
Crown Prosecution Service

Annual Report and Accounts
2013–14

(for the period April 2013–March 2014)



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Report presented to Parliament pursuant to Section 9 of the
Prosecution of Offences Act 1985

Accounts presented to the House of Commons pursuant to Section
6(4) of the Government Resources and Accounts Act 2000

Accounts presented to the House of Lords
by Command of Her Majesty

*Ordered by the House of Commons
to be printed 10 July 2014*



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This publication is available at www.gov.uk/government/publications

Any enquiries regarding this publication should be sent to us at The Crown Prosecution Service, Rose Court, 2 Southwark Bridge, London SE1 9HS.

Print ISBN 9781474106931

Web ISBN 9781474106948

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

ID 12061435 06/14 41097

Printed on paper containing 75% recycled fibre content minimum

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Director's letter to the Attorney General

I am pleased to set out my first report to you on the performance of the Crown Prosecution Service (CPS), for 2013-14. As an organisation our mission is to deliver justice through the independent and effective prosecution of crime, fostering a culture of excellence by supporting and inspiring each other to be the best we can. In pursuing this mission we are guided by our values - these are that we will: be independent and fair; be open and honest; treat everyone with respect; and behave professionally and strive for excellence.

For the CPS 2013-14 has been a year of considerable change but within that, considerable achievement too. Over the course of the year we have delivered a more efficient and effective service – improving our performance while achieving significant spending reductions. At year-end we had improved performance against 11 of our 12 key performance measures with particularly strong progress being made against compliance with orders made by the courts. These achievements, in the context of a reduction in our funding of 28 per cent over the four-year period to 2014/15, were made possible by a move towards standardised ways of working, predicated on digital processing, a focus on quality and a more resilient and streamlined structure.

Building on these reforms, one of the first actions I undertook on becoming Director of Public Prosecutions was to review and revise the CPS's strategic objectives. Up to that point these were concerned with our People, Quality, Efficiency and Digital Working programmes. In order to sustain and enhance our performance improvement I have amended these in four important respects. Firstly, to place priority on providing CPS staff with the tools and skills they need to do their jobs on a day to day basis. Secondly, to redouble our efforts in terms of the quality of service we provide through the introduction of new Casework Quality Standards. Thirdly, to combine our now advanced and mutually dependent efficiency and digital working agendas into one objective. Finally, and critically, to introduce a stand-alone objective concerning the quality of service we provide to victims and witnesses.

To deliver quality casework and the service victims deserve my staff need to be well equipped – they need the tools and the skills for the job. Making sure they have them is a real priority. We are updating our equipment to support full digital working and introducing a range of training and development programmes to ensure we all have the right skills. This includes a new legal development programme with a range of modules to support best practice, from charging decisions to trial presentation.

We have looked again at the standards we set ourselves and how we assess the quality of what we do. We have introduced new Casework Quality Standards, placing more emphasis on the quality that should be at the heart of the work that everyone in the CPS performs. The four standards, which have been the subject of a public consultation, cover: victims, witnesses and communities; legal decision-making; casework preparation; and presentation in court.

High quality casework allows us to provide the service victims and witnesses deserve. We have introduced the Victims' Right to Review scheme and are currently introducing a new approach to communicating with victims through dedicated Victim Liaison Units with trained staff. Further work in the months and years ahead will ensure victims are at the heart of what we do.

We have made significant progress on digital working and, as mentioned above, have introduced standardised ways of working based on digital processes. Most police forces are now transferring over 90% of all magistrates' court case files electronically to the CPS and across the country around 75% of magistrates' court cases are being presented from a tablet device. Over the last twelve months we have introduced and embedded a national 24/7 digital/telephony charging service with the police and are making good progress with them on the development of streamlined digital files.

The significant achievements of 2013/14 prompt me to end by recognising the outstanding professionalism and commitment of employees across the CPS. They have shown again this year how focused they are on delivering justice for the public we serve, and they have driven our performance improvements. Based on the progress achieved to date, I am confident that as we enter the 2014/15 reporting period CPS staff will continue to provide a high-performing prosecution service in which the public, victims and witnesses and our criminal justice partners can have continued confidence.

Alison Saunders CB
Director of Public Prosecutions
08 July 2014

About the CPS

Who we are

The CPS is the principal prosecuting authority for England and Wales, acting independently in criminal cases investigated by the police and other investigators including HMRC and DWP. The CPS was established in 1986 and the way in which it undertakes its role is governed by two key documents:

- the Code for Crown Prosecutors;
- Core Quality Standards (CQS).

The Director of Public Prosecutions (DPP) is the head of the CPS and operates independently, under the superintendence of the Attorney General. As a government minister, the Attorney is accountable to Parliament for the work of the CPS.

The CPS comprises 13 geographical Areas in England and Wales, and CPS Direct which provides advice on prosecution charges to the police and other investigators. A Chief Crown Prosecutor (CCP) leads each Area and is responsible for working with the courts and the police to provide a high quality prosecution service in their Area. CPS Areas deal with a wide range of cases, the majority of the less serious which are heard in the magistrates' courts through to the most serious including homicide which are heard in the Crown Court. There are also three central Casework Divisions that handle the most complex prosecutions, covering Specialist Fraud, Special Crime & Counter Terrorism, and Organised Crime, as well as corporate Headquarters.

At the start of 2014, the CPS had a total employed workforce of 6,204 (full time equivalent), including 2,209 Crown Prosecutors and 3,614 paralegals/administrators. Of our people, 93% work at delivering our frontline prosecution service.

What we do

Our mission is to deliver justice through the independent and effective prosecution of crime, fostering a culture of excellence by supporting and inspiring each other to be the best we can.

In 2013-14, the CPS Board set out three overarching priorities:

- To make our service to **victims and witnesses** central to everything we do – by ensuring that the way we explain our decisions and interact with victims and witnesses is less formal and defensive, and more open, transparent and direct;
- To ensure the highest standards of **casework quality** – by revising the Core Quality Standards so that they place more emphasis on “core quality”, the quality that should be at the heart of the work everyone in the CPS performs;
- To provide our people with the right **tools and skills for the job** to deliver the highest quality service – by having the right technology, systems and skills, with decision making in teams at appropriate levels.

By 2015, the CPS will have achieved its strategic objectives for the spending review period 2010-15, which were:

- to inspire our **People** – through our People Strategy, which promotes an inclusive culture of engagement and development of best practice, recognising individual contributions and supporting the Service's requirement for independence, fairness and respect;
- to focus on **Quality** – through our clear and published approach to quality of service detailed in our Core Quality Standards, which set the standards which we seek to apply consistently and by which we are judged;
- to provide a streamlined and flexible service realising greater **Efficiency**, in order to reduce our resource costs and achieve improved productivity, based on a culture of continuous improvement;
- to transform our business processes through **Digital Working** – by making the most of opportunities to offer a better service that takes full advantage of the benefits of new and existing technology.

How we do it

Central to everything we do are our values:

We will be independent and fair

We will prosecute independently, without bias and will seek to deliver justice in every case.

We will be honest and open

We will explain our decisions, set clear standards about the service the public can expect from us and be honest if we make a mistake.

We will treat everyone with respect

We will respect each other, our colleagues and the public we serve, recognising that there are people behind every case.

We will behave professionally and strive for excellence

We will work as one team, always seeking new and better ways to deliver the best possible service for the public. We will be efficient and responsible with taxpayers' money.

Strategic Report

Performance

Although the CPS continues to experience significant resource reductions its performance is improving. It is achieving better outcomes for victims and witnesses and also leading work with other criminal justice agencies to improve the efficiency and effectiveness of the criminal justice system as a whole.

Core Quality Standards

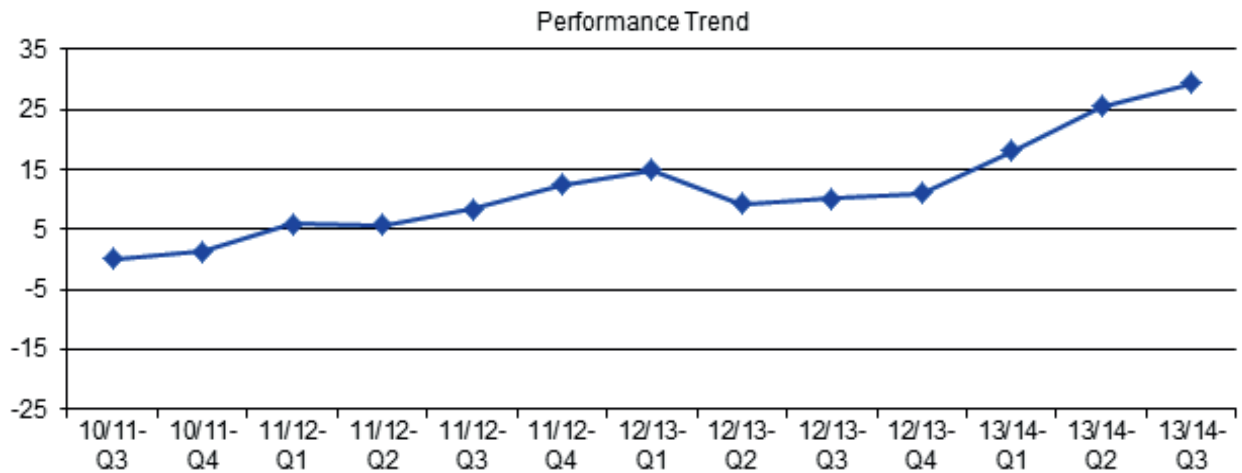
The imperative to achieve high quality in the day-to-day work of the service is enshrined in Core Quality Standards (CQS) which underpin the most important processes related to prosecution.

To assure compliance with the Core Quality Standards, approximately 14,000 files are reviewed each year. The results of these assessments are then compared against a basket of key performance measures.

The file review process requires managers to assess at least six files per month against 34 commitments set out in the Core Quality Standards. These assessments are supplemented by a peer review process where another manager assesses at least 12 files over a two month period. This helps to ensure assessments are consistent and robust across the service.

The results of the assessments and the key performance measures are discussed in quarterly Area Performance Review (APR) meetings chaired by the Chief Operating Officer with Chief Crown Prosecutors and Area Business Managers. These meetings provide an early warning of poor or declining performance. Chief Crown Prosecutors and Area Business Managers are asked to report back to the CPS Board on corrective actions when performance fails to meet the required standard. Area Performance Reviews also provide a process for identifying and sharing best practice between senior managers across the service.

Monitoring shows that over the past twelve quarters performance has improved in ten quarters, remained unchanged in one, and declined in only one.



Victims and Witnesses

2013-14 saw an increased focus on improving the quality of services to victims and witnesses, which the DPP and the Board had identified as a priority. The new Victim Liaison Scheme puts greater emphasis on the needs of the most vulnerable victims and witnesses tailoring responses to reflect individuals' needs. The Victims' Right to Review scheme makes it easier for victims to challenge decisions where we decide not to bring any proceedings or where we terminate all proceedings relating to them.

Between June and December 2013 we received 853 requests for review. 795 reviews were finalised and, of these, 108 (13.5%) decisions were overturned. Where decisions have been overturned, action to bring or reinstate charges has been recommended in all cases where it is possible to do so. As well as providing redress for victims, the scheme has enabled us to monitor local performance taking targeted action to improve performance where trends and patterns have been identified, for example by providing additional training.

Complaints

We have also improved our approach to handling complaints, with a particular emphasis on improving the way we engage with complainants and victims. In 2013, we appointed an Independent Assessor of Complaints (IAC). His role is to review those cases where the complainant remains dissatisfied after our complaints procedure is concluded. Reporting to the CPS Board, the IAC routinely audits a proportion of complaints to help identify issues and provide scrutiny and assurance on the system.

Violence against Women and Girls

Further improving the effective prosecutions of cases involving Violence against Women and Girls (VAWG) continued to be a key priority during 2013-14 and our work over the last year was reflected in the Government-wide VAWG Action Plans. The CPS VAWG Crime Report for 2013-14 will be published in July and will provide detailed information about the organisation's performance on this issue (the report will be available on the CPS VAWG Home Page: <http://www.cps.gov.uk/publications/equality/vaw/index.html>).

A key part of our approach is working with VAWG coordinators and supporting CPS Areas through the bi-annual VAWG Assurance Scheme. This process requires Areas and coordinators to report on local VAWG performance to the Director of Public Prosecutions (DPP) and the Chief Operating Officer including providing a qualitative assessment of 15% of rape prosecutions.

Key CPS activity over 2013-14 included:

- The publication of the VAWG Crime report for 2012-13 in July 2013 which identified where further work is needed, including addressing a fall in the volume of domestic violence and rape cases referred to the CPS by the police. A roundtable held by the DPP in September 2013 with the Home Office and national police leads identified ways to investigate and address the fall through the publication of a six-point action plan.
- As part of the six-point action plan, the CPS contributed to a review by Her Majesty's Inspectorate of Constabulary (HMIC) on the police handling of domestic violence and abuse. In addition, the CPS, with the Home Office and the National Policing Lead on Rape, analysed aspects of police and CPS practice on rape in a sample of Police Force Areas leading to the creation of a National Scrutiny Panel in April 2014 which led to the publication of joint-CPS and police Rape Action Plan in June 2014.
- To support the restructuring of CPS, an annex on domestic violence to attach to the Magistrates' Court Standard Operating Procedure was produced incorporating specific domestic violence procedures. The Police and CPS joint charging/evidence domestic violence checklist was re-issued to all Areas in December 2013. The impact of the domestic violence annex and checklist continue to be assessed as part of the bi-annual VAWG assurance. The HMIC highlighted the checklist as a best practice tool to help ensure all available evidence was gathered.
- A meeting was held with key cross-Departmental and third sector stakeholders in February 2014 in a bid to further improve the CPS approach to domestic violence. A public consultation on a revised approach has since been launched in May 2014.
- As well as assessing the accreditation of Specialist DV Courts (SDVCs) where there have been court closures or mergers, in early 2014 plans have been developed to carry out a review of the existing 138 SDVCs to ensure they comply with all components required for their accreditation. Work is also underway to consider ways to assess the application of the SDVC model to youth cases.
- By October 2013, all Areas introduced Rape and Serious Sexual Offence (RASSO) Units, with specialist rape prosecutors for not only rape and serious sexual offences but also child sexual abuse cases heard in Crown Courts, sexual offence cases with multiple victims or vulnerable adults, youth court rape and sexual offence cases and any rape/DV cases of allegedly perverting the course of justice. By March 2014, a total of 318 rape specialist prosecutors were allocated specifically to RASSO Units. In addition all Areas had a number of trained specialists outside of the Units. Centrally, 122 specialist rape prosecutors are allocated to CPS Direct (for out of hours services), special crime, organised crime and the Appeals and Review Unit. There was further RASSO training in 2013-14 (held locally and nationally) and a RASSO refresher course for those who undertook their RASSO training in its early days and required an update.
- Following a report in March 2013, on charging perverting the course of justice or wasting police time in cases involving rape and/or domestic violence (http://www.cps.gov.uk/publications/research/perverting_course_of_justice_march_2013.pdf), indicating the rare occurrence of false allegations in

rape and domestic violence cases, a training session was held in December 2013 for RASSO Units and a recorded DVD was shared with Areas to cascade the training in 2014. This was followed up with two webinars for lawyers within RASSO Units. Legal guidance will be revised in 2014.

- Child Sexual Abuse (CSA) Guidelines were published in October 2013 following a series of DPP-led roundtable meetings in late Spring 2013. The guidelines are supported by a joint protocol for information sharing to ensure that all relevant evidence is gathered and that juries consider the strongest possible case. A network of CSA prosecutors was established and e-learning developed.
- The CPS Prosecution College e-learning module to further support prosecutors in prosecuting cyber-stalking, non-cyber stalking and harassment, was made mandatory for all prosecutors from June 2013. A refresher webinar was held for 50 prosecutors on forced marriage and honour-based violence in December 2013. A stakeholder meeting was held by the DPP to address Female Genital Mutilation in September 2013. An Aide Memoire was published by the CPS on offences and behaviours experienced by victims of FGM. Protocols have been agreed between CPS Areas and every local police force setting out the arrangements for working together and tackling FGM locally. There was a joint CPS/police training event held at CPS Headquarters on 10 February 2014 attended by prosecutors and police officers from across England and Wales.
- An action plan to help tackle human trafficking was published in January 2014. The action plan follows a meeting hosted by the Director in December, which aimed to inform the prosecution approach in this important area and to identify how the CPS can work with partner agencies to increase the number of cases dealt with under human trafficking laws.
- Since taking up her post, the DPP has met with a number of frontline VAWG organisations including visiting the National Domestic Violence Helpline to learn more about victims' experiences including around their interaction with the criminal justice system. The valuable feedback will help inform the introduction of dedicated Victim Liaison Units which are being introduced to improve the way the CPS communicates with victims.
- Quarterly meetings with the VAWG External Consultation Group, made up of third sector organisations with expertise on VAWG, set up to advise the CPS on its VAWG policies.

In 2014-15 the CPS will continue to be a key contributor to the cross-Government VAWG action plan. Work is underway to build on our approach in the coming year including further addressing VAWG performance, particularly around: reviewing SDVCs; prosecuting FGM cases and taking forward ways to improve support for VAWG victims including through the setting up of Victim Liaison Units and addressing the prosecution of cases involving vulnerable VAWG victims.

Charging

The fifth edition of the Director's Guidance on Charging was released in May 2013 to enable the police to charge theft (shoplifting) without reference to the CPS where a not guilty plea is anticipated and the case is suitable to be dealt with in the Magistrates' Court (the police could already charge these offences where a guilty plea is anticipated).

From 1 April 2013, CPS Direct (CPSD) successfully assumed Charging responsibility for all volume charging decisions that are now exclusively referred to the CPS, irrespective of whether these are daytime or "out of hours." Cases are dealt with by telephone and email, effectively creating a unified 24-hour charging service and enabling a seamless service to be provided to the police.

Cases involving a death, rape or serious sexual offences, child abuse, large scale or long term fraud, cases with substantial or complex video or audio key evidence, are referred to CPS Area-based prosecutors. This ensures that the most serious and complex cases are handled by prosecutors who are specifically trained and resourced to deal with such cases.

Advocacy

The CPS uses both in-house and external advocates. The Advocate Panel for external advocates has four levels of general criminal advocate and lists of specialist advocates.

The Panel was renewed in 2012 following a selection process where advocates (barristers and solicitors) were assessed against a range of competencies. The Panel is time-limited and will next be reviewed in 2016.

To ensure quality between new Panels the CPS monitors the quality of advocates through an advocacy assessment programme. Over the last two years, we have made more than 1,300 assessments and over 96% of advocates assessed have been marked as being competent. Where necessary, advocates are provided with further training and development in order to improve their skills. As part of the Refocusing Programme, each CPS Area has established a dedicated Advocacy Hub to focus on the delivery of high quality advocacy.

Complex Casework Units and Casework Divisions

Complex casework is handled by Casework Divisions in Headquarters and Complex Casework Units in each Area.

We have developed a standard approach to complex cases which will ensure that a consistent service is provided to the National Crime Agency. This approach is to be underpinned by a new Evidence Management System which will support both case management and performance reporting.

CPS Appeals and Review Unit

The CPS Appeals and Review Unit provides a high quality service to the three most senior appellate courts in England and Wales – the Court of Appeal, the Administrative Court and the Supreme Court. From 5 June 2013 the remit of the Unit expanded to include responsibility for implementing a centralised Victims' Right to Review (VRR) scheme. This scheme gives victims of crimes and bereaved families a right to seek a review of certain decisions taken by the Crown Prosecution Service.

The cases it deals with range greatly in type, size and complexity and involve the practice of specialist civil as well as criminal law and procedure. They are often of high public profile or sensitivity and their outcomes frequently have an impact upon the development of case law and the wider criminal justice system as well as on the lives of the individuals directly involved.

The Unit currently receives around 600 new appeal notifications and around 45 VRR cases each month. On 31 March 2014, the Unit had a total caseload of around 4,000 live cases.

As well as expert legal decision-making and efficient paralegal support, appellate court cases demand high quality written and oral advocacy. Since April 2013 the Unit's advocates have appeared in 64 hearings in the Court of Appeal and Administrative Court.

The Unit has taken full advantage of the benefits of digital working to improve productivity and timeliness. The Unit works collaboratively with the appellate courts, receiving daily notification from them of all new appeals electronically, while almost all information between the Court of Appeal and the Unit is served electronically and all briefs are served on counsel by secure email. 98% of the Unit's files are now electronic.

The Unit uses its unique position to identify cases and legal issues that require clarification for the benefit of CPS prosecutors and the wider criminal justice system, keeping the Director and the AGO well informed of all such matters on a regular basis.

