</b>	<b>Operating</b>	<b>Non-op</b>	
	<b>AinA</b>	<b>AinA</b>	<b>AinA</b>	<b>AinA</b>	<b>AinA</b>	<b>AinA</b>	
<b>RfR1: Reducing fraud and the costs of fraud and delivering justice and the rule of law</b>							
Income from costs awards	470	–	300	–	445	–	
<b>Total</b>	<b>*470</b>	<b>–</b>	<b>*300</b>	<b>–</b>	<b>*445</b>	<b>–</b>	

\* Amounts that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income arising from costs awarded to the Serious Fraud Office by the courts.

**Notes to the Estimate**

1. The Departmental Expenditure Limit of the Serious Fraud Office for 2001-2002 is £21,350,000.
2. The Administration cost limit for the Serious Fraud Office for 2001-2002 is £14,500,000.
3. The provision sought for 2001-2002 is 7.4% higher than the final net provision for 2000-2001 of £19,319,000 and 7.4% higher than the forecast outturn for that year of £19,319,000. A breakdown of the forecast outturn for 2000-2001 by individual function is given in table 2 of CM 510.

## HM Procurator General & Treasury Solicitor

### Introduction

1. This Estimate provides for the administrative costs of the Treasury Solicitor's Department Agency within DEL (Section A) and other expenditure of the Treasury Solicitor's Department Agency (Section B) which includes capital DEL expenditure. Section C covers the administration costs of the Legal Secretariat to the Law Officers including the salaries of two Ministers of the Crown, whilst Section D covers the residual costs of the Government Property Lawyers Agency which closed in September 1999. Section E covers the operational costs of the Treasury Solicitor's Department Agency as explained in paragraph 3. Section F covers the costs of HM Crown Prosecution Service Inspectorate which will fall on this Estimate from 1 April 2001. This Estimate also covers spending in AME for the Treasury Solicitor's Department and for the Legal Secretariat to the Law Officers on depreciation and capital charge (Sections G and H). Further details of the Department's administration costs are provided in Chapter 3 of the 2001 Departmental Report of the Law Officer's Department (Cm 5108).
2. The Treasury Solicitor's Department, which became an Agency on 1 April 1996, has operated a system of full repayment for the majority of its legal services since 1990-91. The greater part of its administrative costs are now met by receipts. Since 1999-2000, the Treasury Solicitor's Department Agency has operated under net running cost control, to allow it the flexibility to respond to increasing demand for its services. A small section of the Agency's work, which is directly related to European matters or considered to be in the public interest, remains centrally funded.
3. The Estimate also covers the operational costs of the Treasury Solicitor's Department Agency (Section E). Operational costs arise on the provision of legal services to government departments. Except for those associated with centrally funded services, these costs are fully recovered from client departments as disbursements on legal cases. The principal areas of this expenditure are adverse costs, counsel fees, expert witnesses and solicitor agents. Further details of the Department's operational costs are provided in Chapter 3 of Cm 5108.
4. Symbols are explained in the introduction to this booklet.

**HM PROCURATOR GENERAL AND TREASURY SOLICITOR****PART I****£**

<b>RfR1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies</b>	<b>14,374,000</b>
<b>Total Net Resource Requirement</b>	<b>14,374,000</b>
<b>Net Cash Requirement</b>	<b>12,021,000</b>

Amounts required in the year ending 31 March 2002 for expenditure by HM Procurator General and Treasury Solicitor, the Treasury Solicitor's Department Agency, the Government Property Lawyers Agency (now closed), the Legal Secretariat to the Law Officers and HM Crown Prosecution Service Inspectorate on:

**RfR1: providing comprehensive and competitive legal services to government departments and publicly funded bodies.**

Administration, costs and fees for legal and related services, residual matters following the closure of the Government Property Lawyers Agency and associated non-cash items.

The **Solicitor to the Treasury** will account for this estimate.

	<b>Net Total</b>	<b>Allocated in Vote</b>	<b>Balance to</b>
	<b>£</b>	<b>On Account</b>	<b>complete</b>
		<b>£</b>	<b>£</b>
<b>RfR1</b>	<b>14,374,000</b>	<b>12,781,000</b>	<b>1,593,000</b>
<b>Total net resource requirement</b>	<b>14,374,000</b>	<b>12,781,000</b>	<b>1,593,000</b>
			<b>Balance to</b>
<b>Net cash requirement</b>	<b>12,021,000</b>	<b>12,473,000</b>	<b>surrender</b>
			<b>452,000</b>

**Treasury Solicitor's Department****Part II****£000**

Resources						Capital	2001-02	2000-01 Provision	1999-00 Outturn
1	2	3	4	5	6	7	8	9	10
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A	Net Total Resource	Net Total Resources

**RfR1: providing comprehensive and competitive legal services to government departments and publicly funded bodies**

40,921	35,917		76,838	62,464	14,374	1,500		12,765	6,663
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**SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)***Central Government Spending*

<b>A TSD Administration</b>									
34,066			34,066	30,181	3,885			4,969	1,797
<b>B TSD Other</b>									
						1,470		-	-
<b>C LSLO Administration</b>									
2,205			2,205		2,205	30		2,319	2,082
<b>D GPL Administration</b>									
800			800	50	750			660	668
<b>E Operational Costs</b>									
	35,000		35,000	32,233	2,767			3,000	1,192
<b>F HM Crown Prosecution Service Inspectorate</b>									
3,060			3,060		3,060			-	-

**SPENDING IN ANNUALLY MANAGED EXPENDITURE***Non-cash Items*

<b>G Treasury Solicitors</b>									
780	885		1,665		1,665			1,775	895
<b>H Legal Secretariat to the Law Officers</b>									
10	32		42		42			42	29