Asset Recovery

Obtaining justice in every case does not just mean securing a conviction; it also means making sure crime does not pay by depriving criminals of the assets of their crimes and criminal lifestyles. The CPS recovered a total of £75.59 million from confiscation orders and we were the lead enforcer in 2013-14.

Our Asset Recovery Strategy sets out how we will deliver an improved, more effective and sustainable asset recovery regime. The primary change is the introduction of a new national proceeds of crime service, with a strong central resource and nine regional hubs. People with expertise in asset recovery activity, operating Standard Operating Practices (SOPs), will ensure consistency across the CPS. In tandem, we will make changes to the Casework Management System to provide prompt and accurate performance data. We will also improve knowledge and awareness among all of our people through additional training and introducing a "link lawyer" system to provide support and expertise to prosecutors in the Areas.

Recovering more assets hidden overseas will remain a challenge. As part of our strategy, we will build on our partnerships, working with domestic and international colleagues to improve joint investigations at home and abroad, to secure the best evidence needed to confiscate assets and enforce confiscation orders in foreign states. We are developing a cross-Whitehall international asset recovery strategy based on the deployment of dedicated Asset Recovery Advisors to work across disciplines, jurisdictions and UK agendas.

Shared Services

The Civil Service Reform Plan recognises that as departments reduce in size they may no longer be able to maintain high quality services in many expert and advisory services and will need to share services with others. Responding to this challenge, we have developed a Service Level Agreement (SLA) with the Ministry of Justice, for the provision of Internal Audit Services. The CPS internal audit team transferred to MoJ by the end of 2013-14.

Our Human Resources (HR) team has forged links with HMCTS to derive efficiencies and provide HR services more effectively. Next Generation HR has agreed the approach to improve centralised services and we are working with the Ministry of Justice, the Treasury Solicitor's Department and the Serious Fraud Office to develop a proposal that shares Departmental HR expertise and grows capability.

Since August 2012 the CPS has provided a procurement service to the Treasury Solicitor's Department, the Attorney General's Office and HMCPSI. The arrangement has enabled the deployment of procurement resources across four of the Law Officers' Departments (LODs), ensuring greater resilience and the sharing of best practice. It has also reduced the need to conduct multiple procurement exercises and the administrative burden on departments and suppliers. We continue to explore options to share transactional finance and payroll services.

Our People

The CPS People Strategy

The People Strategy which was launched in November 2011 continued through 2013-14 fulfilling the CPS people objective: To inspire, engage and support our people by delivering a new People Strategy that promotes an inclusive culture and which recognises individual contribution and supports diversity.

The Strategy formed part of our response to the 2012 CPS People Survey Results and reflected discussions with staff about how they would like to see the CPS develop and support its people over the coming years.

The Strategy is overseen by a Programme Board that is chaired by the CEO with Non-Executive Director, CCP, HQ Director and senior managerial membership. The People Strategy Assurance Group has been responsible for overseeing the development and implementation of the core programmes.

The Strategy puts people centre stage and is intended to send an unambiguous signal to all of our stakeholders – but especially to our managers and our staff – that the CPS is serious about the development of its people and is determined to build their capability.

Progress and Measures for the People Strategy

The People Strategy is intended to bring about a positive and permanent change in the culture of the CPS so that learning and development is brought to the fore and managerial skills are emphasised.

A review matrix was developed that monitors and measures local actions and progress across CPS and full reviews were undertaken during July 2013 and February 2014.

Progress is also measured against our 2012-13 Staff Survey Results. There was an increase in our Employee Engagement Index of 3 percentage points from the previous survey, decreasing the gap between CPS and the Civil Service (CS) to 4 percentage points.

Organisational Activity

The Strategy is underpinned by the 17 programmes. During 2013-14 twelve of these were successfully completed and the remainder were due to be completed by the end of March 2014. Key successes include:

- Qualification, Apprenticeships and Accreditation – Recruitment of the first pilot cohort of nine Civil Service Fast Track Apprentices who took up post within the CPS and began the Business Administration level 4 qualification in January 2014.
- Mentoring and Shadowing – Launch of a bespoke mentoring programme designed by Skills for Justice based on the model used successfully with other Government departments.
- Team Briefings – This programme saw the implementation of a standard communication briefing called Team Talk to provide staff with key information.

- Performance Management – A new Poor Performance Policy was introduced and the ePDR system updated.
- Civil Service Competence Framework (CSCF) – This is in place throughout the CPS and linked to ePDR, the core performance management system.
- Introduction of our Health Wellbeing and Attendance Strategy, which is a three-year strategy seeking to maximise employee wellbeing and minimise absence.
- The launch of a new CPS Volunteering strategy.
- The CPS Recognition Strategy has been reviewed to enhance recognition of the achievements of our employees. The strategy continues to be well received, demonstrated by over 650 Staff Award nominations in the second year of operation.
- A Legal Development Programme which has been developed to improve the professional skills of those in the front line. This will launch in 2014-15.
- Talent Management and Succession Planning – A new approach to talent management and succession planning which commenced roll out at the start of 2014.

In 2014-15 we will focus on embedding the core programmes and supporting the priority of 'Tools and Skills for the Job'. This will help us to further develop the capability of our workforce enabling further performance improvement.

This coming year's work will include:

- Implementing our values – Further evaluation is required to determine the wider awareness of values within the organisation. The use of reference to CPS values in recruitment is currently being piloted;
- People Strategy and Best Practice – People Strategy best practice will be shared through the online People Strategy website and through matrix review visits;
- Streamlining Recruitment – This will include the continued piloting of a revised recruitment process in three CPS Areas;
- Career Development Mapping – This project has so far focused on the prosecutor structure, this will be extended to other career families during 2014-15.

Learning & Development

The new Capabilities Plan aims to ensure that CPS's people are equipped for today's service. It follows two skills audits, generic and legal, to identify development needs.

1,000 managers have attended the CPS Management Development Programme (MDP) and many are now working to gain a Level 3 or Level 4 Certificate in Operational Management.

A Legal Development Programme (LDP) will be made available to all prosecutors in 2014.

Objectives achieved in 2013-14 included:

- Legal Decision-Making workshops;
- Development of E-learning products on cyber-crime and child sexual abuse cases;
- Webinars on priority topics;
- Responses to the changes demanded by the Quality Assurance Scheme for Advocates (QASA) and the Criminal Justice Strategy and Action Plan have also been priorities;
- Re-introduction of the Legal Development Scheme (LDS);
- Introduction of a Legal Trainee Scheme (LTS) to support staff to qualify for the legal profession.

The Prosecution College

The Prosecution College (PC) offers bespoke and business specific learning and development opportunities for CPS employees. During 2013 a number of products were published in support of new legislation, HMCPSP recommendations and the CPS People Strategy. The College became the primary learning hub for the CPS Management Development Programme.

HR Policies

A structured programme of policy reviews has taken place to ensure they incorporate legislative changes and continue to meet the needs of the business. Key policies that support the Service's Refocusing and Estate programmes have been revised to ensure good practice in this significant organisational change programme. Revised terms and conditions as set out under Civil Service Reform plans were successfully implemented for new employees during the 2013-14 business year.

Prosecutor Structure Review

We conducted a comprehensive review of our prosecutor structure to ensure that future business needs would be well met and that prosecutor roles in the Service provided a stimulating and rewarding set of professional challenges. The outcome of the review has led to the development of a modified structure which has been developed through analysis of prosecutors' work, future business needs, Government Legal Service benchmarking, and consideration of HM Treasury's requirements for public sector remuneration. The new structure identifies the skills for each core role, supported by the CPS's Legal Development Programme, and has been proposed to the Departmental Trade Unions where negotiations have concluded.

A members ballot is expected in Quarter one of 2014-15 and the new structure will be implemented during the year.

Diverse Workforce

In 2013-14, the Stonewall Workplace Equality Index recognised our commitment to recruiting, retaining and developing a diverse workforce, by rating the CPS at number 35, a significant increase of 20 places on last year. Women (66.4%) and BME groups (15.6%) are currently well represented throughout our workforce. We are aware that only 5.9% of the workforce has declared a disability. We have positive action initiatives in place to support the Access to All Action Plan, aimed at improving representation and employee experience of those with disabilities. Other positive action initiatives ensure full representation for women, LGBT and BME employees at all levels. Work is ongoing to increase the number of people declaring sensitive data, so we have an accurate picture of the composition of the workforce.

Social and Community Matters

The CPS works in partnership with the other criminal justice agencies to respond to the concerns of local communities. We have a programme of community engagement, both nationally and in operational Areas, to ensure that we are aware of the priorities of local communities. This commitment is expressed in Core Quality Standard 12 and performance is assessed on a quarterly and annual basis at local and national level.

There is a national Community Accountability Forum (CAF), which includes partners from community organisations, through which we engage, involve and consult on a range of priorities. A CAF communications Sub Group has been established to assist with Direct Communication with Victims (DCV), Victims' Right to Review (VRR), complaints and the victims and witnesses portal.

We have also established a National Scrutiny Panel that scrutinises issues such as hate crime and violence against women.

Area Local Involvement and Scrutiny Panels involve communities in planning, scrutiny and the analysis of local data.

Efficiency and Innovation

Joint Performance measures

We cannot improve the efficiency and effectiveness of the criminal justice system alone. We have therefore established a joint Board with HM Courts and Tribunals Service (HMCTS). This works to improve our performance by identifying new and innovative ways to achieve greater efficiency and effectiveness by working together.

The Civil Service Reform Plan recognises the need for common sets of data to ensure consistent reporting and to enable comparisons. A joined up approach is crucial in establishing where in the process performance is at its best or worst and working together to develop improvement strategies. We have achieved this by

developing a joint CPS/HMCTS Combined Performance Summary tool. This gives operational leaders an overview of joint performance across the whole process.

Refocusing Programme

Continuing to deliver the best possible service for the public at a time of significantly diminishing resources has required us to look beyond short-term cost savings and small-scale efficiency measures. We had to undertake a fundamental re-appraisal of our approach, with a longer term, and more radical look at our priorities, business model and the way we were organised. Ultimately, we had to seek new and better ways to deliver the best possible service to the public. We had already begun the process, pooling resources and expertise as part of consolidating public service prosecutions, rationalising our Area structure and centralising skills into specialised units. Yet the scale of the financial challenge meant reductions to our overall payroll costs were inevitable. Anticipating a smaller workforce, we had to ensure that we planned to eliminate inefficiency and duplication. Essentially, we had to develop and introduce a new long-term operating model designed around standardised digital working that would provide a high performing, lean and efficient service.

To do this we embarked on our Refocusing Programme. This commenced in July 2012 to redefine the CPS's business model and ways of working, and to complement existing activity on digital working and estates in order to make the CPS more efficient and effective. It asked our leaders and their teams to design new business processes predicated on what we understand as our best practice in order to maintain and improve quality, while increasing efficiency with fewer resources. In this way, it has sought to address previously identified inefficiencies. They resulted from varying Area structures; an inability to shift work routinely to match capacity; and the development of local practices that gave rise to less consistency and anomalies in Area performance.

Through Refocusing, we have developed more resilient and flexible business units, and a consistent and effective approach to identifying and adopting best practice. We have created fewer, larger, more resilient, office hubs. These have increased our flexibility, enabling us to absorb pressures and cope more effectively with peaks in demand. A Continuous Improvement Team has designed and implemented Standard Operating Practices (SOPs) for our magistrates' casework systems and procedures. Built on best practice and standardised digital working, these SOPs have resulted in a simplified and standardised approach and thereby achieved greater consistency. We are now applying the same approach to the development of SOPs for Crown Court casework.

Our challenge now is to ensure that a culture of continuous improvement is embedded throughout the organisation; that our SOPs are adopted universally and consistently; that we implement a national approach to workload and resource management; and that we respond to fluctuations in demand more effectively by moving caseload routinely between locations based on robust resource management calculations and the freedom to process work from any location that standardisation and digitisation gives us.

Digital Business Programme

The Government has set an ambition for the criminal justice system (CJS) to be fully digital by April 2016. Digital working in the CJS will require changes in approach and culture of all those that work within it, including the police, the courts, the self-employed bar and defence practitioners. The CPS is a leading player in the CJS Efficiency Programme which is transforming the CJS.

Advances in digital technology provide the opportunity to transform the way we, and our criminal justice partners, work. How far working practices are revolutionised depends on the extent to which we embrace technology and adopt technological innovations.

The CPS's own Digital Business Programme continued to deliver a set of internal digital changes. The CPS Board continues to manage the risks inherent in such a complex area; given the number of different agencies that are part of the CJS, as well as the various technologies and investment cycles governing these agencies and the different priorities and pressures for each. The Chief Executive is joint SRO for the CJS Efficiency Board and for the Common Platform Programme, a joint programme with HMCTS to develop a single shared case management system.

Strong governance arrangements are in place to ensure that the business requirements are understood and drive the digital changes. There are also strong arrangements for managing the technology work streams and the associated suppliers.

The Board has overseen the delivery of the programme and regularly reviewed and challenged progress.

Improving our efficiency, and that of our suppliers, has seen a transformation in transactional services. Moving to a digital by default approach, as outlined in the Civil Service Reform Plan, has seen us launch a new online employee expenses system (Click and Claim) and eliminate approximately 30,000 paper claims per annum. We have automated and accelerated counsel fee payments through the Procure to Pay (P2P) system; generating savings in administration for the CPS and for Chambers. In the period from December 2012 to November 2013, we made over 100,000 electronic counsel fee payments within 31.6 days of the date of last hearing.

Common Platform

Leading digital working across the CJS will continue to be a priority for 2014-15 and beyond through the development of a Common Platform. Working with the Ministry of Justice, we aim to develop a single case management system (the Common Platform) allowing the sharing of evidence and case information across the CJS, with all relevant parties able to access common data. Though this project is at a very early stage, a joint CPS/HMCTS team is in place, the business case has been approved and development will begin in 2014-15. The challenge for the programme is to ensure the Common Platform meets business needs and delivers on time to budget.

Concept Court

The ground-breaking digital court in Birmingham, known as the 'concept court', gave an insight into how a magistrates' court of the future could operate. In the concept court, important information can be shared with the bench by court parties and legal advisors using touch screen computers – part of a paper-light approach to working in the courtroom. Tablets and laptops connect wirelessly to large screens in the court. CCTV footage, photographs, video and maps can be viewed by everyone in the courtroom. Additional technology called HALO allows the legal advisor to display case material on screens fitted to the bench. The concept court is hearing live cases including non-vulnerable adult trials, and will soon be hearing overnight remands. Similar courts are now running in Chelmsford and Croydon.

Estates Strategy

The CPS Estate Rationalisation Programme is well aligned to the wider government position as outlined in the Civil Service Reform Plan. As with most organisations estate is a major area of expenditure. Whilst many of the costs which make up this overall expenditure are fixed and long term, the economic climate is such that the department's estate needs to be managed strategically as a single asset in order to maximise value, increase flexibility and drive down cost. Work being delivered through the Refocusing Programme supported by improvements in technology has already enabled the move to fewer, larger buildings with greater space efficiency.

Since the programme was launched in 2010 there have been over 40 office closures as well as a number of relocations out of police sites. These offices have mainly been smaller regional offices with staff relocating to other local CPS offices with spare capacity. The closures have realised running cost savings of c. £10 million per annum and further planned closures between 2014 and 2016 are set to realise further savings of £10 million per annum. The programme is on target to reduce the running cost of the department's estate by £20 million (over 30%) by 2016 compared to the 2010 baseline.

The government is encouraging all departments to increase levels of flexible working, including enabling home working, working from other departmental offices and other government department sites and this may provide further opportunities to reduce the size of the estate in the future. However, barriers to flexible working have included the use of fixed IT for staff and working practices for a number of roles and these mean that most people can only work effectively when they are based at their office. To address this we plan on rolling out mobile computers for more than 90% of our staff in 2014 and our HR Directorate is currently reviewing our flexible working policies with a view to increasing flexible working in posts where it is appropriate.

Efficiency

The CPS spending plans agreed for SR10 originally required savings of 24.5% in real terms. Subsequent budgets have reduced funding in 2014-15 to £507.8 million, a real terms reduction of 28.3%. Through

maintaining an extremely tight grip on the comprehensive structured cost reduction programme developed for SR10 the department continued to operate within its budget allocation in 2013-14.

Over the SR10 period the CPS has changed its business model, and in 2014-15 it will continue to give full effect to the efficiencies gained through streamlined and more proportionate processes for the identification of guilty plea cases in both magistrates' and Crown Court; the consolidation of case preparation work into fewer larger, more resilient hubs; the introduction of digital files and digital processes; and driving out duplication and inefficiencies in current (paper) arrangements.

The SR13 settlement will provide the CPS with net funding of £478.6 million in 2015-16, a year-on-year cash reduction of 5.7%.

Other Information

Sickness Absence

There has been a reduction in Average Working Days Lost (AWDL) from 9.0 to 8.8 and, while this is a small change it is pleasing that actions taken and underway are now starting to improve the rolling average performance. The CPS has taken a number of actions to bring about this improvement including:

- The launch of a new Health, Wellbeing and Attendance Strategy in October 2013;
- New contractual partnership arrangements for both occupational health and employee assistance, from which opportunities to improve performance have been identified;
- Becoming a Public Health Responsibility Deal Partner;
- Adopting a co-ordinated approach to Stress Risk Assessment and training all HR advisors in this;
- Continuing our Management Development Programme that deals with a full range of management issues including managing attendance;
- Launching the reasonable adjustment passport to ensure that disabled staff are properly supported at work.

A number of additional actions are expected in the coming year and these include the launch of the new attendance management HR policy, the delivery of a number of pledges under the responsibility deal and bespoke wellbeing support for a number of specialist staff groups. It is expected that these activities will lead to a further improvement in AWDL in the coming year.

Payment of Suppliers and Witnesses

The CPS is committed to paying bills in accordance with agreed contractual conditions, or, where no such conditions exist, within 30 days of receipt of goods or services or the presentation of a valid invoice, whichever is the later. The CPS also seeks to pay all expenses to prosecution witnesses within five working days of receipt of a correctly completed claim form.

In 2013-14 the CPS settled 89% of undisputed invoices and staff and witness expense claims within 10 days of receipt (2012-13 87%). The CPS paid £364.96 in interest due under the Late Payment of Commercial Debts (Interest) Act 1998.

Off-Payroll contracts

The CPS paid no individuals via off-payroll contracts in the period covered by these accounts.

Reporting Cycle

The CPS produces a three-year Corporate Business strategy and an Annual Business Plan. The Annual Business Plan is submitted by the Chief Executive to the Attorney General in April and sets out the Department's priorities, objectives and annual performance targets. It is the definitive document against which the Department's annual performance is measured.

The CPS's statutory authority to consume resources and spend cash that finances its spending plans comes from the annual Main Estimate which is presented to Parliament, as part of the Supply Procedure, by HM Treasury around the start of the financial year to which the Estimate relates.

Supplementary Estimates are presented as necessary during the year as the means for seeking Parliament's approval to additional resources and/or cash or revisions to the main Estimate.

The Annual Report and Accounts covering the Department's work for the preceding year is published each year. This includes information on the Department's performance against key performance indicators. Each year the Annual Report and Accounts are audited, published and laid before Parliament as a House of Commons paper.

They may be accessed at www.cps.gov.uk

Reconciliation of Main Estimates to Outturn

Please refer to page 39.

Auditors

This year's Accounts have been audited by the National Audit Office on behalf of the Comptroller and Auditor General. No further audit services were received aside from that of statutory audit by the NAO.

The cost of audit work was £96,000 for the audit of the CPS 2013-14 Accounts. Auditor's remuneration is a notional cost (see Note 4).

Statement on disclosure to auditors

As far as the Accounting Officer is aware, there is no relevant audit information of which the National Audit Office is unaware, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the CPS's auditors are aware of that information.

Alison Saunders CB
Director of Public Prosecutions
08 July 2014

Financial Review

Introduction

Since 2009-10 total net expenditure has fallen sharply (see table below) and further reductions in expenditure are planned in the coming years.

Although shrinking budgets present challenges they also represent a powerful mandate for change. CPS planned well ahead of the 2010 Spending Review and designed a package of measures to preserve front line resources as far as possible. Headquarters budgets were reduced by 50% and a strategic plan was implemented to change the way we deploy people, digitise casework and introduce new streamlined processes.

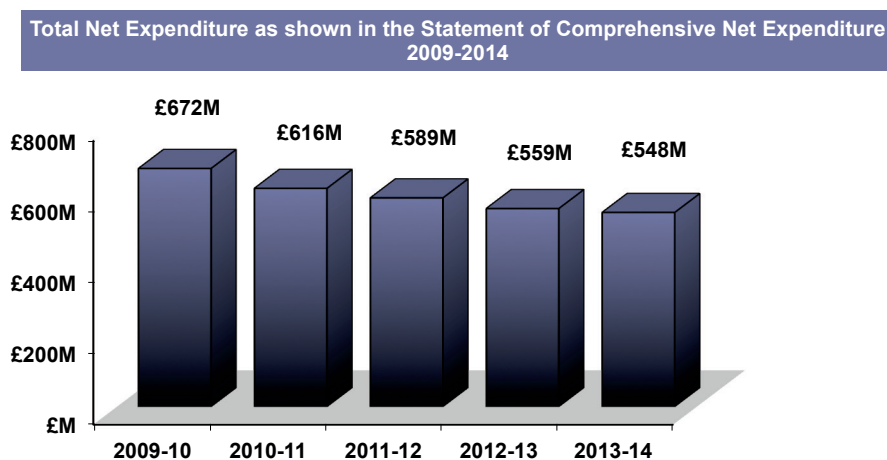
Financial Results

The financial results for the year are shown in the Statement of Parliamentary Supply and the related notes on pages 39-42. The CPS's net funding, as voted by Parliament, for the year to 31 March 2014 was £562.6 million.

In delivering the public prosecution service the Department spent a total of £616.4 million. After taking into account £64.8 million income, the total net resource requirement (including capital) as shown in the Statement of Parliamentary Supply was £551.6 million which was £11.0 million or 2.0% less than the sum voted to the CPS by Parliament.

Net expenditure

The table below shows the CPS's net expenditure since 2009-10. It indicates that last year we spent less than in any other year in this period and that between 2009-10 and 2013-14 net expenditure fell by £124 million or 18.5%.



Income

When costs are awarded by courts, the CPS recovers some of the costs of its prosecutions from defendants and is allowed to recognise these cost awards as income.

In addition, the CPS recovers criminal assets through its confiscation, restraint and enforcement activity and under the Asset Recovery Incentivisation Scheme the department retains a proportion of the value of the assets so recovered.

Over the year the CPS received net income of £64.8 million – a decrease of 2.3% over the equivalent figure from 2012-13 of £66.3 million. There were no individually significant changes in the amounts of income received.

The CPS's resources and expenditure are analysed between **Administration Costs** and **Crown Prosecutions and Legal Services**.

Administration Costs represents the costs of running the Department and includes only those costs not attributed to front line services directly associated with the prosecution of criminal cases. It includes staff salaries, other staff-related expenditure, accommodation and related costs for administrative staff based in the CPS Headquarters and accounts for just 5.0% of total resource expenditure.

Overall, the CPS's net outturn against its Administration budget was £30.4 million compared to net provision of £37.5 million. The outturn represents a decrease of £1.9 million or 5.8% against the figure of £32.3 million for 2012-13. The decrease was the result of a range of cost savings including on staff costs.

Crown Prosecutions and Legal Services cover the direct and indirect costs of taking cases to court and makes up approximately 95.0% of the CPS's total resource expenditure. After the cost of front line staff salaries, most of the expenditure is associated with the costs of the more serious cases, which are heard in the Crown Court and comprise the costs of employing barristers as advocates, paying allowances and expenses to prosecution witnesses who attend court, the cost of expert testimony and a number of other less significant costs associated with the prosecution process.

In 2013-14 net expenditure on Crown Prosecutions and Legal Services was £516.5 million compared with provision of £516.8 million representing an underspend of £0.3 million.

Crown Court Advocacy

The CPS uses two fees schemes for the payment of self-employed advocates' fees. The majority of cases in the Crown Court handled by external advocates are paid under the graduated fee scheme (GFS). GFS is a formulaic scheme using a range of measures to determine the fee, and measures include offence category, pages of evidence, numbers of witnesses, outcome type, etc. In March 2012 a new, simplified scheme (Scheme C) was launched that is simpler to administer and which introduced revised rates.

Capital Expenditure

Capital expenditure is focused on improving the Department's estate and office environment and investment in IT through the PFI arrangement with Logica.

The Department spent a total of £0.03 million on the purchase of fixed assets and of this the great majority was for purchases of furniture and fittings.

Movements in Working Capital other than Cash

The closing balance on trade receivables and other current assets due within one year increased from £54.0 million in 2012-13 to £57.9 million in 2013-14. In the same period trade payables and other current liabilities fell from £99.1 million to £91.2 million.

Provisions for liabilities and charges

At the end of the financial year the CPS held total provisions of £17.9 million. Of this, £4.3 million was to cover the future cost of early departures, £10.8 million was for dilapidations of leased properties and £2.8 million was for other expenses including relatively small amounts to cover personal injury and employment tribunal claims.

Non-current assets

At £20.9 million property, plant and equipment and intangible assets showed a fall of £9.0 million over the equivalent figure for 2012-13 of £29.9 million. In the case of property, plant and equipment the reduction was largely accounted for by disposals and depreciation. In the case of intangible assets a decrease in net values of £2.9 million was due to amortisation charged in year.

Cash and cash equivalents

The CPS held £7.99 million in cash and cash equivalents at the end of the reporting year – a decrease of £14.40 million from the 2012-13 balance of £22.39 million. This fall was caused by cash flows that were greater than the CPS's Supply from the Consolidated Fund of £527.76 million and the capital element of payments for on balance sheet PFI contracts (£9.97 million).

Net cash outflow from operating activities amounted to £532.16 million (£542.13 million in 2012-13), from investing activities was £0.03 million (£0.43 million in 2012-13) and from financing activities was £9.97 million (£9.48 million in 2012-13).

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £000 | £000 |
|---|----------------|----------------|
| | 2013-14 | 2012-13 |
| Net Resource Outturn (Estimates) | 552,267 | 563,223 |
| <i>Adjustments to remove non-budget elements:</i> | | |
| Consolidated Fund Extra Receipts in the resource budget (a) | – | – |
| Total Resource Budget Outturn | 552,267 | 563,223 |
| <i>of which:</i> | | |
| Departmental Expenditure Limits (DEL) | 546,907 | 559,133 |
| Annually Managed Expenditure (AME) | 5,360 | 4,090 |
| <i>Adjustments to include:</i> | | |
| Voted expenditure outside the budget (b) | 13,938 | 16,561 |
| <i>Adjustments to remove:</i> | | |
| Non-voted expenditure in the budget (c) | (18,803) | (18,797) |
| Net Operating Cost (Accounts) | 547,402 | 560,987 |

This table reconciles the outturn as reported in the Accounts to the Resource Budget Outturn.

- (a) Consolidated Fund Extra Receipts (CFERs) are miscellaneous amounts that the CPS is not able to recognise as income and which are surrendered directly to the Consolidated Fund.
- (b) Voted expenditure outside the budget relates to charges in respect of the CPS's two PFI contracts arising from the adoption of IFRS.
- (c) Non-voted expenditure in the budget relates to nominal payments under operating leases which are recognised in the European System of Accounts (ESA) which underpins the Government's budgeting framework but not the accounting framework, which reflects International Financial Reporting Standards (IFRS).

Sustainability Report

Summary of performance

The Crown Prosecution Service is committed to government policy to improve sustainability and as stated in our latest business plan is reporting on the Greening Government Commitment (GGC) targets which started on 1 April 2011 with a baseline period of 2009-10. The data attached reflects our present position for the financial year ending March 2014.

The CPS continues to reduce its gas and electricity emissions against the baseline of 2009-10. The same can be said for our overall business travel emissions.

The CPS Headquarters building at Rose Court receives 100% renewable electricity and the majority of our buildings are also supplied with renewable energy.

The CPS has set up the following actions to improve sustainability:

- Estate rationalisation has continued this year and our estate is now smaller than previous years. Any moves completed continue to support the workplace standard of 8 desks per 10 person ratio and the 10m² per FTE target;
- Our waste figures have reduced below our baseline figure this year and the majority of it is recycled. However it continues to be high as we continue with our Estate rationalisation plans;
- Through the use of Automatic Meter Readers (AMR) we have developed a more detailed monitoring system and are using this continuously to support our move to using less energy;
- Where possible work is continuing to take place as a result of the Sustainability Surveys completed previously on some of our major energy usage buildings. Any work completed will assist the CPS in reducing its energy consumption;
- The continued replacement and upgrade of our IT equipment as part of a set programme of technology refreshes and changes in working methods, with equipment that uses less power, continues to support the reduction in energy consumption and our CO₂e emissions. Any equipment removed is disposed of under the WEEE Directive;
- We are continuing to utilise the Closed Loop Procedure for purchasing paper as mentioned in the Greening Government Commitments Guidance Document;
- We continue to review our utility invoice paying mechanisms with a view to making them completely electronic;
- The review of our travel and subsistence payment procedures has been completed this year and has added to the travel data now available;
- We have continued to use the Water AMR (Automatic Meter Readers) supplied by Thames Water in our HQ building at Rose Court. Using this support alongside assistance from a project called the Rippleffect under WRAP's (Waste and Resources Action Programme) lead and using data now available we are about to have three sub-meters installed to further analyse the water consumption;
- We, along with the other LOD members, signed up to the Carbon Trusts Carbon Management Programme and have a joint LOD Carbon Management plan, which covers the period until 2015;
- The CPS is a member of and the secretariat to the LOD Sustainable Development Steering Group.

Governance

The Solicitor General represents the Law Officers' Departments (LODs) on Sustainable Development matters.

The minister is supported by the LOD SD Steering Group chaired by the CPS Finance Director. The CPS is the Secretariat to this Group and represents the LODs on any relevant SD committees.

Our results against the GGC targets will be reported annually.

Procurement

The CPS is making increasing use of mandated centralised procurement contracts where appropriate, that embed the Government Buying Standards (GBS) within them. However, if there are no centralised contracts then any contract entered into will meet the GBS requirements.

We have also been in discussions with our major suppliers to establish their supply chain impacts in relation to our contract.

Performance Data

The tables attached set out the CPS's performance against the key sustainability targets.

Greenhouse Gas Emissions

Scope 1 and 2 emissions include energy used by the department and its government subtenants and Fleet emissions. The GGC targets require a 25% reduction on Estate and travel emissions by 2015 (excluding short and long haul flights). These figures show a 39% reduction to date.

The CPS's electricity supply is made up of approximately 99% renewable energy and 1% brown energy.

The expenditure and emissions figures shown reflect this breakdown. The information above is from the CPS's controlled estate where it pays the utility invoices direct to the supplier. It does not show the utility use paid directly to our landlords as part of the service charges incurred.

Emissions for scope 3 relate to recorded business travel including staff-owned cars and hire cars, air travel and train travel purchased within the relevant contracts, as well as electricity transmission and distribution emissions.

However, since the introduction of "Click and Claim", an internal electronic travel expense package we have been able to collect data on emissions from other types of travel including bus, taxi and train/tube travel, where tickets were purchased outside of our travel contract, which until recently had been unquantifiable.

Both Air and Rail travel have increased this year although both Domestic and Short Haul Air travel have reduced. Road travel has also decreased. We have also reduced the number of leased vehicles across the estate from 14 last year to 8 this year. The need for fleet vehicles should reduce as CPS becomes less reliant on paper files.

The expenditure data shows all of the recorded expenditure on business travel.

Waste

The CPS is part of the closed loop procedure for the removal and secure destruction of paper waste.

Waste removal continues under our national contract and the communal waste points facilitate the segregation of our waste and facilitate the better use of our cleaners' time.

Some buildings have waste collection services provided by the Landlord and are re-charged through a service charge.

The strategy to use the national FM contract has several benefits. It facilitates integration with cleaning services as the same contractor is actively involved with the movement of waste within a building and the removal of that waste from the building.

Central management of waste services also ensures more efficient and reliable management information on collection frequency and waste volumes. The data reported here reflects actual figures received and is not extrapolated as in previous years.

Water

The data shown demonstrate our recorded water consumption and our water costs. The consumption figures, which continue to reduce relate to the metered water supply in m³. The costs include metered water, rated water and water cooler costs. We have considered installing water meters at our non-metered sites but the majority of the sites are not suitable for meter installation.

The new sub meters about to be installed in Rose Court will allow further investigation into water consumption on this site.

The target refers to the commitment to reduce water consumption by 2015 against the 2009-10 baselines.

Transparency Commitments as part of the GGC Reporting Requirements

These include the following areas:

- Climate change adaptation
- Biodiversity and the natural environment
- Procurement of food and catering services
- Sustainable construction
- People

Climate Change Adaptation

We are continuing the process of reviewing our working methods and introducing best practice procedures across the department, which is supporting us in reducing the numbers of offices across our estate and the setting up of "centralised hubs". All of our sites have contingency plans in place to address any major disruptions through weather or transport.

Biodiversity and the natural environment

As our estate is Office based we do not have any sites of Special Scientific Interest, which require a Biodiversity Action Plan.

Procurement of food and catering services

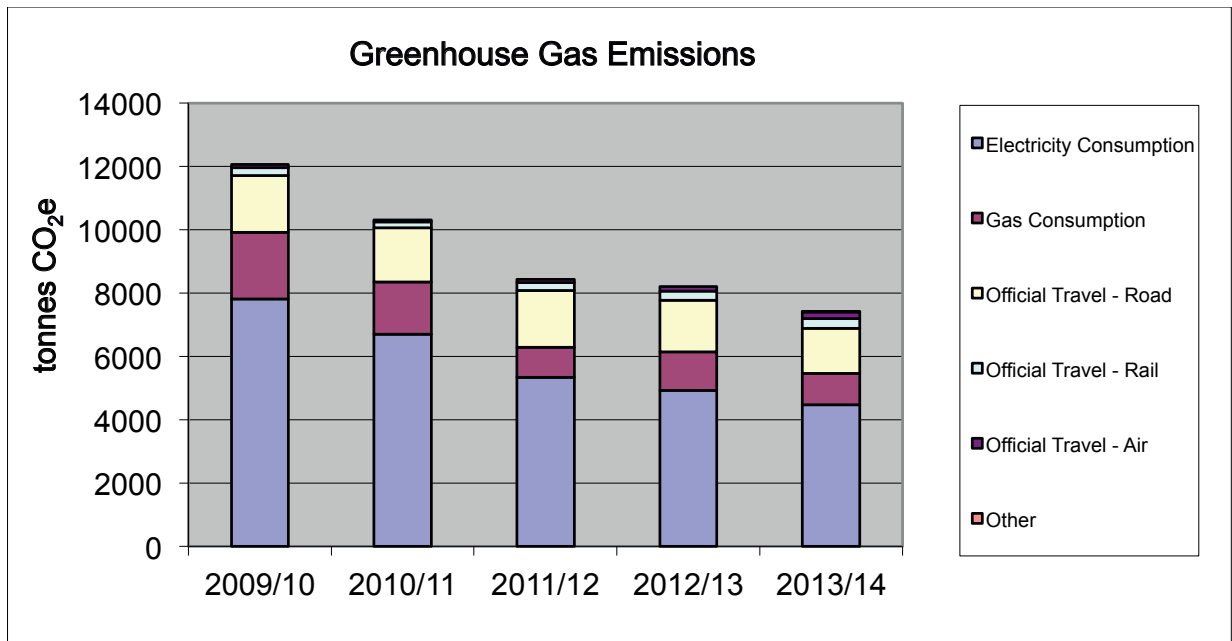
Our FM contract includes an element for meeting our catering requirements. Our main requirement is for our Staff Restaurant, which is situated in our headquarters at Rose Court. There are ongoing discussions around the requirements of the Government Buying Standards (GBS) for Food and Catering Services, which is mandatory for all departments to follow.

Sustainable Construction

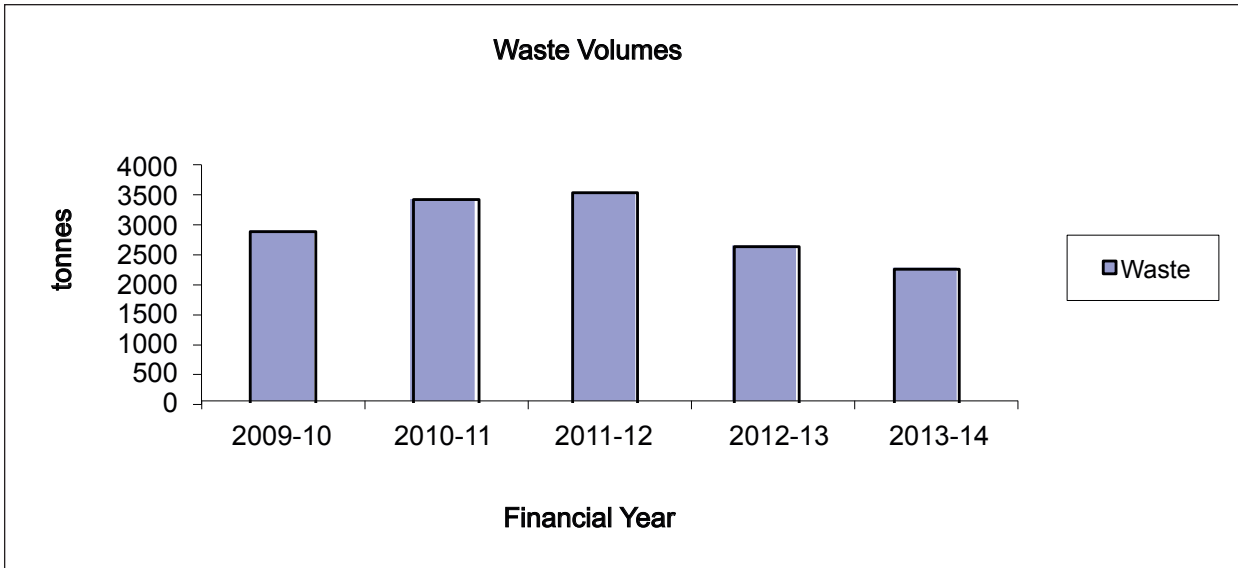
The CPS is not involved with any new construction. We do however occasionally have some refurbishment carried out on properties we plan to occupy. We do not procure timber direct but if procured by our agents it meets the government's sustainable timber procurement policy.

Note: The CPS incorporated the Revenue and Customs Prosecution Office during 2009-10, the figures above cover the combined department.

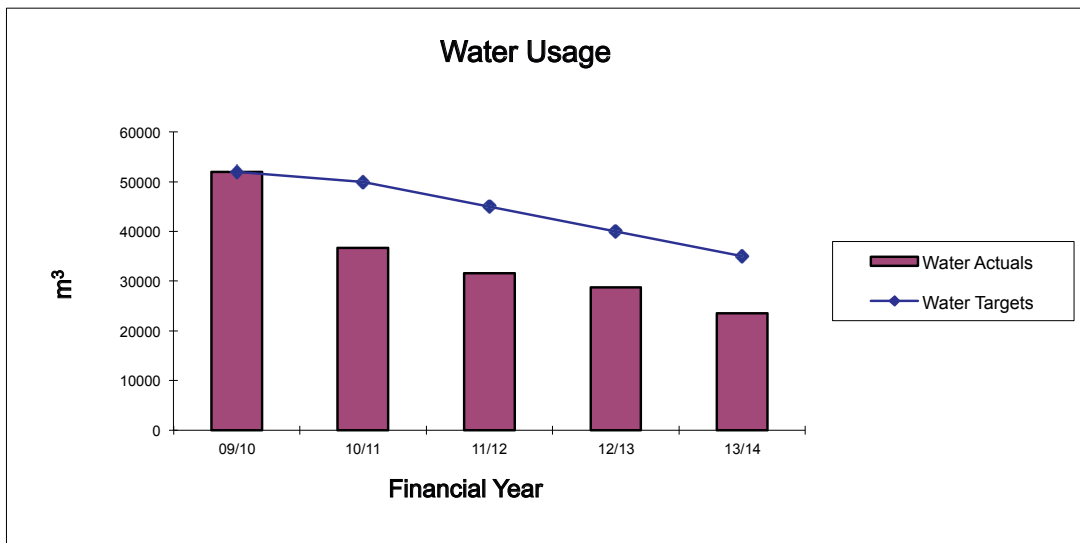
| Greenhouse Gas Emissions | | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|---|---|----------------|----------------|----------------|----------------|----------------|
| Non-financial indicators (tCO ₂ e) | Total Gross Emissions for Scopes 1 & 2 | 9,483 | 7,983 | 5,984 | 5,862 | 5,174 |
| | Total Net Emissions for Scopes 1 & 2 | 9,483 | 7,983 | 5,984 | 5,862 | 5,174 |
| | Gross Emissions Scope 3 Business Travel | 2,008 | 1,829 | 2,028 | 1,979 | 1,870 |
| | Other Scope 3 Emissions Measured | 574 | 500 | 420 | 360 | 353 |
| Related Energy Consumption (kWh,000s) | Electricity: Non Renewable (kWh) | 4,931 | 5,864 | 5,143 | 4,909 | 93 |
| | Electricity: Renewable (kWh) | 9,751 | 6,918 | 5,726 | 5,000 | 9,173 |
| | Gas | 11,364 | 8,993 | 5,163 | 6,628 | 5,302 |
| | LPG | | | | | |
| | Other | | | | | |
| Financial Indicators (£k) | Expenditure on Energy | 2,328 | 1,602 | 1,551 | 1,457 | 1,552 |
| | CRC Licence Expenditure | 0 | 2 | 1 | 1 | 1 |
| | Expenditure on Accredited Offsets | 0 | 3 | 2 | 0 | 0 |
| | Expenditure on Official Business Travel | 5,661 | 3,947 | 3,755 | 4,101 | 4,331 |



| Waste | | | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|------------------------------|---------------------|-------------------------------|---------|---------|---------|---------|---------|
| Non-financial indicators (t) | Hazardous Waste | Total | | | | | |
| | Non Hazardous Waste | Landfill | 210 | 376 | 611 | 477 | 111 |
| | | Reused/Recycled | 2,682 | 2,966 | 2,792 | 2,041 | 2,154 |
| | | Incinerated/Energy from waste | 0 | 79 | 139 | 115 | 0 |



| Finite Resource Consumption | | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 |
|--|--------------------|---------|---------|---------|---------|---------|
| Non-financial indicators (m ³) | Water Consumption | 51,907 | 36,672 | 31,563 | 28,741 | 23,518 |
| Financial Indicators (£k) | Water Supply Costs | 166 | 113 | 115 | 95 | 81 |



Notes:

1. Every year's CO₂e data presented using Defra's 2011 GHG tables.
2. 2011/12 data as reported for GGC. The only estimated data is the Fleet data.