<b>40,921</b>	<b>35,917</b>	<b>-</b>	<b>76,838</b>	<b>62,464</b>	<b>14,374</b>	<b>1,500</b>	<b>-</b>	<b>12,765</b>	<b>6,663</b>
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**Treasury Solicitor's Department****Resource to cash reconciliation****2001-02  
£000****Net Total Resources****14,374****Voted Capital Items**

Capital	1,500
Less Non-operating A-in-A	-

**1,500****Accruals to cash adjustment**

Cost of Capital charges	-3,356
Depreciation	-917
Other non-cash items	-100
Increase (+)/Decrease (-) in stock	-5,000
Increase (+)/Decrease (-) in debtors	500
Increase (+)/Decrease (-) in creditors	5,000
Increase (+)/Decrease (-) in provision	20
Excess cash to be CFERd	-

**-3,853****Net Cash Required****12,021**

**Part III**


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**Extra Receipts to the Consolidated Fund** **£000**  
**In addition to appropriations in aid the following income relates to the**  
**Department and is payable to the Consolidated Fund (cash receipt**  
**being shown in italics):-**

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	2001-02		2000-01		1999-00	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	-	<i>300</i>	-	<i>250</i>	-	<i>322</i>
Non-operating income not classified as AinA	-	<i>50</i>	-	<i>40</i>	-	<i>63</i>
Other income not classified as AinA	-	<i>-</i>	-	<i>-</i>	-	<i>-</i>
	-	<i>350</i>	-	<i>290</i>	-	<i>385</i>

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## Treasury Solicitor's Department

## Forecast Operating Cost Statement - Main Estimate

	Provision 2001-02		Provision 2000-01		Outturn 1999-00	
	£000	£000	£000	£000	£000	£000
<b>Administrative Costs</b>						
<b>Voted Expenditure</b>						
Staff Costs	25,800		19,663		17,876	
Other Administrative Costs	15,121		12,928		8,492	
Gross Administrative Costs		40,921		32,591		26,368
Operating Income		-30,231		-23,310		-21,575
<b>Total Net Administrative Costs</b>		<b>10,690</b>		<b>9,281</b>		<b>4,793</b>
<b>Programme Costs</b>						
<b>Voted Expenditure</b>						
Expenditure		35,917		35,511		27,705
Income		-32,233		-32,027		-25,835
Net Programme Costs		3,684		3,484		1,870
<b>Non-voted expenditure</b>						
Expenditure						
Income						
Net Programme Costs		-		-		-
<b>Total Net Programme Costs</b>		<b>3,684</b>		<b>3,484</b>		<b>1,870</b>
<b>NET OPERATING COST</b>		<b>14,374</b>		<b>12,765</b>		<b>6,663</b>
<b>NET RESOURCE OUTTURN</b>		<b>14,374</b>		<b>12,765</b>		<b>6,663</b>
<b>RESOURCE BUDGET OUTTURN</b>		<b>14,374</b>		<b>12,765</b>		<b>6,663</b>

<b>Treasury Solicitor's Department</b>			
<b>FORECAST CASH FLOW STATEMENT</b>	<b>2001-02 Provision £000</b>	<b>2000-01 Provision £000</b>	<b>1999-00 Outturn £000</b>
<b>Net Cash outflow from operating activities (Note i)</b>	<b>-10,521</b>	<b>-7,993</b>	<b>-10,151</b>
<b>Capital expenditure and financial investment (Note ii)</b>	<b>-1,500</b>	<b>-830</b>	<b>-701</b>
<b>Receipts due to the Consolidated Fund which are outside the scope of the Department's operations</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments of amounts due to the Consolidated Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financing (Note iii)</b>	<b>12,021</b>	<b>8,823</b>	<b>10,852</b>
<b>Increase (+)/decrease (-) in cash in the period</b>	<b>0</b>	<b>0</b>	<b>0</b>
[Inflows = +/Outflows = -]			
<b>Notes to the cash flow statement</b>			
<b>Note i: Reconciliation of operating costs to operating cash flows</b>			
<b>Net Operating Cost</b>	<b>14,374</b>	<b>12,765</b>	<b>6,663</b>
Remove non cash transactions	-4,373	-4,483	-2,237
Adjust for movements in working capital other than cash	520	-289	5,725
Use of provisions	-	-	-
<b>Net cash outflow from operating activities</b>	<b>10,521</b>	<b>7,993</b>	<b>10,151</b>
[Net outflow = +]			
<b>Note ii: Analysis of capital expenditure and financial investment</b>			
Tangible fixed asset additions	1,500	830	701
Intangible fixed asset additions			
Proceeds of disposal of fixed assets			
Loans to other bodies			
Adjust for movements in working capital on capital expenditure and financial investment			
Net cash outflow for capital expenditure and financial investment			
Purchase of fixed assets			
Proceeds from disposal of fixed assets			
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>1,500</b>	<b>830</b>	<b>701</b>
[Net outflow = +]			