3. 2009/10 year is GGC baseline year.
4. 2010/11 data updated as per SOGE reporting data.

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the Crown Prosecution Service to prepare for each financial year accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Crown Prosecution Service and of its net resource outturn, changes in taxpayers' equity and cash flows for the financial year.

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

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

HM Treasury has appointed the Director of Public Prosecutions as Accounting Officer of the Department, and the Director of Public Prosecutions has appointed the Chief Executive as an Additional Accounting Officer, with responsibility for preparing the Department's accounts and for transmitting them to the Comptroller and Auditor General. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Crown Prosecution Service's assets, are set out in *Managing Public Money* published by HM Treasury. Under the terms of the Accounting Officer's Memorandum, the relationship between the Department's principal and additional Accounting Officers, together with their respective responsibilities, is set out in writing.

Governance Statement

This Governance Statement sets out the Crown Prosecution Service's governance, risk and compliance framework and our management of the major risks to the achievement of our strategic objectives from 1 April 2013 to 31 March 2014.

We ensure that we have robust governance arrangements in place to promote high performance and safeguard propriety and regularity.

The CPS is a government department that is not subject to the protocol on enhanced departmental boards but has sought to comply with the practices set out in the Corporate Governance Code of Good Practice wherever relevant and practical.

Governance Framework

The CPS Board

The CPS Board, chaired by the DPP, is collectively responsible for the CPS's public service outcomes and the wider contribution it makes to the Criminal Justice System.

The Board meets regularly to co-ordinate activity across the organisation, driving and monitoring performance and making strategic decisions about operational, resource, communications and other administrative matters. Board members meet formally with other senior managers, corporately and in their directorates, to steer and lead on strategically important areas of work.

The role of the Board is to:

- Demonstrate visible and effective leadership across the organisation to inspire confidence in staff, CJS and other stakeholders and the public;
- Determine and communicate the Vision, Values, strategic objectives, direction and priorities of the CPS;
- Ensure effective allocation and management of the CPS's resources;
- Set the CPS's risk appetite and have ownership of the Corporate Risk Register; and
- Ensure the CPS is a high-performing, streamlined, prosecution service focused on quality and respected for its professionalism.

In 2013-14 the Board has focused on the following key priorities:

- Identifying and managing strategic challenges and risks, linked to Corporate Risk and wider Civil Service Reform;
- Embedding Refocusing of the CPS to provide a high performing, lean and efficient service for the future;
- Implementation of the People Strategy, including driving up employee engagement and embedding the CPS values;
- Embedding digitisation of the CPS to support Refocusing and wider digital working across the CJS;
- Ensuring delivery against Core Quality Standards and performance improvement across all other key indicators; and
- Ensuring effective allocation and management of the CPS's staff and financial resources.

The Board is satisfied that it achieved its priorities in all areas and this is supported by analysis linked to the last Governance Review which took place in 2013. In response to the review, work has been undertaken to implement actions which will strengthen oversight, focus, performance and engagement. Further work to address the recommendations is ongoing. A stocktake exercise was undertaken by the Board in November 2013 to review progress against 2013-14 priorities. Following the appointment of the new DPP in November, the Board has been engaged on three new priorities for the Service: Service to Victims; Tools and Skills for the Job; and Casework Quality.

During 2013-14 the Board structure remained unchanged, with the membership comprising the DPP, Chief Executive, Chief Operating Officer, Finance Director and Non-Executive Directors (NEDs). However, throughout this period, there were changes in individual members. A new DPP was appointed on 1 November 2013.

The appointment and termination of staff who are members of the CPS Board, excluding the NEDs, who are not employed by the CPS, is undertaken in accordance with the Civil Service Management Code. Where appropriate their remuneration, details of which can be found in the Remuneration Report, is determined by reference to the Senior Salaries Review Body. As per obligations under the Corporate governance in central government departments: Code of good practice, a process is in place to record and manage conflicts and potential conflicts of interest of Board members. In the rare event of members holding company directorships or having any significant interests that conflict with their management responsibilities, these are declared and a record kept by the secretariat. No specific action was required at Board level due to a declaration of interest in 2013-14.

The Board has four sub committees: the Audit and Risk Committee, the Nominations and Governance Committee, the Executive Group (formerly titled the Directors' Group) and the Operational Delivery Group (formerly titled the Chief Crown Prosecutors' Group).

Details of membership of the Board, and its four sub committees, during the year and associated attendance is detailed on pages 74-76 (Annex A).

Audit and Risk Committee

The Audit and Risk Committee is chaired by Jeremy Newman, Non-Executive Director. The committee, on behalf of the Board, maintains an overview of the risk, control and governance of the Crown Prosecution Service (CPS) ensuring that the system of internal control is adequate to deliver regulatory compliance, financial probity and value for money. The committee reviews and monitors the CPS's risk management processes and arrangements for ensuring compliance with regulatory and financial reporting requirements. It also agrees a programme for internal audit.

Nominations and Governance Committee

The Nominations and Governance Committee is chaired by Derek Manuel, Non-Executive Director and has delegated responsibility and authority for advising the Board on key elements of effectiveness, including ensuring that there are satisfactory systems for identifying and developing leadership and high potential, scrutinising the incentive structure and succession planning for the Board and senior leadership of the CPS, and scrutinising governance arrangements. It has specific decision making responsibility in respect of payments to executives and senior management.

Executive Group

The Executive Group is made up of the most senior members of Headquarters staff and is responsible to the CPS Board for refining and delivering the CPS strategy, collective delivery of the strategic objectives, CPS Core Quality Standards and efficiency supporting the operational delivery of CPS business.

Operational Delivery Group

The Operational Delivery Group is made up of CPS's most senior prosecutors and is responsible for operational delivery; delivery of core quality standards and efficiency in front line operations; engagement and influence of key stakeholders; and feedback to the Executive Group and the CPS Board, through the Chief Operating Officer, on strategic operational proposals.

Risk Management

The CPS has a structured approach to risk management that is based on Cabinet Office and HM Treasury best practice guidance. Everyone in the CPS has responsibility for risk management. At present, there are eight corporate/strategic risks and each one has an owner who is a member of the Executive Group (EG). The risk management process has been significantly enhanced over the course of the current financial year. We now have a framework for articulating risk appetite and the Audit and Risk Committee has provided constructive challenge that has resulted in a new robust process. During 2013-14, we conducted an in-depth evaluation of each of our eight corporate risks, in terms of alignment with strategic objectives, tolerance and ranking, and

appropriateness of associated mitigating action. They reflect the consequences of a significant reduction in resources across the criminal justice system extending into 2015-16, and they identify how we should engage with our criminal justice partners to face these challenges.

Risk has also featured prominently on the CPS Board agenda this year. The Board has considered the corporate risk register to ensure that risks and associated mitigating action is reflected appropriately by ratifying it. The Board has also considered appropriateness of CPS's risk appetite and the basis of evaluating it.

The risk management process is now being embedded throughout the organisation. To ensure compliance, and to assess effectiveness, risks are now formally reported on a quarterly basis via a standard risk return. These are reviewed centrally and individual feedback provided to each Area for them to consider with a view to strengthening the risk management process. Senior management engagement in the process has increased considerably and risks are now discussed at Area Board meetings. Using the newly introduced formal quarterly reporting cycle to evaluate the process, and outcomes of independent reviews of the CPS risk management system by Internal Audit, NAO and HMCPSI, we will continue to strengthen and enhance this process.

Risk Profile

CPS's current strategic risks are:

- The CPS will not have an engaged and energised workforce, with the right numbers of people in the right roles with the necessary skills and knowledge, to be able to deliver services in an effective and agile manner by 2015;
- Failure to implement the new business model, i.e. not achieve the consolidation, standardisation and culture change required to operate the new business model;
- Inconsistent application of quality and timeliness of decision making across operational areas, affecting our overall delivery;
- We don't fully engage or influence key stakeholders in a clear and coherent way, leading to failure to influence, reduce inefficiencies or deliver changes;
- Failure to respond effectively to further changes to our spending profile over the next three years;
- We don't transform our business environment quickly enough, because of failure to embed and exploit digital working practices in the CPS and across the CJS;
- We do not provide an effective service to victims and witnesses;
- There is a risk that our data and infrastructure could become compromised or damaged.

Proceeds of Crime

The cost of crime to our economy is substantial. Fraud is estimated to cost the UK £52 billion a year, and serious organised crime costs the UK more than £24 billion a year. Criminal proceeds are laundered and used to fund further crime. This illicit finance supports terrorism, fuels corruption and hinders good governance. On 15 January, the Director appeared before the Public Accounts Committee where the recent NAO report on Confiscation Orders was considered. Although the NAO acknowledged the hard work undertaken by the CPS and other key enforcement and prosecution agencies on asset recovery, they were critical of the lack of overall Government strategy and believed that more could be achieved with a joined up and focused approach. A project to establish a more effective means of organising ourselves nationally to strengthen our efforts in retrieving criminal assets is in progress. A 'CPS Proceeds of Crime Service' will be created dedicated to asset recovery and comprises a strong centre and nine regional hubs. The national Proceeds of Crime service will be confined to purely dealing with asset recovery work, streamlining our efforts to confront a priority issue on the national agenda. The service will be fully formed and functioning by 30 June.

Counter-fraud and corruption

Generally, the CPS experiences very low levels of fraud and error in its payments systems.

The Department has well-established policies on fraud and whistle-blowing, which are published on the Intranet. These make it clear that the organisation has a zero tolerance approach to fraud and that where fraud does occur the response will be swift and robust.

A comprehensive and up-to-date system of prescribed financial checks and controls is designed to discourage and detect fraud. This includes a requirement for managers to perform regular checks on financial transactions to ensure that they have been authorised at an appropriate level, that orders have been fulfilled and that payments are correct.

The Court Business Delivery Unit (CBDU) systematically reviews counsel fee payments to ensure compliance with the CPS's various fee regimes and with internal processes for paying counsel and other suppliers. Internal Audit conducts routine checks to ensure financial regularity and propriety at a national level, and a sample of payments is reviewed every year to confirm key controls are in place and operating as intended.

In addition, transactions are subject to annual review by the National Audit Office as part of the certification process for the statutory accounts. A new online system was introduced for financial delegations in 2011 providing increased security for payments and enabling automatic expiry and annual renewal.

Senior management remuneration

Travel, subsistence and accommodation payments relating to the remuneration of the Chief Operating Officer (COO) gave rise to an allowance and benefits in kind (details of the amounts are contained in the Remuneration Report on page 71). These payments meant that the total remuneration received by the COO in 2013/14 exceeded the Cabinet Office's control limit. Retrospective approval for the remuneration was given by the Cabinet Office and the Chief Secretary to the Treasury.

Although the payments to the COO were compliant with the CPS's governance framework and remuneration and expenses policies and were recorded correctly in the department's pay and finance systems, the department acknowledges that there was a failure in its system of internal controls. There was no requirement for independent scrutiny by the Nominations and Governance Committee of the remuneration of senior civil servants appointed by the CPS and the Cabinet Office control was not applied at the point that the COO's remuneration exceeded the control limit of £142,500.

To ensure that future arrangements are fully compliant with all relevant authorities and to provide a full assurance that internal controls, procedures and policies are adequate and applied consistently and transparently and that all amounts are correctly identified, recorded, disclosed and authorised, the CPS will review its internal controls and governance and the remit of its Nominations and Governance Committee.

As the Accounting Officer, I will make a formal assessment of the review findings and will take such action as necessary to mitigate any continuing risks.

Security

In June 2013, the SIRO formally reported the CPS's compliance against the Security Policy Framework (SPF) and Information Assurance Maturity Model (IAMM) (including the compliance of its third party supplier (Logica CGI) for its business critical system) to the Cabinet Office through the submission of the annual Security Risk Management Overview (SRMO). An additional assessment against the SPF (V11.0) mandatory requirements was carried out in March 2014.

Information Risk Management and information security governance continue to be developed and embedded across the department. An operational shift towards digital working has seen a significant shift in the landscape of security and has presented new challenges in securing data, whilst improving data sharing arrangements.

The Government-wide transition towards shared services and 'common data' has brought with it the need to work more closely with other government departments in securing shared data, and a review of cross CJS governance arrangements is in progress.

The digital file and electronic courts have created the need to develop flexible yet robust policies around portable device security and the security of electronically held information.

The following improvements have been implemented over the past 12 months:

- The rollout of the new Government Security Classifications in April 2014 has prompted a review and rewrite of our current handling arrangements. A multi-disciplinary working group has ensured that the implications of the new classifications have been considered across all areas of CPS work, as a result of which new handling caveats have been produced and a review of all existing policies and guidance has been undertaken. This work has been supported by the rollout of mandatory e-learning;

- Public Sector Network (PSN) – the CPS has been successful in gaining accreditation for the PSN – which will eventually replace the existing Government Security Intranet (GSI);
- All security vetting is now undertaken by DSU. As part of this transition the Proscribed Offences List has been reviewed, alongside a review of authorised DV posts. This review has been accompanied by the introduction of a DV Annual Security Appraisal, which will be operational from June 2014 and will see all DV vetted staff interviewed on an annual basis. The review will require post holders to record any changes to their personal circumstances and declare any security-related issues; this is accompanied by a line manager appraisal;
- Digital Business Continuity Management – a review of digital business continuity arrangements to align with the introduction of Standard Operating Procedures (SOPs) across all areas and central casework divisions is in progress;
- ‘Responsible for Information’ e-learning has been mandated for all staff. The course amalgamates Protecting Information and Counter-Fraud Bribery and Corruption into a single offering. Rollout concluded 31 March 2014;
- Information Management Advisors (IMAs) continue to receive ongoing training;
- Guidance has been updated regarding the use of social media for staff;
- Wi-Fi – the security team continue to take risk decisions, based on sound assessments, to increase ICT usage and digital working where this benefits the business. A security solution has been developed that will enable mobile devices to connect to the internet using a secure Wi-Fi connection. This is a significant move towards the deployment of a workforce that is truly mobile and not dependent on the synchronisation of devices at a host office;
- Cyber Security – The department is dealing with an increasing number of cyber incidents. As well as reviewing our technical defences, work has also been undertaken to increase the cyber awareness of users.

Information Management Unit

There have been five breaches of the Data Protection Act 1998 (DPA) that have been reported to the ICO during this period. In each instance the breach occurred as a result of the inadvertent disclosure of personal details to an unintended recipient.

The ICO has assessed four of these breaches and their view in all four is that the CPS breached the DPA as the disclosures were unauthorised. However, the ICO view was that regulatory action was not required. One ICO investigation is ongoing.

The breaches occurred as isolated incidents in different CPS Areas/HQ Directorates. As part of the ICO investigation we provided a full account of the breach, mitigating action, details of any disciplinary action taken and full details on policies, practices and procedures in place.

Records Management

From 2013 all government departments were required to move towards releasing records when they are 20 years old, instead of 30 (known as the 30 Year Rule). From 2013, two years’ worth of government records will need to be transferred to The National Archives (TNA) over a ten-year transition period until a new ‘20-year rule’ is reached in 2023. After this point, government will revert to transferring a single year’s worth of 20-year-old records to TNA each year.

The CPS presently has a backlog of cases for transfer going back to 1978 which require sensitivity review and preparation before transfer to TNA. This work has been outsourced and it is expected that we will be in a position to transfer records up until year 1984 by the end of this calendar year.

The CPS maintains good records and is often relied upon by the police when they are reviewing cold cases or researching particular archived cases.

Table 1: Summary Of Protected Personal Data Related Incidents Formally Reported to the Information Commissioner's Office in 2013-14

| Date of Incident (Month) | Nature of incident | Nature of data involved | Number of people potentially affected | Notification steps |
|---|---|--|---------------------------------------|--|
| June | Unauthorised disclosure | Name(s) Addresses | 1 | Department notified of error and reported to ICO. No further action taken by the ICO. |
| August | Unauthorised disclosure | Name(s) Addresses | 300 | Department notified of error and reported to ICO. No further action taken by the ICO. |
| October | Unauthorised disclosure | Name Address Other sensitive personal data | Not known | Department notified of error and reported to ICO. No further action taken by the ICO. |
| February | Unauthorised disclosure | Name(s) Other sensitive personal data | 14 (approx.) | Department notified of error and reported to the ICO. No further action taken by the ICO. |
| Further action on information risk | The Department will continue to monitor and assess its information risks in light of these events in order to identify and address any weaknesses and ensure continuous improvement of our systems and handling procedures. | | | |

| Reporting of Personal Data Related Incidents 2013-14 | | | |
|---|------------|--|----|
| 1. Total Included Data Loss Incidents | | | |
| Category Types | I | Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises | 15 |
| | II | Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Government premises | 7 |
| | III | Insecure disposal of inadequately protected electronic equipment, devices or paper documents | 0 |
| | IV | Unauthorised disclosure | 47 |
| | V | Other | 0 |
| | | Total | 69 |
| 2. Lost/Stolen Laptops/Tablets | | | 23 |
| <p>Explanatory Note: The majority of incidents relating to loss of information have involved details from a single case file. To put the losses into context the CPS handles approximately 730,000 defendant cases in a year. Most of these files make at least one journey to court and in addition the CPS serves evidence on both the Court and solicitors/barristers (both defence and prosecution). All CPS staff must complete and pass the Civil Service e-learning 'Responsible for Information'. The CPS continues to produce guidance and awareness material reminding staff of the data handling measures needing to be adhered to when handling and sharing CPS information.</p> | | | |
| <p>Included – 69 personal data incidents have been included as losses for the purposes of this report. The majority of these incidents involved poor handling of the data leading to inadvertent unauthorised disclosures to others.</p> | | | |
| <p>Excluded – 56 incidents have been excluded from the report because the loss was very minor concerning a limited amount of personal data which was not compromised.</p> | | | |
| <p>Lost/Stolen Laptops/Blackberries: All devices were encrypted to the government standard. Therefore no CPS data has been compromised. It should also be noted that the CPS has approximately 4,955 mobile user devices.</p> | | | |

HMCPPI

Her Majesty's Crown Prosecution Service Inspectorate (HMCPPI) is an independent statutory body reporting to the Attorney General, whose primary function is to promote the effectiveness, efficiency and value for money of the bodies it inspects.

HMCPPI priorities for inspection are set out in an annual Business Plan and it reports annually to the Attorney General on the performance of the CPS in addition to other individual and thematic inspection reports.

The CPS takes account of HMCPPI's findings and seeks to ensure that its recommendations are implemented as appropriate.

Review of Effectiveness

As Accounting Officer, the Director of Public Prosecutions has responsibility for reviewing the effectiveness of the system of internal control in the Crown Prosecution Service. Her review is informed by the work of Internal Audit and members of the Executive Group who have responsibility for the development and maintenance of the internal control framework, and comments and recommendations made by the external auditors in their annual management letter and other reports.

The effectiveness of the system of internal control was maintained and reviewed this year through:

- Comprehensive operational and financial planning and reporting processes within the CPS;
- Policies and procedures to support the flow of timely, relevant and reliable information across the organisation;
- Formalised authorisation processes and strengthening delegated authorities covering financial transactions and contracts;
- The work of Internal Audit which provides an independent and objective opinion on the adequacy of processes on risk, control, governance and finance systems;
- The work of the Audit and Risk Committee which has included reviewing systems and processes of internal control and governance, evaluating the control environment, advising the Accounting Officers and CPS Board on risk management, reviewing the procedures for handling allegations from whistle blowers and reviewing and challenging where necessary, the actions and judgements made by management in relation to interim and annual financial statements;
- The HM Crown Prosecution Service Inspectorate who provide an independent review of business efficiency and effectiveness;
- The HQ Directors and Group Chairs completing a Certificate of Assurance that provides a specific and personal assurance based on a self-assessment of the reliability of their key business systems and activities throughout the year;
- The Information Assurance Maturity Model (IAMM) and Major Supplier 3rd Party Assurance assessments;
- The results of the CQSM assessments and validation measures being discussed in quarterly APR meetings which are led by the Chief Operating Officer and held with CCPs and ABMs;
- Case auditors who are aligned to Areas and Casework Groups to provide support, training and advice on counsel fee and prosecution cost issues;
- The alignment of the CQSM and APR performance framework with that of HMCPPI;
- Validation of Certificates of Assurance (CoA) when it is determined which HMCPPI Area Effectiveness reports have been published that cover the period in question;
- The work of the National Audit Office, as external auditors, in forming an opinion on the financial statements.

Based on the above, I am able to report that there were no significant weaknesses in the CPS's governance and control framework that affected achievement of our strategic objectives in 2013-14.

Alison Saunders
Director of Public Prosecutions
08 July 2014

Non-Executive Director's Report

Introduction

CPS performance continued to improve during a period of significant business change and budgetary reductions. In 2013-14, our national performance data improved during every quarter whilst meeting the challenges arising from a budget reduced by a further £29.2 million to £562.6 million.

Our recently published Departmental Improvement Plan reflects the significant, and ongoing, changes at the CPS and we were pleased to receive positive feedback on this from the Cabinet Secretary.

Strategic Clarity

The new Director of Public Prosecutions, Alison Saunders, took up post in November and set out three key strategic priorities during the year, namely to:

- make our service to victims and witnesses central to everything we do;
- ensure the highest standards of casework quality; and
- provide our people with the right tools and skills for the job.

These priorities build on our previous objectives, reflect the CPS's clarity of purpose and are fully supported by the Board.

We can only aspire to deliver these priorities because of the work done on developing new approaches to casework and streamlining core processes. Transformation continues within the Department and the CPS continues to lead change and innovation across the wider criminal justice system. Our Digital Strategy sets out an ambitious and comprehensive programme which will affect every individual now working in the CPS and many people in other agencies, including the police and the courts. What has been delivered so far is impressive but much remains to be done; and the transformation programme contains considerable risks which will be closely monitored by the Board.

The Board welcomed the increased focus being placed on the CPS's role in supporting both victims and witnesses of crime. The CPS is in a pivotal position throughout the trial process and can greatly influence the experience of victims and witnesses. Where the CPS gets its service to victims and witnesses right, it can make a tremendous difference not only to the individuals involved, but also to achieving a successful outcome to a case. Victim Liaison Units, which will be rolled out to every Area in 2014, will be CPS-staffed and are intended to increase the support available to victims throughout the prosecution process.

During the year the CPS introduced the Victims' Right to Review, which makes it easier for victims to seek a review of a CPS decision not to bring charges or to terminate proceedings. The new scheme is supported by a revised Victims' Code, which came into effect in December.

We also established an Independent Assessor of Complaints (IAC) to review those cases where the complainant is not satisfied after our internal complaints procedure has concluded. The IAC will routinely audit a proportion of complaints to help identify recurring issues and provide scrutiny on the effective operation of the complaints system. The IAC reports directly to the Board.

Commercial Sense

The importance of financial management is widely recognised throughout the CPS.

The need to deliver the same or more with less has provided a powerful mandate for reform and is reflected in the digital strategy and our work in streamlining core processes. This will enable the CPS to implement a national approach to resourcing, enabling us to increase efficiency and further reduce costs.

Over the course of the year, risk management has developed significantly. Reporting to the Board is more current and more meaningful, the expression of risk appetite is much clearer and lines of accountability have been exposed. 'Heat maps' displaying clear information about individual risks have brought welcome transparency at a time of significant and ongoing change and the actions to mitigate known risks are better designed and more effective. The new and improved process at top level is beginning to be implemented at Area and Directorate level and the Board expects to see enhanced and more effective identification and earlier management of risks in a way that is aligned throughout the CPS.

In February 2013, the Department uncovered a fraud committed by two members of staff in the West Midlands Area involving fake invoices for taxi services. Senior management, with the support and under the supervision of the Audit & Risk Committee and the Board, took strong, effective and appropriate action including reviewing all necessary procedures to reduce the likelihood of anything similar occurring in the future.

Talented People

As new Director of Public Prosecutions, Alison Saunders is the first internal candidate to lead the CPS and her appointment is a testament to the Department's ability to grow capable and impressive leaders.

The 2013 People Survey indicated that over the previous year engagement scores in CPS had risen by 3 percentage points to 54%. This is a more notable outcome than it might appear at first, set against a background of fiscal retrenchment, office closures and rapidly executed, far-reaching technological changes, which have materially affected many people's working experience. Without doubt, managerial skills are now being given greater emphasis and there are signs of a real shift in attitudes towards people issues at all levels in the organisation.

However, the Survey also raises difficult questions. The gains that have been made are not consistent across the Department with engagement scores higher in HQ Directorates than in frontline units. Overall, the CPS lags behind the rest of the Civil Service by 4 percentage points. There has been a raft of new initiatives and a good deal of activity; but not all of this has delivered on its promise. There has been intense focus by the Board and concerted effort throughout the CPS, but there is still little sign that a step change in prevailing attitudes is imminent. Deeper insight, more powerful analysis and sharper focus on what really matters to people is necessary to achieve more. There also needs to be a continued focus on our Values and their reinforcement as an integral part of the way the CPS operates, internally and externally.

During 2013-14, the CPS invested heavily in a management development programme that was mandated for all managers below SCS, covering over 1,000 individuals. The impact of the programme has yet to be assessed formally but feedback from participants is largely positive.

Results Focus

The challenging funding environment encouraged the CPS to fundamentally examine its business model and organisation and we continue to see the benefits of this Refocusing Programme, which is actively monitored by the Board. The CPS recognises the importance of achieving results and, as noted above, in 2013-14, our national performance data improved during each quarter in the year.

The Board reviews performance on a regular basis and meets with the leadership of underperforming Areas to help identify issues and the support needed in order to improve performance.

Management Information

The Board is well served by robust and efficient management information.

Board Impact and Effectiveness

The Board is fully engaged in all key strategic issues as well as in specific matters that arise from time to time as indicated above. In particular, the Board was engaged in the development of the Departmental Improvement Plan and in agreeing the metrics we will use to measure improvement. This reflects the nature of the work of the Board, which has both a strategic and forward-looking role as well as an assurance role.

We continue to hold an annual joint HMCTS/CPS Board meeting to drive forward common issues and projects for the benefit of the criminal justice system.

Although we have made good progress, we have not implemented all of the recommendations from the Governance Review and some have been put on hold pending the current review of HQ.

We are confident that the Board, which includes four non-executives whose varied experience is put to good use in specific areas of the business, has people with the right mix of skills and that it operates in an effective manner in support of the Director of Public Prosecutions, her senior leadership team and the entire CPS.

Jeremy Newman
Chair, Audit and Risk Committee
June 2014

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

I certify that I have audited the financial statements of the Crown Prosecution Service for the year ended 31 March 2014 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. I have also audited the Statement of Parliamentary Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Department's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2014 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2014 and of its net operating cost for the year then ended; and

- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the 'Strategic Report' and 'Financial Review' for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- Returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

08 July 2014

Accounts

Statement of Parliamentary Supply

Summary of Resource and Capital Outturn 2013-14

| £000 | SoPS Note | | | | | | | 2013-14 | 2012-13 |
|---------------------------------------|-----------|----------------|-----------|----------------|----------------|-----------|----------------|--|----------------|
| | | Estimate | | | Outturn | | | Voted outturn compared with Estimate: saving/ (excess) | Outturn Total |
| | | Voted | Non Voted | Total | Voted | Non Voted | Total | | |
| Departmental Expenditure Limit | | | | | | | | | |
| – Resource | 2a | 554,289 | – | 554,289 | 546,907 | – | 546,907 | 7,382 | 559,133 |
| – Capital | 2b | 2,260 | – | 2,260 | (672) | – | (672) | 2,932 | (595) |
| Annually Managed Expenditure | | | | | | | | | |
| – Resource | 2a | 6,092 | – | 6,092 | 5,360 | – | 5,360 | 732 | 4,090 |
| – Capital | | – | – | – | – | – | – | – | – |
| Total Budget | | 562,641 | – | 562,641 | 551,595 | – | 551,595 | 11,046 | 562,628 |
| Non Budget | | | | | | | | | |
| – Resource | | – | – | – | – | – | – | – | – |
| Total | | 562,641 | – | 562,641 | 551,595 | – | 551,595 | 11,046 | 562,628 |

| | | | | | | | | | |
|----------------|----|----------------|----------|----------------|----------------|----------|----------------|---------------|----------------|
| Total Resource | 2a | 560,381 | – | 560,381 | 552,267 | – | 552,267 | 8,114 | 563,223 |
| Total Capital | 2b | 2,260 | – | 2,260 | (672) | – | (672) | 2,932 | (595) |
| Total | | 562,641 | – | 562,641 | 551,595 | – | 551,595 | 11,046 | 562,628 |

Net cash requirement 2013-14

| £000 | SoPS Note | 2013-14 | 2013-14 | | 2012-13 |
|------|-----------|----------|---------|--|---------|
| | | Estimate | Outturn | Outturn compared with Estimate: saving/ (excess) | Outturn |
| | 4 | 550,149 | 542,159 | 7,990 | 552,048 |

Administration Costs 2013-14

| | 2013-14 | 2013-14 | 2012-13 |
|--|----------|---------|---------|
| | Estimate | Outturn | Outturn |
| | 37,470 | 30,428 | 32,305 |

Figures in the areas outlined in bold are voted totals or other totals subject to Parliamentary control. In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Explanations of variances between Estimate and outturn are given in SoPS Note 2 and in the Financial Review on pages 17-19.

The SOPS notes on pages 40 to 42 form part of these accounts.

Notes to the Departmental Accounts (Statement of Parliamentary Supply (SoPS))

SoPS 1 Statement of accounting policies

The Statement of Parliamentary Supply and supporting notes have been prepared in accordance with the 2013-14 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The Statement of Parliamentary Supply accounting policies contained in the FReM are consistent with the requirements set out in the 2013-14 *Consolidated Budgeting Guidance and Supply Estimates Guidance Manual*.

SoPS 1.1 Accounting convention

The Statement of Parliamentary Supply and related notes are presented consistently with Treasury budget control and Supply Estimates. The aggregates across government are measured using National Accounts, prepared in accordance with the internationally agreed framework 'European System of Accounts' (ESA95). ESA95 is in turn consistent with the System of National Accounts (SNA93), which is prepared under the auspices of the United Nations.

The budgeting system, and the consequential presentation of Supply Estimates and the Statement of Parliamentary Supply and related notes have different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant Parliamentary authority, in support of the Government's fiscal framework. The system provides incentives to departments to manage spending well so as to provide high quality public services that offer value for money to the taxpayer.

The Government's objectives for fiscal policy are set out in the Charter for Budget Responsibility.

These are to:

- ensure sustainable public finances that support confidence in the economy, promote intergenerational fairness, and ensure the effectiveness of wider government policy; and
- support and improve the effectiveness of monetary policy in stabilising economic fluctuations.

SoPS 1.2 Comparison with IFRS-based accounts

Many transactions are treated in the same way in National Accounts and IFRS-based accounts, but there are a number of differences as explained in notes 1.2a and 1.2b.

SoPS 1.2a PFI and other Service Concession arrangements

The National Accounts basis for recognising service concession arrangements is broadly similar to UK-GAAP, applying a risk-based test to determine the financial reporting. IFRS-based recognition of service concession arrangements (IFRIC 12) is determined using control tests, which can result in a different on/off balance sheet treatment.

SoPS 1.2b Provisions – Administration and Programme expenditure

Provisions recognised in IFRS-based accounts are not recognised as expenditure for national accounts purposes until the actual payment of cash (or accrual liability) is recognised. To meet the requirements of both resource accounting and national accounts, additional data entries are made in the Statement of Parliamentary Supply across AME and DEL control totals, which do not affect the Statement of Comprehensive Net Expenditure. As the Administration control total is a sub-category of DEL, Administration and Programme expenditure reported in the Statement of Parliamentary Supply will differ from that reported in the IFRS-based accounts. A reconciliation is provided in SoPS note 3(b).

SoPS 2. Net Outturn*2(a). Analysis of net resource outturn by section*

| 2013-14 | | | | | | | | | 2012-13 Outturn |
|----------------|--------|-----|-----------|--------|-----|----------|-----------|---|--------------------|
| Outturn | | | | | | Estimate | | | |
| Administration | | | Programme | | | Total | Net Total | Net Total compared to Estimate | Total |
| Gross | Income | Net | Gross | Income | Net | | | | |

Spending in Departmental Expenditure Limit

Voted:

A. Administration Costs in Headquarters and on Central Services

| | | | | | | | | | |
|--------|-------|--------|---|---|---|--------|--------|-------|--------|
| 30,948 | (520) | 30,428 | - | - | - | 30,428 | 37,470 | 7,042 | 32,305 |
|--------|-------|--------|---|---|---|--------|--------|-------|--------|

B. Crown Prosecutions and Legal Services

| | | | | | | | | | |
|--------|-------|--------|---------|----------|---------|---------|---------|-------|---------|
| - | - | - | 580,034 | (63,555) | 516,479 | 516,479 | 516,819 | 340 | 526,828 |
| 30,948 | (520) | 30,428 | 580,034 | (63,555) | 516,479 | 546,907 | 554,289 | 7,382 | 559,133 |

Annually Managed Expenditure:

Voted:

C. CPS Voted AME Charges (Note a)

| | | | | | | | | | |
|---------------|--------------|---------------|----------------|-----------------|----------------|----------------|----------------|--------------|----------------|
| - | - | - | 5,360 | - | 5,360 | 5,360 | 6,092 | 732 | 4,090 |
| 30,948 | (520) | 30,428 | 585,394 | (63,555) | 521,839 | 552,267 | 560,381 | 8,114 | 563,223 |

The CPS has not required any virements in 2013-14.

Note a – Annually Managed Expenditure comprises the following items charged to the Statement of Comprehensive Net Expenditure: new provisions for staff early departure costs and claims made against the CPS, cost awards written off and changes to bad debt provisions made during the year. AME is credited with the value of provisions utilised in the year for staff early departure costs and claims made against the CPS.

2(b). Analysis of net capital outturn by section

| 2013-14 | | | | | 2012-13 Outturn |
|---------|--------|-----|-----------|---|--------------------|
| Outturn | | | Estimate | | |
| Gross | Income | Net | Net Total | Net Total compared to Estimate | Total |

Spending in Departmental Expenditure Limit

Voted:

B. Crown Prosecutions and Legal Services

| | | | | | |
|-----------|--------------|--------------|--------------|--------------|--------------|
| 27 | (699) | (672) | 2,260 | 2,932 | (595) |
| 27 | (699) | (672) | 2,260 | 2,932 | (595) |

The CPS has not required any virements in 2013-14.

Explanation of the variation between Estimate and outturn (net total resources and capital):

DEL Administration net expenditure was £7.042 million below the Estimate. This was due to lower than expected administrative staff costs and other administrative costs. As well as expenditure in these categories being below budget the outturn figures were also lower than their equivalents in 2012-13 by £1.877 million.

DEL Programme net expenditure was £0.340 million below the Estimate and £10.349 million lower than in 2012-13. This was due to reductions in most areas of programme expenditure, including reductions in staff costs following staff taking Voluntary Exit terms.

AME net expenditure was £0.732 million below the Estimate and included the write back and use of provisions in respect of early retirements, dilapidations, costs awards, employment tribunals and personal injury cases.

DEL Capital net expenditure was £2.932 million below the Estimate due to reductions in the CPS estate and the disposal of assets with a carrying value of £0.699 million.

Additional information relating to these variances is provided in the Financial Review on pages 17-19.

SoPS 3. Reconciliation of outturn to net operating cost and against Administration Budget*3(a). Reconciliation of net resource outturn to net operating cost*

| | | 2013-14 | 2012-13 |
|---|-------------|----------------|----------------|
| | SoPS | £000 | £000 |
| | Note | Outturn | Outturn |
| Total resource outturn in Statement of Parliamentary Supply | Budget | 552,267 | 563,223 |
| | Non-budget | – | – |
| Add: PFI accounting treatment adjustment (Note a) | | 13,938 | 16,561 |
| Less: Income payable to Consolidated Fund | | – | – |
| PFI budgeting treatment adjustment (Note a) | | (18,803) | (18,797) |
| Net Operating Costs in Statement of Comprehensive Net Expenditure | | <u>547,402</u> | <u>560,987</u> |

Note a – Under Clear Line of Sight, the budgeting and accounting treatment of PFI expenditure are different. PFI costs are included in the Statement of Parliamentary Supply on the basis of ESA95 (the National Accounts basis), but are included in the Statement of Comprehensive Net Expenditure on an IFRS basis.

3(b). Outturn against final Administration Budget and Administration net operating cost

| | SoPS | 2013-14 | 2012-13 |
|---|-------------|----------------|----------------|
| | Note | £000 | £000 |
| Estimate – Administration costs limit | 2a | 37,470 | 39,858 |
| Outturn – Gross Administration costs | 2a | 30,948 | 32,747 |
| Outturn – Gross Income relating to Administration costs | 2a | (520) | (442) |
| Outturn – Net Administration costs | | <u>30,428</u> | <u>32,305</u> |
| Reconciliation to operating costs: | | | |
| Less: Holiday pay accrual classed as AME | | – | 33 |
| Administration Net Operating Costs | | <u>30,428</u> | <u>32,338</u> |

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

| | SoPS | Estimate | Outturn | Net total outturn compared with Estimate: saving/ (excess) |
|--|-------------|-----------------|----------------|---|
| | Note | £000 | £000 | £000 |
| Resource outturn | 2a | 560,381 | 552,267 | 8,114 |
| Capital outturn | 2b | 2,260 | (672) | 2,932 |
| Accruals to cash adjustments: | | | | |
| <i>Adjustments to remove non-cash items:</i> | | | | |
| Depreciation and amortisation | | (6,400) | (8,113) | 1,713 |
| New provisions and adjustments to previous provisions | | (5,333) | (4,618) | (715) |
| Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts | | – | 9,973 | (9,973) |
| Adjustment between PFI budgeting and accounting treatments | | – | (4,865) | 4,865 |
| Other non-cash items | | (3,000) | 1,575 | (4,575) |
| <i>Adjustments to reflect movements in working balances:</i> | | | | |
| Increase/(decrease) in receivables | | – | 2,224 | (2,224) |
| (Increase)/decrease in payables | | – | (8,896) | 8,896 |
| Use of provisions | | 2,241 | 3,284 | (1,043) |
| Net cash requirement | | <u>550,149</u> | <u>542,159</u> | <u>7,990</u> |

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2014

| £000 | Note | 2013-14 | 2012-13 |
|---|----------------|----------------|----------------|
| Administration costs: | | | |
| Staff costs | 3 | 18,347 | 19,097 |
| Other costs | 4 | 12,601 | 13,683 |
| Income | 6 | (520) | (442) |
| Programme expenditure: | | | |
| Staff costs | 3 | 331,512 | 344,230 |
| Other costs | 5 | 249,017 | 249,511 |
| Income | 6 | (63,555) | (65,092) |
| Net Operating Costs for the year ended 31 March 2014 | SoPS 3a | 547,402 | 560,987 |
| Total expenditure | | 611,477 | 626,521 |
| Total Income | | (64,075) | (65,534) |
| Net Operating Costs for the year ended 31 March 2014 | SoPS 3a | 547,402 | 560,987 |
| Other Comprehensive Net Expenditure | | | |
| Items that will not be reclassified to net operating costs: | | | |
| Net (gain)/loss on: | | | |
| – revaluation of property, plant and equipment | | 198 | (1,727) |
| – revaluation of intangible assets | | – | – |
| Total Comprehensive Expenditure for the year ended 31 March 2014 | | 547,600 | 559,260 |

The notes on pages 47 to 68 form part of these accounts.