<b>FORECAST CASH FLOW STATEMENT (continued)</b>	<b>2001-02 Provision £000</b>	<b>2000-01 Provision £000</b>	<b>1999-00 Outturn £000</b>
<b>Note iii: Analysis of financing and reconciliation to the net cash requirement</b>			
From Consolidated Fund (Supply):			
current year expenditure	12,021	8,823	10,852
From Consolidated Fund (Supply):			
prior year expenditure	0	0	0
From Consolidated Fund (Non-Supply):			
Net payments from National Insurance Fund	-	-	-
Net payments from Contingencies Fund	0	0	0
Net loans from the National Loans Fund	-	-	-
<b>Net Financing</b>	<b>12,021</b>	<b>8,823</b>	<b>10,852</b>
Increase (-)/decrease (+) in cash	0	0	0
<b>Net cash flows other than financing (net outflow = +)</b>	<b>12,021</b>	<b>8,823</b>	<b>10,852</b>
Adjust for payments and receipts not related to Supply:			
Amounts due to the Consolidated Fund- received in a prior year and paid over	0	0	0
Amounts due to the Consolidated Fund- received and not paid over	0	0	0
NLF loans – net loans made to other bodies	-	-	-
NLF loans – interest received from other bodies	-	-	-
NLF loans – interest paid to other NLF	-	-	-
Consolidated Fund Standing Services - payments	-	-	-
National Insurance Fund financed activities payments less receipts	-	-	-
Adjust for payments financed from Contingencies Fund advances accounted for in a different year:			
Current year payments accounted for in following year	0	0	0
Prior year payments accounted for in current year	0	0	0
<b>Net cash requirement for the year</b>	<b>12,021</b>	<b>8,823</b>	<b>10,852</b>

**Treasury Solicitor's Department****FORECAST RECONCILIATION OF NET RESOURCE OUTTURN TO NET OPERATING COST TO RESOURCE BUDGET OUTTURN**

	<b>2001-02 Provision £000</b>	<b>2000-01 Provision £000</b>	<b>1999-00 Outturn £000</b>
<b>Net Resource Outturn</b>	<b>14,374</b>	<b>12,765</b>	<b>6,663</b>
<ul style="list-style-type: none"> <li>• Add non-voted expenditure in the OCS</li> <li>• Add Consolidated Fund Extra Receipts in the OCS</li> <li>• Remove provision voted for earlier years</li> <li>• Remove other adjustments</li> </ul>			
<b>Net Operating Costs</b>	<b>14,374</b>	<b>12,765</b>	<b>6,663</b>
<ul style="list-style-type: none"> <li>• Add other Consolidated Fund Extra Receipts</li> <li>• Remove other expenditure shown in Estimates under the heading "Other Expenditure Outside DEL" that is outside Resource Budget</li> <li>• Add unallocated resource provision</li> <li>• Other adjustments</li> </ul>			
<b>Resource Budget Outturn</b>	<b>14,374</b>	<b>12,765</b>	<b>6,663</b>
Of which:			
Departmental Expenditure Limit (DEL)	12,667	10,948	5,739
Annually Managed Expenditure (AME)	1,707	1,817	924

## **Explanation of Accounting Officer Responsibilities**

The Treasury has appointed the Permanent Head of the HM Procurator General and Treasury Solicitor, Juliet Wheldon, as Accounting Officer of the Department with the responsibility for preparing the Department's Estimate. An Additional Accounting Officer, Stephen Wooler, has been appointed for HM Crown Prosecution Service Inspectorate (HMCPSI), expenditure for which falls on this Estimate from 1 April 2001.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity for the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum issued by the Treasury and published in *Government Accounting*. In the case of the HMCPSI, these responsibilities are delegated to the Additional Accounting Officer by means of a Framework Document which sets out the relationship with the Principal Accounting Officer and the responsibilities for HMCPSI element of the Estimate.

Appropriations in Aid – Analysis	£000s					
	2001-02 provision		2000-01 provision		1999-00 outturn	
	Operating AinA	Non-op AinA	Operating AinA	Non-op AinA	Operating AinA	Non-op AinA
<b>RfR1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies</b>						
Income from time charges (except MOD)	22,795	–	16,620	–	14,237	–
Income from MOD, Crown's Nominee Account in respect of Bona Vacantia and other miscellaneous income (eg tenant income and photocopying charges)	7,436	–	6,717	–	7,365	–
Income from disbursement charges	32,233	–	32,000	–	25,808	–
<b>Total</b>	<b>62,464</b>	<b>–</b>	<b>55,337</b>	<b>–</b>	<b>47,410</b>	<b>–</b>

Amounts that may be applied as appropriations in aid in addition to the net total arising from legal and administrative services provided are charges for bona vacantia work, recovery of costs or tenants in jointly occupied buildings and European Fast Streamers.



**Notes to the Estimate**

1. The Departmental Expenditure Limit for this Estimate is £14,167,000 including capital DEL of £1,500,000 whilst the administrative cost limit is £9,900,000.
2. The total net resource requirement includes expenditure in AME for non property capital charge and depreciation of £1,707,000.
3. Excluding a £2,500,000 transfer from the Crown Prosecution Service to cover the cost of the CPSI which falls to this Estimate from 1 April 2001, the provision sought is 7 per cent lower than the final net provision and the forecast outturn for 2000-01 of £12,765,000.