Statement of Financial Position

as at 31 March 2014

| £000 | Note | 2013-14 | 2012-13 |
|--|-------------|-----------------|------------------|
| Non-current assets: | | | |
| Property, plant and equipment | 7 | 15,945 | 22,074 |
| Intangible assets | 8 | 4,969 | 7,828 |
| Total non-current assets | | 20,914 | 29,902 |
| Receivables falling due after more than one year | 10 | 8 | 47 |
| Current assets: | | | |
| Trade and other receivables | 10 | 57,925 | 53,986 |
| Cash and cash equivalents | 11 | 7,990 | 22,391 |
| Total current assets | | 65,915 | 76,377 |
| Total assets | | 86,837 | 106,326 |
| Current liabilities | | | |
| Trade and other payables | 12 | (17,824) | (16,172) |
| Provisions | 13 | (8,222) | (6,136) |
| Other liabilities | 12 | (73,402) | (82,961) |
| Total current liabilities | | (99,448) | (105,269) |
| Non-current assets plus/less net current assets/liabilities | | (12,611) | 1,057 |
| Non-current liabilities | | | |
| Provisions | 13 | (9,682) | (10,434) |
| Other payables | 12 | (9,677) | (17,428) |
| Total non-current liabilities | | (19,359) | (27,682) |
| Total assets less liabilities | | (31,970) | (26,625) |
| Taxpayers' equity and other reserves: | | | |
| General fund | | (36,269) | (31,387) |
| Revaluation reserve | | 4,299 | 4,762 |
| Total equity | | (31,970) | (26,625) |

Alison Saunders CB
Accounting Officer

08 July 2014

The notes on pages 47 to 68 form part of these accounts.

Statement of Cash Flows

for the year ended 31 March 2014

| | Note | 2013-14 £000 | 2012-13 £000 |
|--|-------------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net operating cost | | (547,402) | (560,987) |
| Adjustments for non-cash transactions | 4 and 5 | 11,855 | 15,705 |
| (Increase)/decrease in trade and other receivables | | (2,224) | 2,034 |
| Increase/(decrease) in trade and other payables | | (9,666) | (1,928) |
| <i>add/(less) movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i> | | 18,566 | 6,093 |
| Use of provisions | 13 | (3,284) | (3,048) |
| | | <u>(532,155)</u> | <u>(542,131)</u> |
| Net cash outflow from operating activities | | | |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 7 | (31) | (432) |
| Purchase of intangible assets | | - | - |
| Proceeds of disposal of property, plant and equipment | | - | - |
| | | <u>(31)</u> | <u>(432)</u> |
| Net cash outflow from investing activities | | | |
| Cash flows from financing activities | | | |
| From the Consolidated Fund (Supply) – current year | | 527,758 | 546,237 |
| Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts | | (9,973) | (9,484) |
| | | <u>517,785</u> | <u>536,753</u> |
| Net financing | | | |
| Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund | | | |
| | | <u>(14,401)</u> | <u>(5,810)</u> |
| Payments of amounts due to the Consolidated Fund | | - | (389) |
| Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund | | | |
| | | <u>(14,401)</u> | <u>(6,199)</u> |
| Cash and cash equivalents at the beginning of the period | 11 | <u>22,391</u> | <u>28,590</u> |
| Cash and cash equivalents at the end of the period | 11 | <u>7,990</u> | <u>22,391</u> |

The notes on pages 47 to 68 form part of these accounts.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2014

| | Note | General Fund £000 | Revaluation Reserve £000 | Total Reserves £000 |
|--|------|-------------------------|--------------------------------|---------------------------|
| Balance at 1 April 2012 | | (23,543) | 4,034 | (19,509) |
| Net Parliamentary Funding – drawn down | | 546,237 | – | 546,237 |
| Net Parliamentary Funding – deemed | | 28,202 | – | 28,202 |
| Supply payable adjustment | 12 | (22,391) | – | (22,391) |
| Comprehensive Net Expenditure for the year | | (560,987) | 1,727 | (559,260) |
| Non-cash charges – auditor's remuneration | 4 | 96 | – | 96 |
| Transfers between reserves | | 999 | (999) | – |
| Balance at 31 March 2013 | | (31,387) | 4,762 | (26,625) |
| Net Parliamentary Funding – drawn down | | 527,758 | – | 527,758 |
| Net Parliamentary Funding – deemed | | 22,391 | – | 22,391 |
| Supply payable adjustment | 12 | (7,990) | – | (7,990) |
| Comprehensive Net Expenditure for the year | | (547,402) | (198) | (547,600) |
| Non-cash charges – auditor's remuneration | 4 | 96 | – | 96 |
| Transfers between reserves | | 265 | (265) | – |
| Balance at 31 March 2014 | | (36,269) | 4,299 | (31,970) |

The notes on pages 47 to 68 form part of these accounts.

Notes to Departmental Accounts

1. Statement of Accounting Policies

Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with the 2013-14 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Crown Prosecution Service for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Crown Prosecution Service are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

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

The financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000). Negative numbers are shown in brackets.

The accounts have been prepared under the Government Resources and Accounts Act 2000.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of non-current assets.

1.2 Non-current Assets

Property, plant and equipment

Property, plant and equipment which are capable of being used for a period which exceeds one year and individually have a cost equal to or greater than £2,000 are capitalised, including leasehold improvements. Assets are stated at the lower of replacement cost and recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs such as installation directly attributable to bringing them into working condition.

Property, plant and equipment, other than land and buildings, is restated at fair value in existing use each year by indexation up to the year-end using Producer Price Indices, published by the Office for National Statistics. The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Land and buildings are restated at fair value using professional valuations, in accordance with guidance set out in the FReM, every five years. In the intervening years land and buildings are restated at fair value by the use of published indices appropriate to the type of land or building. The Investment Property Databank (IPD) supplies the indices used.

Title to the freehold land and buildings shown in the accounts is held in the name of the Secretary of State for Communities and Local Government.

Costs of bought-in services incurred in preparation for the implementation of IT projects are capitalised. Internal costs incurred on the same projects are not capitalised where the work can only be carried out by in-house staff.

Intangible non-current assets

On initial recognition intangible non-current assets are measured at cost including any costs such as installation directly attributable to bringing them into working condition. Intangible non-current assets are stated at the lower of replacement cost and recoverable amount. All expenditure on intangible non-current

assets which are capable of being used for a period which exceeds one year and individually have a cost equal to or greater than £2,000 is capitalised.

All intangible non-current assets, other than the case management software (see 1.10) are restated to fair value in existing use each year by indexation up to the year-end using Services Producer Price indices, published by the Office for National Statistics.

1.3 Depreciation, Amortisation and Impairment

Property, plant and equipment

Property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. No depreciation is provided on freehold land since it has an unlimited useful life. Asset lives are normally in the following ranges:

| | |
|----------------------------|-------------------|
| Freehold buildings | At least 20 years |
| Furniture and fittings | 3 to 10 years |
| Information technology | 4 years |
| Assets under PFI contracts | 10 to 14 years. |

The CPS's PFI contracts were extended during 2009-10 and again in 2013-14. The original contracts were for 10 years in the case of the IT infrastructure, 9 years for the Case Management System (CMS) and 6 years for the telecommunications system. Following extensions, the contracts remain co-terminous and are due to expire on 30 November 2015.

Leasehold improvements are written off over the shorter of:

- a) the remaining life of the property lease;
- b) 10 years; or
- c) where it has been established that a break clause in the lease is likely to be exercised by the CPS, the period to the first possible date of exercise of the relevant break clause.

Impairment losses that arise from a consumption of economic benefit are taken to the Statement of Comprehensive Net Expenditure, the balance on any revaluation reserve (up to the level of the impairment) being transferred to the general fund. Impairment losses that do not result from a loss of economic benefit are taken to the revaluation reserve, to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset.

Intangible non-current assets

Intangible non-current assets are amortised at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives, which are considered to be co-terminous with the CPS's ICT managed service contract.

CMS is amortised from the date of the initial software release, over the term of the contract, on a straight-line basis.

Software licences are amortised in a range between 3 to 5 years.

Impairment losses are charged in the same way as those arising on property, plant and equipment.

1.4 Leases

Rentals due under operating leases are charged to the Statement of Comprehensive Net Expenditure over the lease term on a straight-line basis, or on the basis of actual rentals payable where this fairly reflects the usage. Future payments, disclosed at Note 15, "Commitments under Leases," are not discounted.

1.5 Cash

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash at bank and cash in hand.

1.6 Financial Assets and Liabilities

Financial assets consist of trade receivables and other current assets such as cash at bank and in hand. Financial liabilities consist of trade payables and other current liabilities. Financial assets and liabilities are initially recognised at fair value, which is determined by reference to the underlying contract giving rise to the debt or liability.

1.7 Operating Income

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs set out in the *Consolidated Budgeting Guidance* issued by HM Treasury.

Operating income is income which relates directly to the operating activities of the CPS, and consists of administration and programme income. Operating income is stated net of VAT.

Administration income

Administration income is primarily rental income from the sub-letting of buildings occupied in part by the CPS. Rental income invoices are raised quarterly in advance and income is recognised monthly. Staff salary income is collected in respect of CPS staff on secondment to other government departments and organisations, and is recognised as it is earned.

Programme income

The majority of programme income is costs awarded to the CPS. The CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates.

In order to account for costs awards, the CPS uses returns submitted quarterly by the magistrates' courts, who are responsible for the collection of these costs. The CPS recognises income immediately after these returns are received. In interim months, when no returns are received, income is accrued on the basis of historical data.

Programme income also includes rental income from other government departments and commercial subtenants who occupy space in buildings leased by the CPS. Rental income invoices are raised quarterly in advance and income is recognised on a monthly basis over the following months.

Under the Proceeds of Crime Act's 'Asset Recovery Incentivisation Scheme', the CPS is allowed to retain a proportion of the total value of assets recovered in the year. The scheme is managed by the Home Office. Income generated from this scheme is recognised in the CPS's accounts when the Home Office recognises it in their accounts with estimated accruals in the intervening months.

Income is also received from the Home Office to fund the Regional Asset Recovery Teams working in the CPS and is recognised quarterly in arrears.

1.8 Administration and Programme Expenditure

Administration costs

Administration costs reflect the costs of running the Department. These include both administrative costs and associated operating income.

Programme costs

Programme costs reflect non-administration costs being the direct cost and associated overheads of prosecution. These costs include the employment of counsel and reimbursements paid to witnesses for costs incurred through their attendance at court.

Very High Cost Cases (VHCC) are expected to last in excess of 40 days (or have three or more trial counsel instructed). Counsel are required to submit invoices covering work done as pre-determined stages in the case are reached and expenditure is recognised on their receipt.

Counsel fees in the majority of Crown Court cases, which are those expected to last for 40 days or less, are paid through the CPS 'Graduated Fee Scheme' agreed between the Bar Council and the CPS. Payment is made on

completion of all work on a case. The scheme provides a formulaic approach to calculating fees taking into account a range of set cost factors including the number of defendants, type of counsel, volume of evidence, number of witnesses and length of trial. For practical purposes, since on average most trials are started and completed within the same day (save for the sentence hearing which may occur a short time later) it is considered prudent to recognise expenditure on counsel fees only as trials are completed. It is not possible to ascertain the full value owed on all such cases at year-end until some considerable time later. Where actual counsel fees can be ascertained they have been accrued for; in all other cases the CPS estimates such counsel fees outstanding for inclusion in these accounts.

1.9 Pensions

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

1.10 Private Finance Initiative (PFI) Transactions

IT Infrastructure Managed Service and CMS Software

The CPS signed a contract entering into a PFI transaction with CGI (previously called Logica plc) on 31 December 2001 for a 10 year period commencing 1 April 2002 with an option to extend. During 2009-10 the CPS exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract further and the contract now runs until 30 November 2015. The extensions have included some renegotiation of terms, but none that materially affect the service concession arrangements.

Under IFRS it has been determined that the contract contains two service concession arrangements: one covering the supply of an ICT infrastructure (including standard operating software), and one covering the design, creation and operation of a case management system. The infrastructure assets provided for use by the CPS, and the CMS software designed by the contractor and provided for use by the CPS have been treated as non-current assets.

The infrastructure asset has been recognised as property, plant and equipment, and has been capitalised at the minimum lease payments less the best estimate of the supplier's service charges within those payments. The valuation of the asset has been informed by data provided by the supplier including the estimated costs of technological refreshment or updating which is a condition of the contract and the asset is being depreciated over the life of the contract on a straight-line basis.

The CMS software has been recognised as an intangible asset and as there is no active market, it has been valued at cost less accumulated amortisation less any impairment. The asset is amortised from the date of the initial software release, over the remaining life of the contract on a straight-line basis. The remaining costs incurred under the contract (that is, costs in excess of the minimum lease payments) are charged to the Statement of Comprehensive Net Expenditure in the period in which they arise.

The assets are not considered to have any residual value at the end of the lease period.

Additional rentals arising because of increased users of the systems, together with charges for additional facilities which have been introduced during the currency of the contract, are charged directly to the Statement of Comprehensive Net Expenditure in the period to which they relate.

Communications Managed Service

The CPS signed a contract on 1 April 2006 with Level 3 (previously called Global Crossing) for the provision of a managed telecommunications system for a 6 year period, with an option to extend. During 2009-10 the CPS exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract further and the contract now runs until 30 November 2015. The extension has included some renegotiation of terms but none that materially affect the service concession arrangements.

This has been accounted for in accordance with IFRIC 12, Service Concession Arrangements, as required by the *FReM*. The infrastructure asset provided for use by the CPS has been treated as property, plant and equipment, and has been capitalised at the minimum lease payments less the best estimate of the supplier's service charges within those payments, and the asset is being depreciated over the life of the contract on a straight-line basis. The assets are not considered to have any residual value at the end of the primary lease period.

As with the contract with CGI, additional rentals arising because of increased users of the systems, together with charges for additional facilities which have been introduced during the currency of the contract, are charged directly to the Statement of Comprehensive Net Expenditure in the period to which they relate.

During 2013-14 successful negotiations with the relevant suppliers led to both contracts being extended, and they are now due to expire on 30 November 2015. As a result the capitalised values of the underlying assets have been recalculated, and those assets are now depreciated (and, in the case of the CMS software, amortised) over their new remaining lives on a straight-line basis.

The depreciation, amortisation, impairment and restatement to current value in existing use by indexation up to the year-end of the assets arising out of these contracts all follow the principles governing the treatment of similar, owned assets.

1.11 Provisions

The CPS provides for legal or constructive obligations, which are of uncertain timing or amount, at the date of the Statement of Financial Position on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury. With effect from 31 March 2014 the discount rates were: -1.9% (for cash flows 0-5 years); -0.65% (5-10 years); 2.2% (more than 10 years).

1.12 Bad Debt Provision

The CPS receives the bulk of its income from costs awarded against convicted defendants. Her Majesty's Courts and Tribunals Service (HMCTS) is responsible for the collection of costs awarded to the CPS. The CPS writes off specific costs awards when HMCTS considers the debts will not be collected. A proportion of the remaining income will not be collected and the CPS fully provides against the risk of default on payment. The CPS uses trend analysis to compare the rate of collection over time to the annual value of costs awarded to estimate the appropriate bad debt provision.

1.13 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the CPS discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of *Managing Public Money*.

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

1.14 Value Added Tax

Most of the activities of the CPS are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.15 Accounting Standards and other FReM changes issued and effective in 2013-14 for the first time

There were no IFRS or FReM changes giving rise to changes in accounting policy and applied for the first time in the current period.

1.16 New or amended standards issued but not yet effective and not adopted early

IFRS 13 – Fair value measurement

IFRS 13 has been prepared to provide consistent guidance on fair value measurement for all relevant balances and transactions covered by IFRS (except where IFRS 13 explicitly states otherwise). The standard defines fair value, provides guidance on fair value measurement techniques and sets out the disclosure requirements. The standard requires fair value to be measured using the most reliable data and inputs available to determine the exit price for an asset or liability. This exit price is taken to be the price that two market participants (a buyer and seller) would settle on. The application of IFRS 13 is subject to further review by HM Treasury and the other Relevant Authorities following the consultation which took place in 2013.

Currently, the CPS restates property, plant and equipment at fair value each year using indices published by the Office for National Statistics. Land and Buildings are restated at fair value using professional valuations every five years and by using indices supplied by IPD in the intervening years. The case management system is valued at cost less accumulated amortisation less any impairment. Trade receivables, other current assets, trade payables and other current liabilities are all initially recognised at fair value.

1.17 Areas of judgement and key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities and the reported amounts of income and expense during the period. Actual results could differ from these estimates. Information about these judgements and estimations is detailed below.

Graduated Fees System (GFS) accruals

The system for managing and paying counsel fees in Areas and Casework Divisions is complex and there is a lengthy chain between case initiation and fees payment which involves many individuals. This means that generating an accurate counsel fee accrual relies on data sent from a number of financial and non financial sources and calls on both judgement and a degree of skill.

The overall GFS accruals figure is informed by trend analysis of expenditure from prior periods, caseload volumes and a detailed assessment of a number of variables that tend to increase or decrease total expenditure on fees. The average payables days is calculated and compared to the reported accrual returns from Groups and Central Casework Divisions. This figure is used to adjust over and under accruals for each operational area and provides an accurate overall Departmental accrual. The accuracy of the adjustment relies on historical patterns of payment continuing into the future. The inclusion of higher cost cases into the GFS scheme has made expenditure more volatile and consequently increased the difficulty in capturing accrued expenditure.

The carrying amount of the GFS accrual at 31 March 2014 was £15.024 million.

PFI liabilities

The CPS is a party to two Private Finance Initiative (PFI) contracts, one with CGI for the provision of IT equipment and services and one with Level 3 for the provision of telephony equipment and services.

Under IFRS the CPS's IT and telephony infrastructure and specialist Case Management System software are deemed to be controlled by the CPS and therefore defined as assets. Consequently the contracts are accounted for as capital assets on the CPS's Statement of Financial Position and a corresponding liability to fulfill the payments to the suppliers for the remainder of the contract period.

The quarterly service payments made to CGI and Level 3 are replaced by notional capital expenditure recorded at the outset of the contract and when infrastructure is subsequently refreshed. Charges depreciating the assets and an imputed interest charge, reflecting the fact that a proportion of the payments relates to the suppliers' cost of borrowing, are recorded throughout the life of the contracts. The adjustments are purely to the accounting treatment and there is no effect on the cash requirement of the CPS.

The asset values recorded reflect the providers' assessments of the value of the infrastructure necessary to provide the service.

The total contract costs are based on the number of users and number of items of equipment supplied, with a base level of users and equipment specified, under which the costs would remain the same. Costs relating to

additional users in excess of the base level are not included in the value of the asset and liability, as they are discretionary, and are accounted for as standard running costs.

The total obligations of the capitalised elements of the PFI contracts at 31 March 2014 was £10.897 million.

Allowance for Receivables – Cost Awards

The CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates. CPS is informed of the level of costs awarded in court by HMCTS and accounts for the corresponding receivables. HMCTS then pays over the cash collected, which reduces the receivable balance.

A number of these costs awarded may never be collected, for example when the individual is imprisoned, has left the country or has died. HMCTS writes off irrecoverable debts as and when they become apparent and informs the CPS of the amounts written off.

It is prudent for CPS to account for an allowance for receivables to reflect the fact that a proportion of outstanding receivables recognised are likely to require writing off in the future.

The level of allowance is based on a financial model utilising historical trend data relating to the total costs awarded in court and the amount of cash actually received.

The carrying amount of the allowance for cost award receivables at 31 March 2014 was £17.983 million.

2. Statement of Operating Costs by Operating Segment

Detailed segmental information is not reported to the Board. The Board receives financial performance reports which are not disaggregated but which show the CPS as a single unit. As such, no segmental information is disclosed.

3(a). Staff numbers and related costs

Staff costs comprise:

| | 2013-14 | 2013-14 | 2013-14 | 2012-13 |
|--|---|----------------|----------------|----------------|
| | £000 | £000 | £000 | £000 |
| | Permanently employed staff | Others | Total | Total |
| Wages and salaries | 273,093 | 7,468 | 280,561 | 290,095 |
| Social security costs | 21,697 | – | 21,697 | 22,730 |
| Other pension costs | 47,601 | – | 47,601 | 50,502 |
| Sub Total | 342,391 | 7,468 | 349,859 | 363,327 |
| Less recoveries in respect of outward secondments | (2,599) | – | (2,599) | (2,049) |
| Total net costs | 339,792 | 7,468 | 347,260 | 361,278 |

£331.512 million of staff costs were attributed to programme expenditure (2012-13: £344.230 million).

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Crown Prosecution Service is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. You can find details in the accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

For 2013-14, employers' contributions of £47,468,052 were payable to the PCSPS (2012-13: £50,342,214) at one of four rates in the range 16.7 to 24.3 per cent of pensionable pay, based on salary bands. The scheme actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2013-14 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a **partnership** pension account, a stakeholder pension with an employer contribution. Employers' contributions of £141,295 (2012-13: £137,877) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3 to 12.5 per cent (2012-13: 3 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £10,626, 0.8 per cent (2012-13: £11,507, 0.8 per cent) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the **partnership** pension providers at the balance sheet date were £15,830. Contributions prepaid at that date were £nil.

6 individuals (2012-13: 13 individuals) retired early on ill health grounds; the total additional accrued pension liabilities in the year amounted to £34,295 (2012-13: £112,573).

Average number of persons employed

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

| | Permanent | | 2013-14 | 2012-13 |
|--------------|--------------|--------------|------------|--------------|
| | Total | staff | Number | Number |
| | 6,611 | 6,482 | 129 | 7,046 |
| Total | 6,611 | 6,482 | 129 | 7,046 |

3(b). Reporting of Civil Service and other compensation schemes – exit packages

The figures shown are for 2013-14. Figures in brackets are for the prior year, 2012-13.

| Exit package cost band | Number of compulsory redundancies | | Number of other departures agreed | | Total number of exit packages by cost band | |
|-------------------------------------|-----------------------------------|-----|-----------------------------------|-------|--|-------|
| < £10,000 | – | (–) | 20 | (23) | 20 | (23) |
| £10,000 - £25,000 | – | (–) | 167 | (144) | 167 | (144) |
| £25,000 - £50,000 | – | (–) | 249 | (195) | 249 | (195) |
| £50,000 - £100,000 | – | (–) | 104 | (110) | 104 | (110) |
| £100,000 - £150,000 | – | (–) | 29 | (27) | 29 | (27) |
| > £150,000 | – | (–) | 6 | (2) | 6 | (2) |
| Total number of exit packages | – | (–) | 575 | (501) | 575 | (501) |
| Total resource cost 2013-14 (£'000) | – | | 23,525 | | 23,525 | |
| Total resource cost 2012-13 (£'000) | – | | 20,923 | | 20,923 | |

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the Department has agreed early retirements, the additional costs are met by the Department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

4. Other Administration Costs

| | 2013-14 £000 | 2012-13 £000 |
|--|-------------------------------|-------------------------------|
| Rentals under operating leases: | | |
| Hire of office equipment | 1 | 7 |
| Other operating leases | 1,260 | 1,556 |
| | <u>1,261</u> | <u>1,563</u> |
| Non cash items | | |
| Auditors' remuneration (Note a) | 96 | 96 |
| Other expenditure | | |
| Other staff costs | 2,193 | 2,237 |
| Training | 1,662 | 2,239 |
| Accommodation and associated costs | 1,647 | 1,462 |
| Consultancy and professional charges | 1,332 | 1,579 |
| Information Technology | 1,742 | 1,591 |
| Travel and subsistence | 949 | 865 |
| Other expenditure | 1,719 | 2,051 |
| | <u>11,244</u> | <u>12,024</u> |
| | <u>12,601</u> | <u>13,683</u> |

Note a – There has been no auditors' remuneration for non-audit work. The audit fee comprises £96k for the audit of the CPS 2013-14 accounts. The audit fee for 2012-13 comprised £96k for the audit of the 2012-13 accounts.

5. Programme Costs

| | | 2013-14 | | 2012-13 |
|--|------|----------------|----------------|----------------|
| | | £000 | | £000 |
| | Note | | | |
| Rentals under operating leases: | | | | |
| Hire of office equipment | | 1,129 | | 1,593 |
| Other operating leases | | 20,741 | | 19,801 |
| | | | 21,870 | 21,394 |
| Interest Charges on imputed finance leases | | | | |
| | | | 723 | 1,212 |
| PFI service charges | | | | |
| | | | 7,992 | 7,992 |
| Non cash items | | | | |
| Depreciation | 7 | 5,269 | | 7,341 |
| Amortisation | 8 | 2,844 | | 3,914 |
| Loss on disposal of property, plant and equipment and intangible assets | 7,8 | 699 | | 761 |
| Loss on revaluation of property, plant and equipment | | 5 | | 279 |
| Change in bad debt provision | | (1,676) | | 8 |
| Provisions: | | | | |
| Provided in year | 13 | 5,653 | | 2,699 |
| Unrequired provision written back | 13 | (1,086) | | (679) |
| Borrowing costs on provisions | 13 | 51 | | 1,286 |
| | | | 11,759 | 15,609 |
| Other expenditure | | | | |
| Advocate fees | | 114,607 | | 110,608 |
| Accommodation and associated costs | | 22,061 | | 20,783 |
| Information Technology | | 20,436 | | 23,521 |
| Expert witness fees | | 5,710 | | 5,937 |
| Costs awarded to the CPS written off | 19 | 5,702 | | 4,457 |
| Non-expert witness expenses | | 5,207 | | 5,405 |
| Postage and carriage | | 4,867 | | 4,923 |
| Travel and subsistence | | 4,785 | | 4,503 |
| Communications | | 3,583 | | 3,361 |
| Prosecution transcripts and translations | | 3,385 | | 3,270 |
| Printing and stationery | | 3,264 | | 3,916 |
| Prosecution presentational equipment | | 2,519 | | 2,422 |
| Consultancy and professional charges | | 1,508 | | 1,394 |
| Interpreters and translators | | 1,412 | | 1,462 |
| Costs awarded against the CPS | | 1,235 | | 1,203 |
| Other expenditure | | 6,392 | | 6,139 |
| | | | 206,673 | 203,304 |
| | | | 249,017 | 249,511 |

6. Income

| | 2013-14 | 2012-13 |
|--|----------------------|----------------------|
| | £000 | £000 |
| Administration income: | | |
| Rental receivable from other departments | 651 | 809 |
| Rent netted-off gross expenditure | (651) | (809) |
| Rental receivable from external tenants | 131 | 221 |
| Other | 389 | 221 |
| | <u>520</u> | <u>442</u> |
| Programme income: | | |
| Costs awarded to the CPS | 37,656 | 39,635 |
| Asset Recovery Incentivisation Scheme | 18,469 | 17,909 |
| Rental receivable from other departments | 1,971 | 2,474 |
| Rent netted-off gross expenditure | (1,971) | (2,474) |
| Local Criminal Justice Board and other secondments | 1,286 | 1,390 |
| Rental receivable from external tenants | 685 | 1,178 |
| Other | 5,459 | 4,980 |
| | <u>63,555</u> | <u>65,092</u> |
| Total | <u>64,075</u> | <u>65,534</u> |

7. Property, plant and equipment**2013-14**

| | Land | Buildings | Leasehold | Furniture | Information | Total |
|---|-------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| | £000 | excluding | Improvements | and | Technology | £000 |
| | | dwellings | ments | Fittings | £000 | £000 |
| | | £000 | £000 | £000 | | |
| Cost or valuation | | | | | | |
| At 1 April 2013 | 860 | 3,359 | 4,554 | 22,978 | 39,717 | 71,468 |
| Additions | – | – | – | 27 | – | 27 |
| Disposals | – | – | (483) | (3,005) | (51) | (3,539) |
| Revaluation | 13 | 8 | 50 | 263 | (1,026) | (692) |
| At 31 March 2014 | <u>873</u> | <u>3,367</u> | <u>4,121</u> | <u>20,263</u> | <u>38,640</u> | <u>67,264</u> |
| Depreciation | | | | | | |
| At 1 April 2013 | – | 135 | 2,822 | 13,685 | 32,752 | 49,394 |
| Charged in year | – | 46 | 478 | 2,316 | 2,429 | 5,269 |
| Disposals | – | – | (386) | (2,421) | (48) | (2,855) |
| Revaluation | – | – | 31 | 153 | (673) | (489) |
| At 31 March 2014 | <u>–</u> | <u>181</u> | <u>2,945</u> | <u>13,733</u> | <u>34,460</u> | <u>51,319</u> |
| Carrying amount at 31 March 2013 | <u>860</u> | <u>3,224</u> | <u>1,732</u> | <u>9,293</u> | <u>6,965</u> | <u>22,074</u> |
| Carrying amount at 31 March 2014 | <u>873</u> | <u>3,186</u> | <u>1,176</u> | <u>6,530</u> | <u>4,180</u> | <u>15,945</u> |
| Asset financing: | | | | | | |
| Owned | 873 | 3,186 | 1,176 | 6,530 | 8 | 11,773 |
| Finance Leased | – | – | – | – | – | – |
| On-balance sheet PFI contracts | – | – | – | – | 4,172 | 4,172 |
| Carrying amount at 31 March 2014 | <u>873</u> | <u>3,186</u> | <u>1,176</u> | <u>6,530</u> | <u>4,180</u> | <u>15,945</u> |

| 2012-13 | Land £000 | Buildings excluding dwellings £000 | Leasehold Improve- ments £000 | Furniture and Fittings £000 | Information Technology £000 | Total £000 |
|---|----------------------|---|--|--|--|-----------------------|
| Cost or valuation | | | | | | |
| At 1 April 2012 | 957 | 3,752 | 4,854 | 29,727 | 36,312 | 75,602 |
| Additions | – | – | – | 165 | 1 | 166 |
| Disposals | – | – | (342) | (7,424) | (1,670) | (9,436) |
| Revaluation | (97) | (393) | 42 | 510 | 5,074 | 5,136 |
| At 31 March 2013 | 860 | 3,359 | 4,554 | 22,978 | 39,717 | 71,468 |
| Depreciation | | | | | | |
| At 1 April 2012 | – | 101 | 2,601 | 17,154 | 27,184 | 47,040 |
| Charged in year | – | 45 | 494 | 2,987 | 3,815 | 7,341 |
| Disposals | – | – | (295) | (6,746) | (1,634) | (8,675) |
| Revaluation | – | (11) | 22 | 290 | 3,387 | 3,688 |
| At 31 March 2013 | – | 135 | 2,822 | 13,685 | 32,752 | 49,394 |
| Carrying amount at 31 March 2012 | 957 | 3,651 | 2,253 | 12,573 | 9,128 | 28,562 |
| Carrying amount at 31 March 2013 | 860 | 3,224 | 1,732 | 9,293 | 6,965 | 22,074 |
| Asset financing: | | | | | | |
| Owned | 860 | 3,224 | 1,732 | 9,293 | 57 | 15,166 |
| Finance Leased | – | – | – | – | – | – |
| On-balance sheet PFI contracts | – | – | – | – | 6,908 | 6,908 |
| Carrying amount at 31 March 2013 | 860 | 3,224 | 1,732 | 9,293 | 6,965 | 22,074 |

Reconciliation of additions to cash flows from investing activities shown in the Statement of Cash Flows.

| | Note | 2013-14 £000 | 2012-13 £000 |
|---|-------------|-------------------------|-------------------------|
| Additions of property, plant and equipment | 7 | 27 | 166 |
| Movement in capital creditors | | (2) | 114 |
| Movement in capital accruals | | 6 | 152 |
| Net cash outflow from investing activities | | 31 | 432 |

Freehold land and buildings were valued at 31 December 2009 at £4,975,000 on the basis of existing use value by an independent firm of Chartered Surveyors, DTZ. The registered office is 125 Old Broad Street, London, EC2N 2BQ. The valuations were undertaken in accordance with the UK Practice Statement 1.3 of the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Standards published 1 May 2003. At 31 March 2014 land and buildings were further revalued using indices calculated by the Investment Property Databank and are consistent with those used in previous years. The Accounting Officer is not aware of any material changes in the carrying value of freehold land and buildings.

Other property, plant and equipment are revalued using the Producer Price Indices published by the Office for National Statistics on 25 March 2014.

The majority of IT assets in use in the business are held under a PFI contract as detailed in Notes 1.10 and 16.

8. Intangible assets

Intangible assets comprise Case Management (CMS) software and software licences.

CMS is the CPS case management system and the intangible asset is the system software. It is stated at cost less accumulated amortisation, as detailed in Note 1.10.

2013-14

| | CMS £000 | Software Licences £000 | Total £000 |
|---|---------------------|---------------------------------------|-----------------------|
| Cost or valuation | | | |
| At 1 April 2013 | 55,598 | 42 | 55,640 |
| Additions | – | – | – |
| Disposals | – | (42) | (42) |
| Revaluation | – | – | – |
| At 31 March 2014 | 55,598 | – | 55,598 |
| Amortisation | | | |
| At 1 April 2013 | 47,788 | 24 | 47,812 |
| Charged in year | 2,841 | 3 | 2,844 |
| Disposals | – | (27) | (27) |
| Revaluation | – | – | – |
| At 31 March 2014 | 50,629 | – | 50,629 |
| Carrying amount at 31 March 2013 | 7,810 | 18 | 7,828 |
| Carrying amount at 31 March 2014 | 4,969 | – | 4,969 |
| Asset financing: | | | |
| Owned | – | – | – |
| Finance Leased | – | – | – |
| On-balance sheet PFI contracts | 4,969 | – | 4,969 |
| Carrying amount at 31 March 2014 | 4,969 | – | 4,969 |

2012-13

| | CMS £000 | Software Licences £000 | Total £000 |
|---|---------------------|---------------------------------------|-----------------------|
| Cost or valuation | | | |
| At 1 April 2012 | 55,598 | 42 | 55,640 |
| Additions | – | – | – |
| Disposals | – | – | – |
| Revaluation | – | – | – |
| At 31 March 2013 | 55,598 | 42 | 55,640 |
| Amortisation | | | |
| At 1 April 2012 | 43,884 | 14 | 43,898 |
| Charged in year | 3,904 | 10 | 3,914 |
| Disposals | – | – | – |
| Revaluation | – | – | – |
| At 31 March 2013 | 47,788 | 24 | 47,812 |
| Carrying amount at 31 March 2012 | 11,714 | 28 | 11,742 |
| Carrying amount at 31 March 2013 | 7,810 | 18 | 7,828 |
| Asset financing: | | | |
| Owned | – | 18 | 18 |
| Finance Leased | – | – | – |
| On-balance sheet PFI contracts | 7,810 | – | 7,810 |
| Carrying amount at 31 March 2013 | 7,810 | 18 | 7,828 |

9. Financial Instruments

Because of the largely non-trading nature of its activities and the way in which government departments are financed, the CPS is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of a trading entity. The Department has no power to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Department in undertaking its activities. The Department holds no assets that are available for sale, nor does it hold or trade in investments.

Liquidity risk

The Department's net revenue resource and capital requirements are financed by resources voted annually by Parliament. The CPS is not therefore exposed to liquidity risks.

Interest rate and foreign currency risk

The Department has no material transactions in foreign currency; all material assets and liabilities are denominated in sterling. The CPS is not exposed to any material interest rate or currency risk.

Credit risk

The Department does not consider that any credit risk arises from trading with other government departments. In trading with commercial concerns, the Department undertakes regular investigation of creditworthiness and employs robust systems to ensure that monies due are collected on time.

As stated in Note 1.7, the CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates.

Magistrates' courts are responsible for recording, enforcing and collecting these costs and forwarding collected monies to the CPS. As a result, the Department is not in a position to perform any checks on creditworthiness in advance, and has to rely on systems employed at magistrates' courts to ensure overdue balances are minimised and collected. There remains a significant risk that balances will not be collected in full and on time, and therefore bad debts are provided for on the basis of the historical relationship between costs awarded and cash collected.

As a result the Department considers that credit risk in respect of cost award debtors is adequately provided against.

Fair values

The following statement is a comparison by category of original cost and fair values of the Department's financial assets and liabilities at 31 March 2014.

| | 2013-14 £000 | | 2012-13 £000 | | Basis of fair valuation |
|-------------------------------|------------------|-----------------|------------------|-----------------|-------------------------------|
| | Original cost | Fair value | Original cost | Fair value | |
| Financial assets: | | | | | |
| Loans and receivables | 66,919 | 48,936 | 64,378 | 44,719 | Note a |
| Cash at bank and in hand | 7,990 | 7,990 | 22,391 | 22,391 | |
| | 74,909 | 56,926 | 86,769 | 67,110 | |
| Financial liabilities: | | | | | |
| Other financial liabilities | (81,198) | (81,198) | (81,245) | (81,245) | |
| | (81,198) | (81,198) | (81,245) | (81,245) | |

Note a – With the exception of cost awards, all receivables are stated at original cost. As stated in Note 1.7, the CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates. Magistrates' courts are responsible for recording, enforcing and collecting these costs and forwarding collected monies to the CPS. Magistrates' courts record and account for individual cost award debtors, but report transactions to the CPS only on an aggregated basis. While the CPS can therefore account fully for aggregate costs awarded, the Department does not hold records of individual balances and transactions so it is not possible to analyse cost award receivables by anticipated future periods of receipt and the resultant cash flows cannot be estimated, nor can the CPS review individual balances for collectability. As a result, bad debts are provided for on the basis of the historical relationship between costs awarded and cash collected. The CPS considers that providing in this way against the aggregate balance of cost award debtors represents a fair value. The future timing of cash flows from cost award receivables remains uncertain, since detailed records of individual debtors' payment arrangements rest with the magistrates' courts. Since bad debts have effectively been excluded from the stated balance of cost award debtors the Department considers that remaining balances will be paid on a timely basis, and that discounting future cash flows would not provide a significantly different overall net position.

10. Trade and other receivables

| | 2013-14 | 2012-13 |
|--|----------------|----------------|
| | £000 | £000 |
| Amounts falling due within one year: | | |
| VAT | 1,574 | 1,983 |
| Trade receivables (Note a) | 48,413 | 49,785 |
| Doubtful debt provision (Note b) | (17,983) | (19,659) |
| Deposits and advances | 679 | 683 |
| Other receivables | 4,397 | 729 |
| Prepayments | 7,416 | 7,311 |
| Accrued income | 13,429 | 13,154 |
| | 57,925 | 53,986 |
| Amounts falling due after more than one year: | | |
| Trade receivables | – | 27 |
| Prepayments | 8 | 20 |
| | 57,933 | 54,033 |

Note a – It is not possible to analyse cost award receivables by amounts falling due within one year and amounts falling due after one year. Her Majesty's Courts and Tribunals Service retain the accounting records for uncollected cost awards and these records are not analysed between amounts falling due within one year and amounts falling due after one year.

Note b – The CPS provides against the risk of default on payment of costs awarded against convicted defendants, £17.983 million (2012-13: £19.656 million) and against default on payment of other income, £Nil (2012-13: £0.003 million).