**5**

# Annex B: Common Core Tables

## Law Officers' Departments

**TABLE 1: RESOURCE PLANS SUMMARY TABLE**
**£ million**

	← 1998-99	Outturn 1999-00	→ 2000-01	← 2001-02	Plans 2002-03	→ 2003-04
<b>TOTAL SPENDING IN DEL</b>	<b>338</b>	<b>338</b>	<b>379</b>	<b>427</b>	<b>433</b>	<b>445</b>
<b>TOTAL SPENDING IN AME</b>	<b>4</b>	<b>5</b>	<b>7</b>	<b>12</b>	<b>12</b>	<b>12</b>
<i>of which non-cash AME</i>	4	5	7	12	12	12
<b>CONSUMPTION – THE RESOURCE BUDGET</b>						
<b>Resource DEL</b>	<b>337</b>	<b>332</b>	<b>363</b>	<b>407</b>	<b>425</b>	<b>438</b>
<b>Resource AME</b>	<b>4</b>	<b>4</b>	<b>8</b>	<b>13</b>	<b>13</b>	<b>13</b>
<i>Of which:</i>						
Non-cash items in Resource AME	4	5	6	11	11	11
<b>Total Resource Budget</b>	<b>341</b>	<b>341</b>	<b>377</b>	<b>431</b>	<b>449</b>	<b>462</b>
Adjustment to reach operating costs		#	-1	-10	-9	-10
<b>Net Operating Costs</b>	<b>341</b>	<b>341</b>	<b>377</b>	<b>421</b>	<b>440</b>	<b>452</b>
Adjustment to reach voted total	4	2				
<b>Net Total Resources (Voted)</b>	<b>345</b>	<b>343</b>	<b>377</b>	<b>421</b>	<b>440</b>	<b>452</b>
<b>INVESTMENT – THE CAPITAL BUDGET</b>						
<b>Capital DEL</b>	<b>5</b>	<b>4</b>	<b>17</b>	<b>19</b>	<b>6</b>	<b>6</b>
<b>Total Capital Budget</b>	<b>5</b>	<b>4</b>	<b>17</b>	<b>19</b>	<b>6</b>	<b>6</b>
Adjustment to reach voted capital						
<b>Net Capital Expenditure (Voted)</b>	<b>5</b>	<b>4</b>	<b>17</b>	<b>19</b>	<b>6</b>	<b>6</b>

# Represents amounts below £0.5 million.

1. This table sets out, in resource terms, a summary of expenditure for the Law Officers' departments from 1998-99 to 2003-04.
2. The first part shows total expenditure in DEL and AME, including the new non-cash AME items introduced by RAB. This is then split into resource and capital expenditure, the former showing what the Law Officers' departments consume in current spending and the latter showing planned investment expenditure.
3. The 'Total Resource Budget' and 'Total Capital Budget' figures illustrate, in resource terms, total DEL and AME expenditure in the departments' budget.
4. 'Net Operating Costs' show the expenditure covered in the departments' resource accounts, while 'Net Total Resources (Voted)' and 'Net Capital Expenditure (Voted)' show the resources and capital expenditure voted by Parliament in Estimates.
5. Reconciliations between the budgeting accounting and Parliamentary Estimates aggregates are shown in Tables 6 and 7 for resources and capital expenditure.

**TABLE 2: DEPARTMENTAL VOTED CASH REQUIREMENT**

£ million

	← 1998-99	Outturn 1999-00	2000-01 →	← 2001-02	Plans 2002-03	→ 2003-04
<b>Crown Prosecution Service</b>						
Net Total Resources (Voted)	317	314	339	375	392	404
Net Capital Expenditure (Voted)	4	3	16	17	4	4
Adjust for non-cash transactions	-4	-5	-8	-13	-13	-13
Adjust for movements in working capital	-	-	-	-1	-1	-1
Adjust for transfers from provision	-2	2	3	2	2	2
<b>Net Cash Required</b>	<b>315</b>	<b>314</b>	<b>349</b>	<b>381</b>	<b>387</b>	<b>398</b>
<b>Serious Fraud Office</b>						
Net Total Resources (Voted)	16	16	19	21	22	23
Net Capital Expenditure (Voted)	#	#	#	1	1	1
Adjust for non-cash transactions	#	#	#	#	#	#
Adjust for movements in working capital	#	-1	#	#	#	#
Adjust for transfers from provision	#	#	#	#	#	#
<b>Net Cash Required</b>	<b>16</b>	<b>15</b>	<b>19</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>HM Procurator General &amp; Treasury Solicitor</b>						
Net Total Resources (Voted)	9	7	13	14	14	14
Net Capital Expenditure (Voted)	1	1	1	2	2	1
Adjust for non-cash transactions	-2	-2	-4	-4	-4	-4
Adjust for movements in working capital	#	6	#	1	#	1
Adjust from transfers from provision						
<b>Net Cash Required</b>	<b>7</b>	<b>11</b>	<b>9</b>	<b>12</b>	<b>11</b>	<b>12</b>

# Represents amounts below £0.5 million.

- Under RAB, Parliament votes both a net resource requirement for departmental expenditure, reflecting the total Voted provision sought in resource terms, and the cash requirement needed to fund this commitment. The Voted 'Net Cash Requirement' represents the Parliamentary limit for each department in cash terms and the limit for the amount of cash which can be drawn down for use by each department in the year.
- The Voted 'Net Cash Requirement' is calculated by removing non-cash costs from net operating costs, adjusting for accruals/cash differences such as timing, and then stripping out the part of the departmental cash requirement that is not Voted.
- The Voted 'Net Cash Requirement' is shown from 1998-99 to the year for which the current Estimate has been submitted ie. 2001-02.

**TABLE 3: TOTAL CAPITAL EMPLOYED BY DEPARTMENT**

**£ million**

	← 1998-99	<b>Outturn</b> 1999-00	→ 2000-01	← 2001-02	<b>Plans</b> 2002-03	→ 2003-04
<b>Net Assets/Liabilities</b>						
Within the departmental account						
Crown Prosecution Service	10	6	12	11	10	10
Serious Fraud Office	#	#	1	1	1	1
HM Procurator General & Treasury Solicitor	12	20	20	20	20	20
<b>Total Capital Employed</b>						
Crown Prosecution Service	13	10	30	34	47	60
Serious Fraud Office	#	#	#	1	1	1
HM Procurator General & Treasury Solicitor	21	48	48	49	49	49

1. RAB gives a much clearer picture of the capital assets used by a department. This is used as the basis for calculating the cost of capital charges paid by departments to reflect the economic costs of holding the assets.
2. This table sets out 'Total Capital Employed' by each department within the accounting boundary.

**TABLE 4: CONSUMPTION – Analysis of Resource Budget Spending Plans****CROWN PROSECUTION SERVICE****£ million**

	← 1998-99	Outturn 1999-00	2000-01 →	← 2001-02	Plans 2002-03	2003-04 →
<b>Resource Budget</b>						
<b>Departmental Expenditure Limits (DEL)</b>						
<i>Request for Resources: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</i>						
Administrative Costs	235	232	248	269	277	286
Crown Prosecutions and Legal Services	79	79	85	95	105	107
Total RfR	314	311	333	364	382	393
Departmental Unallocated Provision (DUP)				10	9	10
<b>Total DEL</b>	<b>314</b>	<b>311</b>	<b>333</b>	<b>374</b>	<b>391</b>	<b>403</b>
<i>Of which:</i>						
Central Government spending	314	311	333	374	391	403
<i>Of which:</i>						
Voted	314	311	333	364	382	393
Non-voted				10	9	10
<b>Annually Managed Expenditure (AME)</b>						
<i>Request for Resources: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</i>						
Administrative Costs	4	3	7	12	12	12
Crown Prosecutions and Legal services	-1	#	-1	-1	-1	-1
Total RfR	3	3	6	11	11	11
<b>Total AME</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>11</b>	<b>11</b>	<b>11</b>
<i>Of which:</i>						
Central Government spending	3	3	6	11	11	11
<i>Of which:</i>						
Voted	3	3	6	11	11	11
Non-voted						
<i>Of which non-cash items in AME</i>						
Changes in Provisions and Other Charges	-1	-1	-2	-1	-1	-1
Cost of Capital Charges	#	1	1	2	2	2
Depreciation	4	4	7	10	10	11

# Represents amounts below £0.5 million.

1. This table gives a detailed breakdown of the resource outturn or current spending plans from 1998–99 to 2003–04.
2. The functional splits by which resources are allocated match those in the Main Resource Estimates, split into DEL and AME.
3. Non-cash expenditure in AME is shown by category – changes in provisions and other charges, depreciation and cost of capital charge.

**TABLE 4: CONSUMPTION – Analysis of Resource Budget Spending Plans****SERIOUS FRAUD OFFICE****£ million**

	← 1998-99	Outturn 1999-00	2000-01 →	← 2001-02	Plans 2002-03	→ 2003-04
<b>Resource Budget</b>						
<b>Departmental Expenditure Limits (DEL)</b>						
Request for Resources: <i>Reducing fraud and the cost of fraud and delivering justice and the rule of law</i>						
Administration	9	9	9	10	11	11
Running costs for Investigation and Prosecutions	2	2	3	5	5	5
Investigations and Prosecutions	5	4	7	6	6	6
Total RfR	16	16	19	20	21	22
Non-voted expenditure						
Release of provision			#			
<b>Total DEL</b>	<b>16</b>	<b>16</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>
<i>Of which:</i>						
Central government spending	16	16	19	20	21	22
<i>Of which:</i>						
Voted	16	16	19	20	21	22
Non-voted			#			
<b>Annually Managed Expenditure (AME)</b>						
Request for Resources: <i>Reducing fraud and the cost of fraud and delivering justice and the rule of law</i>						
Administration	#	#	#	1	1	1
Total RfR	#	#	#	1	1	1
Non-voted expenditure						
Release of provision	#	#	#	#	#	#
<b>Total AME</b>						
<i>Of which:</i>						
Central government spending	#	#	#	#	#	#
<i>Of which:</i>						
Voted	#	#	#	1	1	1
Non-voted	#	#	#	#	#	#
<i>Of which non-cash items in AME</i>						
Changes in Provisions and Other Charges	#	#	#	#	#	#
Cost of Capital Charges	#	#	#	#	#	#
Depreciation	#	#	#	#	#	#

# Represents cash amounts below £0.5 million.

1. This table gives a detailed breakdown of the resource or current spending plans from 1998–99 to 2003–04.
2. The functional splits by which resources are allocated match those in the Main Resource Estimates, split into DEL and AME.
3. Non-cash expenditure in AME is shown by category, – changes in provisions and other charges, depreciation and cost of capital charge.

**TABLE 4: CONSUMPTION – Analysis of Resource Budget Spending Plans****HM PROCURATOR GENERAL AND TREASURY SOLICITOR****£ million**

	← 1998-99	Outturn 1999-00	2000-01 →	← 2001-02	Plans 2002-03	→ 2003-04
<b>Resource Budget</b>						
<b>Departmental Expenditure Limits (DEL)</b>						
<i>Request for Resources: Providing comprehensive and competitive legal services to government departments and publicity funded bodies</i>						
TSD Administration	1	2	5	4	4	4
LSLO Administration	2	2	2	2	2	2
GPL Administration	2	1	1	1	1	1
Operational Costs	3	1	3	3	3	3
CPSI Administration				3	3	3
Total RfR	7	6	11	13	13	13
<b>Total DEL</b>	<b>7</b>	<b>6</b>	<b>11</b>	<b>13</b>	<b>13</b>	<b>13</b>
<i>Of which:</i>						
Central government spending	7	6	11	13	13	13
<i>Of which:</i>						
Voted	7	6	11	13	13	13
<b>Annually Managed Expenditure (AME)</b>						
<i>Request for Resources: Providing comprehensive and competitive legal services to government departments and publicity funded bodies</i>						
Treasury Solicitors	1	1	2	2	2	2
LSLO	#	#	#	#	#	#
Total RfR	1	1	2	2	2	2
<b>Total AME</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<i>Of which:</i>						
Central government spending	1	1	2	2	2	2
<i>Of which:</i>						
Voted	1	1	2	2	2	2
<i>Of which non-cash items in AME</i>						
Cost of Capital Charges	#	#	1	1	1	1
Depreciation	1	1	1	1	1	1

# Represents cash amounts below £0.5 million.

1. This table gives a detailed breakdown of the resource or current spending plans from 1998–99 to 2003–04.
2. The functional splits by which resources are allocated match those in the Main Resource Estimates, split into DEL and AME.
3. Non-cash expenditure in AME is shown by category, namely depreciation and cost of capital charge.



**TABLE 5: CONSUMPTION – Analysis of Capital Budget Spending Plans**

£ million

	← 1998-99	← <b>Outturn</b> 1999-00	→ 2000-01	← 2001-02	← <b>Plans</b> 2002-03	→ 2003-04
<b>Capital Budget</b>						
<b>Departmental Expenditure Limits (DEL)</b>						
<b>Crown Prosecution Service</b>						
Request for Resources: <i>Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</i>						
Administrative Costs	4	3	16	17	4	4
Total RfR	4	3	16	17	4	4
<b>Total DEL</b>	<b>4</b>	<b>3</b>	<b>16</b>	<b>17</b>	<b>4</b>	<b>4</b>
<i>Of which:</i>						
Central government spending	4	3	16	17	4	4
<i>Of which:</i>						
Voted	4	3	16	17	4	4
<b>Serious Fraud Office</b>						
Request for Resources: <i>Reducing fraud and the cost of fraud and delivering justice and the rule of law</i>						
Administration	#	#	#	1	1	1
Total RfR	#	#	#	1	1	1
<b>Total DEL</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>1</b>	<b>1</b>	<b>1</b>
<i>Of which:</i>						
Central government spending	#	#	#	1	1	1
<i>Of which:</i>						
Voted	#	#	#	1	1	1
<b>HM Procurator General and Treasury Solicitor</b>						
Request for Resources: <i>Providing comprehensive and competitive legal services to government departments and publicly funded bodies</i>						
TSD	1	1	1	1	1	1
LSLO Administration	#	#	#	#	#	#
Total RfR	1	1	1	2	2	1
<b>Total DEL</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>
<i>Of which:</i>						
Central government spending	1	1	1	2	2	1
<i>Of which:</i>						
Voted	1	1	1	2	2	1

# Represents amounts below £0.5 million.

1. This table gives a detailed breakdown of the investment or capital spending plans from 1998–99 to 2003–04.
2. The functional splits by which resources are allocated match those in the Main Resource Estimates.

**TABLE 6: RECONCILIATION OF RESOURCE EXPENDITURE BETWEEN ESTIMATES, ACCOUNTS AND BUDGETS****CROWN PROSECUTION SERVICE****£ million**

	← 1998-99	Outturn 1999-00	→ 2000-01	← 2001-02	Plans 2002-03	→ 2003-04
<b>Net Resource Outturn (Estimate)</b>	<b>317</b>	<b>314</b>	<b>339</b>	<b>374</b>	<b>392</b>	<b>404</b>
<i>Adjustments for:</i>						
Consolidated fund Extra Receipts in the OCS	-4	-9		#	#	#
<b>Net Operating Costs (Accounts)</b>	<b>313</b>	<b>305</b>	<b>339</b>	<b>374</b>	<b>392</b>	<b>404</b>
<i>Adjustments for:</i>						
Unallocated resource provision				10	9	10
<b>Resource Budget Outturn (Budget)</b>	<b>313</b>	<b>305</b>	<b>339</b>	<b>384</b>	<b>401</b>	<b>414</b>
<i>Of which:</i>						
Departmental Expenditure Limit (DEL)	308	302	334	375	391	404
Annually Managed Expenditure (AME)	5	3	5	10	10	10

# Represents amounts below £0.5 million.

1. This is a technical table showing the inter-relationship between the three totals for accounts, Estimates and budgets.
2. The outturn against the total Voted by Parliament in the Estimates is shown first.
3. The net operating cost figure in the accounts includes items which are not part of the resource total voted by Parliament, such as non-Voted expenditure within the departmental accounting boundary.
4. The budgeting total reflects the spending authority for the department within the Government's framework for expenditure control.
5. The main adjustment from the net operating cost in the accounts to the outturn against resource budget total is for Departmental Unallocated Provisions (DUPs) which are not voted but appear in budgets, as the expenditure has not yet been assigned to a particular function.

**TABLE 6: RECONCILIATION OF RESOURCE EXPENDITURE BETWEEN ESTIMATES, ACCOUNTS AND BUDGETS****SERIOUS FRAUD OFFICE****£ million**

	← 1998-99	Outturn 1999-00	→ 2000-01	← 2001-02	Plans 2002-03	→ 2003-04
<b>Net Resource Outturn (Estimate)</b>	<b>16</b>	<b>16</b>	<b>19</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>Net Operating Costs (Accounts)</b>	<b>16</b>	<b>16</b>	<b>19</b>	<b>21</b>	<b>22</b>	<b>23</b>
<i>Adjustments for:</i>						
Unallocated resource provision			#			
Other adjustments (LSLO Administration)	#	#	#	#	#	#
<b>Resource Budget Outturn (Budget)</b>	<b>16</b>	<b>16</b>	<b>19</b>	<b>21</b>	<b>22</b>	<b>23</b>
<i>Of which:</i>						
Departmental Expenditure Limit (DEL)	16	16	19	20	21	22
Annually Managed Expenditure (AME)	#	#	#	#	#	#

# Represents amounts below £0.5 million.

1. This is a technical table showing the inter-relationship between the three totals for accounts, Estimates and budgets.
2. The outturn against the total Voted by Parliament in the Estimates is shown first.
3. The net operating cost figure in the accounts includes items which are not part of the resource total voted by Parliament, such as non-Voted expenditure within the departmental accounting boundary.
4. The budgeting total reflects the spending authority for the department within the Government's framework for expenditure control.
5. The main adjustment from the net operating cost in the accounts to the outturn against resource budget total is for Departmental Unallocated Provisions (DUPs) which are not voted but appear in budgets, as the expenditure has not yet been assigned to a particular function.

**TABLE 6: RECONCILIATION OF RESOURCE EXPENDITURE BETWEEN ESTIMATES, ACCOUNTS AND BUDGETS****HM PROCURATOR GENERAL & TREASURY SOLICITOR****£ million**

	← 1998-99	Outturn 1999-00	→ 2000-01	← 2001-02	Plans 2002-03	→ 2003-04
<b>Net Resource Outturn (Estimate)</b>	<b>9</b>	<b>7</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Net Operating Costs (Accounts)</b>	<b>9</b>	<b>7</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Resource Budget Outturn (Budget)</b>	<b>9</b>	<b>7</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>
<i>Of which:</i>						
Departmental Expenditure Limit (DEL)	7	6	11	13	13	13
Annually Managed Expenditure (AME)	1	1	2	2	2	2

1. This is a technical table showing the inter-relationship between the three totals for accounts, Estimates and budgets.
2. The outturn against the total Voted by Parliament in the Estimates is shown first.
3. The net operating cost figure in the accounts includes items which are not part of the resource total voted by Parliament, such as non-voted expenditure within the departmental accounting boundary.
4. The budgeting total reflects the spending authority for the department within the Government's framework for expenditure control.

**TABLE 7: RECONCILIATION OF CAPITAL EXPENDITURE BETWEEN ESTIMATES AND BUDGETS**

**£ million**

	← 1998-99	Outturn 1999-00	→ 2000-01	← 2001-02	Plans 2002-03	→ 2003-04
<b>Crown Prosecution Service</b>						
Net Voted Capital Outturn (Estimates)	4	3	16	17	4	4
Unallocated capital provision	–	–	2	–	–	–
Capital Budget Outturn	4	3	17	17	4	4
<i>of which:</i>						
Departmental Expenditure Limits (DEL)	4	3	17	17	4	4
Annually Managed Expenditure (AME)						
<b>Serious Fraud Office</b>						
Net Voted Capital Outturn (Estimates)	#	#	#	1	1	1
Capital Budget Outturn	#	#	#	1	1	1
<i>of which:</i>						
Departmental Expenditure Limits (DEL)	#	#	#	1	1	1
Annually Managed Expenditure (AME)						
<b>HM Procurator General &amp; Treasury Solicitor</b>						
Net Voted Capital Outturn (Estimates)	1	1	1	2	2	1
Capital Budget Outturn	1	1	1	2	2	1
<i>of which:</i>						
Departmental Expenditure Limits (DEL)	1	1	1	2	2	1
Annually Managed Expenditure (AME)						

# Represents amounts below £0.5 million.

1. With no recognisable adjustments, the Voted Estimates totals are the same as the outturn against capital budgets for all of the Law Officers' departments.

**TABLE 8: ADMINISTRATIVE COSTS**

£ million

	← 1998-99	Outturn 1999-00	2000-01 →	← 2001-02	Plans 2002-03	→ 2003-04
<b>Crown Prosecution Service</b>						
<i>Gross administrative costs</i>						
Paybill	154	160	172			
Other	81	73	77			
Total administrative costs	236	233	250	276	282	291
Related receipts	-1	-2	-1	-1	-1	-1
Net expenditure	234	231	249	275	281	290
Gross controlled administrative costs limits				275		
<i>Outside administrative costs</i>						
Non-cash administrative costs in AME	3	3	6	11	11	11
<b>Serious Fraud Office</b>						
<i>Gross administrative costs</i>						
Paybill	5	5	6			
Other	5	6	7			
Total administrative costs	10	11	12	14	15	16
Net expenditure	10	11	12	14	15	16
Gross controlled administrative costs limits				14		
<i>Outside administrative costs</i>						
Non-cash administrative costs in AME	#	#	#	#	#	#
<b>HM Procurator General &amp; Treasury Solicitor</b>						
<i>Gross administrative costs</i>						
Paybill	19	18	20			
Other	8	8	12			
Total administrative costs	27	26	31	40	40	40
Related receipts	-22	-22	-23	-30	-30	-30
Net expenditure	5	5	8	10	10	10
<i>Outside administrative costs</i>						
Non-cash administrative costs in AME	#	#	1	1	1	1

# Represents amounts below £0.5 million.

1. This table shows an analysis of administrative costs (formerly known as running costs) for each of the Law Officers' departments. It is largely unchanged from previous years.

**TABLE 9: STAFF NUMBERS**

	← Outturn →			← Plans →					
	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
<b>Crown Prosecution Service</b>									
Civil Service									
Full-time equivalents	6,299	5,997	5,587	5,447	5,648	5,610	6,071	6,071	6,071
Casuals	254	161	208	184	193	211	210	210	210
Overtime	29	32	33	48	43	44	46	46	46
<b>Total</b>	<b>6,582</b>	<b>6,190</b>	<b>5,828</b>	<b>5,679</b>	<b>5,884</b>	<b>5,865</b>	<b>6,327<sup>(1)</sup></b>	<b>6,327</b>	<b>6,327</b>
<b>Serious Fraud Office</b>									
Civil Service									
Full-time equivalents	138	159	160	150	166	169	200	200	200
Casuals	22	13	13	8	9	22	22	15	15
Overtime	2	2	2	2	2	1	1	1	1
<b>Total</b>	<b>162</b>	<b>174</b>	<b>175</b>	<b>160</b>	<b>177</b>	<b>192</b>	<b>223</b>	<b>216</b>	<b>216</b>
<b>HM Procurator General &amp; Treasury Solicitor</b>									
Civil Service									
Full-time equivalents	532	507	495	502	446	463	569	569	569
Casuals	21	13	15	23	29	29	26	26	26
Overtime	1	1	3	3	3	1	1	1	1
<b>Total</b>	<b>554</b>	<b>521</b>	<b>513</b>	<b>528</b>	<b>478</b>	<b>493</b>	<b>596</b>	<b>596</b>	<b>596</b>

<sup>(1)</sup> Additional funds from the Criminal Justice System Reserve will result in an increase to the total staff numbers for 2001-02 of approx. 250.

**TABLE 10: DEPARTMENTAL EXPENDITURE LIMITS AND ANNUALLY MANAGED EXPENDITURE**

£ million

	← Outturn →					
	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
<b>Crown Prosecution Service</b>						
<b>Departmental Expenditure Limits</b>						
<i>Current Budget</i>						
Crown Prosecutions and Legal Services	66	74	75	78	77	85
Administration	224	221	220	220	227	247
Non Voted Expenditure						
<i>Capital Budget</i>						
Administration	7	4	4	10	4	16
<b>Total Spending in DEL</b>	<b>296</b>	<b>299</b>	<b>300</b>	<b>307</b>	<b>309</b>	<b>348</b>
<b>Serious Fraud Office</b>						
<b>Departmental Expenditure Limits</b>						
<i>Current Budget</i>						
Crown Prosecutions and Legal Services	6	6	6	6	4	7
Administration	10	10	9	8	9	9
Serious Fraud Office	1	1	1	2	2	3
Non Voted Expenditure	#	#				
<i>Capital Budget</i>						
Administration	#	#	#	#	#	#
<b>Total Spending in DEL</b>	<b>17</b>	<b>17</b>	<b>16</b>	<b>17</b>	<b>15</b>	<b>19</b>
<b>HM Procurator General &amp; Treasury Solicitor</b>						
<b>Departmental Expenditure Limits</b>						
<i>Current Budget</i>						
TSD	4	5	6	4	8	6
LSLO	2	2	2	2	2	2
Non Voted Expenditure	-1	-2				
<i>Capital Budget</i>						
TSD	#	#	#	1	1	1
LSLO	#	#	#	#	#	#
Not Voted Expenditure						
<b>Total Spending in DEL</b>	<b>6</b>	<b>6</b>	<b>9</b>	<b>6</b>	<b>11</b>	<b>9</b>

# Represents amounts below £0.5 million.

1. This table allows comparisons to be made with previous expenditure over a longer period, namely 1995-96 to 2000-01.
2. 2000-01 is the last year where outturn will be expressed in cash terms.



## Law Officers' Departments

**TABLE 11: DEPARTMENTAL EXPENDITURE LIMITS AND ANNUALLY MANAGED EXPENDITURE CASH TO RESOURCE RECONCILIATIONS 1998-99 TO 2000-01**

	£ million		
	1998-99 Outturn	1999-00 Outturn	2000-01 Outturn
<b>DEL Current Budget-Cash</b>	<b>328</b>	<b>335</b>	<b>360</b>
Timing adjustments	#	-6	#
Switches from current to capital budget	#	#	#
Switches from capital to resource budget	5		
Capital charges on the civil estate	1	1	3
Other adjustments	#	#	#
Other budgeting changes			
<b>Resource Budget DEL</b>	<b>337</b>	<b>332</b>	<b>363</b>
<b>DEL Capital Budget-Cash</b>	<b>11</b>	<b>5</b>	<b>17</b>
Timing adjustments			
Switches from current to capital budget	#	#	
Switches from capital to resource budget	-5		
Capital charges on the civil estate			
Other adjustments			
Other budgeting changes			
<b>Capital Budget DEL</b>	<b>5</b>	<b>5</b>	<b>17</b>
<b>Total DEL under cash</b>	<b>339</b>	<b>340</b>	<b>377</b>
<b>Total DEL under RAB</b>	<b>342</b>	<b>337</b>	<b>380</b>
<b>AME Current Budget-Cash</b>			
Timing adjustments			
Other adjustments			
Other budgeting changes			
<b>Resource Budget Departmental AME</b>	<b>5</b>	<b>4</b>	<b>8</b>
<b>Non cash items in Resource AME</b>			
<b>AME Capital Budget-Cash</b>			
Timing adjustments			
Other adjustments			
Other budgeting changes			
<b>Capital Budget Departmental AME</b>			
<b>Total AME under cash</b>			
<b>Total AME under RAB</b>	<b>5</b>	<b>4</b>	<b>8</b>

# Represents amounts below £0.5 million

- This table illustrates how the new resource based outturn figures have been derived from the previous cash numbers for both the resource and capital budgets, in both DEL and AME, across the Law Officers' Departments.
- The main types of adjustment from the cash to the resource based system are:
  - timing adjustments, reflecting the fact that, under RAB, costs are scored when the economic activity takes place, not when it is paid for; AND
  - the inclusion of capital charges on departments' civil estates in the resource DEL.

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