10(a). Intra-Government Balances

| | Amounts falling due | | Amounts falling due after | |
|---|----------------------------|----------------|----------------------------------|----------------|
| | within one year | | more than one year | |
| | £000 | | £000 | |
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Balances with other central government bodies | 10,127 | 7,699 | – | – |
| Balances with local authorities | 391 | 845 | – | – |
| Balances with NHS bodies | 4 | 11 | – | – |
| Balances with public corporations and trading funds | 153 | 197 | – | – |
| Subtotal: intra-government balances | 10,675 | 8,752 | – | – |
| Balances with bodies external to government | 47,250 | 45,234 | 8 | 47 |
| Total receivables at 31 March | 57,925 | 53,986 | 8 | 47 |

11. Cash and cash equivalents

| | 2013-14 | 2012-13 |
|--|----------------|----------------|
| | £000 | £000 |
| Balance at 1 April | 22,391 | 28,590 |
| Net change in cash and cash equivalent balances | (14,401) | (6,199) |
| Balance at 31 March | 7,990 | 22,391 |
| The following balances at 31 March were held at: | | |
| Government Banking Service | 7,968 | 22,389 |
| Commercial banks and cash in hand | 22 | 2 |
| Balance at 31 March | 7,990 | 22,391 |

12. Trade payables and other current liabilities

| | 2013-14 | 2012-13 |
|--|----------------|----------------|
| | £000 | £000 |
| Amounts falling due within one year: | | |
| Other taxation and social security | 6,601 | 7,546 |
| Trade payables | 12,710 | 10,973 |
| Other payables | 5,114 | 5,199 |
| Accruals and deferred income | 52,878 | 42,930 |
| Current part of imputed finance lease element of on balance sheet (SoFP) PFI contracts | 5,933 | 10,094 |
| | 83,236 | 76,742 |
| Amounts issued from the Consolidated Fund for supply but not spent at year end | 7,990 | 22,391 |
| Consolidated Fund extra receipts due to be paid to the Consolidated Fund: | | |
| received | - | - |
| receivable | - | - |
| | 91,226 | 99,133 |
| Amounts falling due after more than one year: | | |
| Other payables, accruals and deferred income | 5,123 | 6,882 |
| Imputed finance lease element of on balance sheet (SoFP) PFI contracts | 4,554 | 10,366 |
| | 9,677 | 17,248 |

12(a). Intra-Government Balances

| | Amounts falling due within one year | | Amounts falling due after more than one year | |
|---|--|----------------|---|----------------|
| | £000 | | £000 | |
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Balances with other central government bodies | 21,766 | 36,018 | - | - |
| Balances with local authorities | 16 | 143 | - | - |
| Balances with NHS bodies | - | - | - | - |
| Balances with public corporations and trading funds | - | - | - | - |
| Subtotal: intra-government balances | 21,782 | 36,161 | - | - |
| Balances with bodies external to government | 69,444 | 62,972 | 9,677 | 17,248 |
| Total payables at 31 March | 91,226 | 99,133 | 9,677 | 17,248 |

13. Provisions for liabilities and charges

| | Early departure costs | Other | Total |
|--|------------------------------|---------------|---------------|
| | £000 | £000 | £000 |
| Balance at 1 April 2013 | 5,922 | 10,648 | 16,570 |
| Provided in the year | 187 | 5,466 | 5,653 |
| Provisions not required written back | (248) | (838) | (1,086) |
| Provisions utilised in the year | (1,718) | (1,566) | (3,284) |
| Borrowing costs | 125 | (74) | 51 |
| Balance at 31 March 2014 | 4,268 | 13,636 | 17,904 |
| Balance at 1 April 2012 | 7,375 | 8,937 | 16,312 |
| Provided in the year | 611 | 2,088 | 2,699 |
| Provisions not required written back | (129) | (550) | (679) |
| Provisions utilised in the year | (2,120) | (928) | (3,048) |
| Borrowing costs | 185 | 1,101 | 1,286 |
| Balance at 31 March 2013 | 5,922 | 10,648 | 16,570 |
| <i>Analysis of expected timing of discounted flows 2013-14</i> | | | |
| Not later than one year | 1,537 | 6,685 | 8,222 |
| Later than one year and not later than five years | 2,690 | 4,652 | 7,342 |
| Later than five years | 41 | 2,299 | 2,340 |
| Balance at 31 March 2014 | 4,268 | 13,636 | 17,904 |
| <i>Analysis of expected timing of discounted flows 2012-13</i> | | | |
| Not later than one year | 1,798 | 4,338 | 6,136 |
| Later than one year and not later than five years | 3,858 | 3,718 | 7,576 |
| Later than five years | 266 | 2,592 | 2,858 |
| Balance at 31 March 2013 | 5,922 | 10,648 | 16,570 |

Note a – Included within other provisions is provision for dilapidations of £10.789 million (2012-13 £8.594 million).

Early departure costs

The CPS meets the additional costs beyond the normal PCSPS benefits in respect of employees who retired early and who left the CPS before December 2010 when other arrangements were introduced by central government.

The CPS provides for the full cost of the future estimated payments discounted by the HM Treasury discount rate of 1.80 (2012-13: 2.35) per cent in real terms with effect from 31 March 2014.

Other provisions

Other provisions comprise outstanding compensation claims for personal injury, employment tribunal, civil legal claims and dilapidation claims served by landlords at the expiry of a lease on a property occupied by the CPS. In respect of compensation claims, provision has been made for the litigation against the Department. The provision reflects all known legal claims where legal advice indicates that it is more than 50 per cent probable that the claim will be successful and the amount of the claim can be reliably estimated.

Legal claims which may succeed but are less likely to do so or cannot be estimated are disclosed as contingent liabilities in Note 18. A provision is made against all anticipated dilapidation claims at a rate per square metre which reflects actual dilapidations discounted to reflect the time value of money.

14. Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements.

| | 2013-14 | 2012-13 |
|-------------------------------|----------------|----------------|
| | £000 | £000 |
| Property, plant and equipment | – | 1 |

15. Commitments under leases*Operating Leases*

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

Obligations under operating leases for the following periods comprise:

| | 2013-14 | 2012-13 |
|---|----------------|----------------|
| | £000 | £000 |
| Land | | |
| Not later than one year | 48 | 48 |
| Later than one year and not later than five years | 153 | 192 |
| Later than five years | – | 8 |
| | <u>201</u> | <u>248</u> |
| Buildings | | |
| Not later than one year | 18,373 | 21,906 |
| Later than one year and not later than five years | 47,969 | 62,815 |
| Later than five years | 5,000 | 23,767 |
| | <u>71,342</u> | <u>108,488</u> |
| Other | | |
| Not later than one year | 14 | 29 |
| Later than one year and not later than five years | 5 | 18 |
| Later than five years | – | – |
| | <u>19</u> | <u>47</u> |

The total future minimum sublease payments expected to be received under non-cancellable subleases as at 31 March 2014 is £2.112 million (2012-13: £1.283 million).

16. Commitments under PFI contracts

The Department has entered into two PFI contracts.

Information Technology (IT) managed service

The Department's IT service is provided through a managed service contract which was originally for a term of 10 years from 1 April 2002 with an option to extend. During 2009-10 the Department exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract further and the contract now runs until 30 November 2015. The extension has included some renegotiation of terms, but none that materially affect the service concession arrangements.

Communications managed service

The Department's communications are provided through a managed service contract which was originally for a term of 6 years from 1 April 2006, with an option to extend. During 2009-10 the Department exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract further and the contract now runs until 30 November 2015. The extension has included some renegotiation of terms, but none that materially affect the service concession arrangements.

Contractual payments therefore comprise two elements: imputed finance lease charges and service charges. The imputed finance lease obligation is as follows:

Total obligations under on-balance sheet (SoFP) PFI contracts for the following periods comprise:

| | 2013-14 | 2012-13 |
|---|----------------|----------------|
| | £000 | £000 |
| Not later than one year | 6,227 | 10,695 |
| Later than one year and not later than five years | 4,670 | 10,695 |
| Later than five years | - | - |
| | 10,897 | 21,390 |
| Less interest element | (410) | (930) |
| Present value of obligations | 10,487 | 20,460 |

All minimum lease payments due under PFI contracts have been included in the calculation of the value of the assets taken onto the balance sheet in respect of those contracts; while payments may arise in future years as a result of there being more users than the minima stipulated in the contracts, the Department is not committed to make such payments unless and until such a liability arises.

The contracts covering these managed services allow for a number of improvements and enhancements to systems over the lifetime of the projects. As such changes are successfully introduced there may be increases in the charges levied by the Service Providers. These increases will only be recognised in the accounts once the relevant changes have been properly tested and fully accepted as fit for purpose by the CPS.

Present value of obligations under on-balance sheet (SoFP) PFI contracts for the following periods comprise

| | 2013-14 | 2012-13 |
|---|----------------|----------------|
| | £000 | £000 |
| Not later than one year | 5,933 | 10,094 |
| Later than one year and not later than five years | 4,554 | 10,366 |
| Later than five years | – | – |
| | 10,487 | 20,460 |

Charge to the Statement of Comprehensive Net Expenditure and future commitments

The total amount charged to the Statement of Comprehensive Net Expenditure in respect of the service element of on-balance sheet PFI transactions was £7.992 million (2012-13 £7.992 million); and the payments to which the department is committed are as follows:

| | 2013-14 | 2012-13 |
|---|----------------|----------------|
| | £000 | £000 |
| Not later than one year | 12,529 | 8,107 |
| Later than one year and not later than five years | 9,399 | 8,113 |
| Later than five years | – | – |
| | 21,928 | 16,220 |

17. Other financial commitments

The Department has entered into contracts, which are not leases or PFI contracts, only cancellable at a significant cost, for the delivery and support of the Department's finance system, HR and purchasing system. The payments to which the Department is committed (inclusive of VAT) are as follows:

| | 2013-14 | 2012-13 |
|---|----------------|----------------|
| | £000 | £000 |
| Not later than one year | 1,036 | 535 |
| Later than one year and not later than five years | 251 | 339 |
| Later than five years | – | – |
| | 1,287 | 874 |

18. Contingent Liabilities

18 (a). Contingent Liabilities disclosed under IAS 37

As at 31 March 2014 the CPS was involved in 11 personal injury claims in addition to those for which a provision has been made (note 13). 4 claims may result in settlements totalling £80,850. It is not possible to estimate the value of the remaining 7 claims. The CPS was also involved in 13 Employment Tribunal cases in addition to those for which a provision has been made (note 13). 5 cases may result in settlements totalling £31,500. It is not possible to estimate the value of the remaining 8 cases.

18 (b). Contingent Liabilities reported to Parliament in accordance with Annex 5.5 of Managing Public Money

The CPS has not given any guarantees, indemnities or letters of comfort which would require disclosure however remote the possibility of their realisation (2012-13: Nil).

19. Losses and special payments

Included within the Statement of Comprehensive Net Expenditure are losses and special payments as follows:

| | 2013-14 | | 2012-13 | |
|-------------------------------|--------------------|--------------|--------------------|--------------|
| | Number of cases | £000 | Number of cases | £000 |
| 19(a) Losses Statement | | | | |
| Total losses | 99,273 | 7,578 | 67,597 | 4,632 |
| 19(b) Special Payments | | | | |
| Total special payments | 47 | 902 | 37 | 692 |
| Total | 99,320 | 8,480 | 67,634 | 5,324 |

Details of cases over £300,000

Administrative write-offs Costs awarded to the CPS

Administrative write-offs are cases relating to costs awarded to the CPS which the magistrates' courts are responsible for collecting. Between 1 April 2013 and 31 March 2014 the magistrates' courts wrote off 99,243 (2012-13: 67,569) cases with a value of £5.702 million (2012-13: £4.457 million) under their delegated powers. There was no individual write-off over £300,000.

Constructive losses

Lease surrender premiums

As part of its Estates Rationalisation Programme CPS vacated 3 properties in 2013-14 prior to their lease expiry dates with a total cost of lease surrenders of £1,865,418 (2012-13 nil). The values of the individual surrenders were £1,194,000, £437,418 and £234,000.

20. Related-party transactions

The CPS has close working relationships with all agencies within the criminal justice system and particularly HMCTS, their ultimate controlling party being the Ministry of Justice. HMCTS is regarded as a related party with which the Department has had material transactions, being mainly costs awarded by HMCTS to the CPS (see Note 6) less amounts written off (see Note 5).

Details of salary, benefits in kind and pension benefits paid to key management personnel are given in the Remuneration Report. The CPS requests that each Board member completes a declaration, stating whether they or their spouse and close family members have been in a position of influence or control in organisations with which the CPS has transactions. All Board members, including those who left the CPS during the year, completed a declaration.

The declarations advised no material transactions had taken place.

21. Events after the reporting period

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

Departmental Remuneration Report

Remuneration Policy

The Nominations and Governance Committee (NGC) now acts as the Remuneration Committee for the CPS. In 2013-14 this committee was made up of the following:

| | |
|------------------|--|
| Derek Manuel | Non-Executive Board Member (Chair) |
| Alison Porter | Non-Executive Board Member |
| Alison Saunders | Director of Public Prosecutions (from 1 November 2013) |
| Keir Starmer QC | Director of Public Prosecutions (to 31 October 2013) |
| Peter Lewis | Chief Executive |
| Jim Brisbane | Chief Operating Officer |
| Mark Summerfield | Director of Human Resources |

The remuneration of senior civil servants is set according to guidance provided by the Cabinet Office, following the recommendations made by the independent Senior Salary Review Body (SSRB) to the Prime Minister.

The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body is required to have regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits; and
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at www.ome.uk.com.

In addition, the Nominations and Governance Committee is tasked with considering the relative contributions of the Department's senior employees within each pay band. Paying due regard to completed performance reports, consistency and scope of objectives and the effects of external factors, the Committee will then consider individual awards in line with Cabinet Office guidance.

In line with Government policy a pay freeze was applied to SCS staff from 2011-12 to 2012-13. In April 2013 the CPS came out of the pay freeze. Over the pay freeze period no increase was paid to these staff in relation to base pay or cost of living. However Performance Related Pay (PRP) was paid following Cabinet Office policy on pay for senior staff. The pay settlement for SCS staff for 2014-15 has not yet been agreed but will adhere to Government policy for senior pay. For other staff below the SCS, the pay award for 2014-15 is limited to an average increase of 1%.

In respect of the awarding of non-consolidated PRP, a scheme operated in 2013-14, authorised by the Cabinet Office for SCS staff. A performance-related payment of up to 3.5% of the total eligible SCS pay bill was available to be paid to the top 25% of SCS staff who qualified. The actual distribution of payments was 3.3% of the SCS pay bill.

Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Further information about the work of the Civil Service Commission can be found at: www.civilservicecommission.org.uk.

The DPP, Alison Saunders, was appointed for a period of five years from 1 November 2013 to 31 October 2018. The previous DPP, Keir Starmer QC, left after completing a five year contract from 1 November 2008 to 31 October 2013.

With the exception of Non-executive Directors, all other officials covered by this report hold appointments which are open-ended. Notice periods are set according to guidance provided by the Cabinet Office. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Non-executive Directors

All the Non-executive Directors have fixed term contracts covering a period of three years as follows:

| | |
|---------------|------------------------------------|
| Derek Manuel | 6 July 2011 to 5 July 2014 |
| Alan Jenkins | 6 July 2011 to 5 July 2014 |
| Alison Porter | 3 December 2012 to 2 December 2015 |
| Jeremy Newman | 3 December 2012 to 2 December 2015 |

Either party may terminate the contract for any reason before the expiry of the fixed period by providing one month's written notice. If the appointment is terminated early by mutual consent no notice will be given by the CPS. No compensation is payable to Non-executive Directors for early termination of their contract.

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior officials of the Department.

Remuneration (audited)

| Officials | 2013-14 | | | | | 2012-13 | | | | |
|---|---------------------------------|---------------------------|--|-----------------------------|---------------|----------------------------|---------------------------|--|-----------------------------|---------------|
| | Salary £000 | Bonus Payments £000 | Benefits in kind (to nearest £100) £ | Pension Benefits £000 | Total £000 | Salary £000 | Bonus Payments £000 | Benefits in kind (to nearest £100) £ | Pension Benefits £000 | Total £000 |
| Alison Saunders <i>Director of Public Prosecutions</i> (from 1 November 2013) | 80 – 85 (fye 195 – 200) | – | Nil | 250 | 330 – 335 | – | – | – | – | – |
| Keir Starmer QC <i>Director of Public Prosecutions</i> (to 31 October 2013) | 115 – 120 (fye 195 – 200) | – | Nil | 50 | 165 – 170 | 195 – 200 | – | Nil | 95 | 290 – 295 |
| Peter Lewis <i>Chief Executive</i> | 160 – 165 | 10 – 15 | Nil | 9 | 185 – 190 | 160 – 165 | 15 – 20 | Nil | 6 | 180 – 185 |
| Paul Staff <i>Director Finance</i> | 100 – 105 | 5 – 10 | Nil | 65 | 175 – 180 | 95 – 100 | 10 – 15 | Nil | 88 | 195 – 200 |
| Jim Brisbane* <i>Chief Operating Officer</i> (from 3 December 2012) | 145 – 150 | 5 – 10 | 61,300 | 89 | 305 – 310 | 35 – 40 (fye 120 – 125) | – | 18,500 | 39 | 95 – 100 |
| Alison Porter <i>Non-executive Director</i> (from 3 December 2012) | 10 – 15 | – | 1,000 | – | 10 – 15 | 0 – 5 (fye 10 – 15) | – | 200 | – | 0 – 5 |
| Jeremy Newman <i>Non-executive Director</i> (from 3 December 2012) | 10 – 15 | – | 300 | – | 10 – 15 | 0 – 5 (fye 10 – 15) | – | 100 | – | 0 – 5 |
| Derek Manuel <i>Non-executive Director</i> | 10 – 15 | – | 200 | – | 10 – 15 | 10 – 15 | – | 200 | – | 10 – 15 |
| Alan Jenkins <i>Non-executive Director</i> | 10 – 15 | – | – | – | 10 – 15 | 10 – 15 | – | 100 | – | 10 – 15 |

| Officials | 2013-14 | | | | | 2012-13 | | | | |
|---|----------------|---------------------------|--|-----------------------------|---------------|----------------|---------------------------|--|-----------------------------|---------------|
| | Salary £000 | Bonus Payments £000 | Benefits in kind (to nearest £100) £ | Pension Benefits £000 | Total £000 | Salary £000 | Bonus Payments £000 | Benefits in kind (to nearest £100) £ | Pension Benefits £000 | Total £000 |
| Band of highest paid Director's total remuneration (£000) | 215 – 220 | | | | | 195 – 200 | | | | |
| Median total remuneration | 30,616 | | | | | 30,183 | | | | |
| Ratio | 7.1:1 | | | | | 6.5:1 | | | | |

fye = full year equivalent salary

* The Chief Operating Officer (COO) received an allowance of £27k in February 2014 (2012-13: Nil) in respect of expenses to be incurred between February 2014 and January 2015 and benefits in kind of £61k (2012-13: £18k) in respect of reimbursed travel, accommodation and subsistence costs, incurred from home to the CPS's central London headquarters. This expenditure was not identified as remuneration until the current financial year and was not reported as such by CPS in 2012-13. The Remuneration Report has been restated to show the correct payments for the prior period and the taxation arising of £32k (2012-13: £9k) on the benefits in kind has been calculated and is included in the benefits figures reported above and will be paid by the CPS in 2014-15.

The salary figures reported in the table above take account of allowances including £27,000 (2012/13: nil) in respect of expenses and £3,000 (2012/13: £3,000) in respect of recruitment and retention. The COO's basic salary excluding allowances was £119,685 (2012-13: £118,500). However, the allowances and benefits in kind took the total remuneration received by the COO in 2013-14 above the Cabinet Office's control limit of £142,500. Retrospective approval for these payments was sought and provided by the Cabinet Office and HM Treasury in June 2014.

The issues arising in respect of these payments are outlined in the Governance Statement on page 30.

Non-executive Directors are paid £13,044 per annum.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Department and thus recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the Department and treated by HM Revenue & Customs as a taxable emolument. Expenses are paid to all Non-executive Directors. Where the expense is for home to office travel, this is assessed by HM Revenue & Customs as constituting a benefit in kind. The tax and National Insurance contributions due on the benefits in kind are paid by the CPS.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year previous to that in which they become payable to the individual. The bonuses reported in 2013-14 relate to performance in 2012-13 and the comparative bonuses reported for 2012-13 relate to performance in 2011-12.

Pension Benefits

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the Crown Prosecution Service in the financial year 2013-14 was £215-220k (2012-13: £195-200k). This was 7.1 times (2012-13: 6.5) the median remuneration of the

workforce, which was £30,616 (2012-13: £30,183). The 2012-13 median has been changed to include certain temporary staff.

In 2013-14, no (2012-13: no) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £14k to £220k (2012-13: £14k - £200k).

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

The slight increase in the median salary reflects changes in workforce structure. The increase in the band of the highest paid director's total remuneration was due to the Chief Operating Officer's allowance and benefits in kind.

Pension Benefits

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (**classic**, **premium** or **classic plus**); or a whole career scheme (**nuvos**). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus** and **nuvos** are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 1.5% and 6.25% of pensionable earnings for **classic** and 3.5% and 8.25% for **premium**, **classic plus** and **nuvos**. Increases to employee contributions will apply from 1 April 2014. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year, and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website:
<http://www.civilservice.gov.uk/pensions>

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

Pension benefits (audited):

| Officials | Accrued pension at pension age as at 31 March 2014 and related lump sum | Real increase in pension and related lump sum at pension age | CETV at 31 March 2014 | CETV at 31 March 2013 | Real increase in CETV |
|---|--|---|------------------------------|------------------------------|------------------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Alison Saunders CB <i>Director of Public Prosecutions</i> <i>(from 1 November 2013)</i> | pension 55 – 60 lump sum 175 – 180 | pension 10 – 12.5 lump sum 32.5 – 35 | 1,122 | 875 | 202 |
| Keir Starmer QC <i>Director of Public Prosecutions</i> <i>(to 31 October 2013)</i> | pension 20 – 25 lump sum 55 – 60 | pension 2.5 – 5 lump sum 5 – 7.5 | 336 | 287 | 33 |
| Peter Lewis <i>Chief Executive</i> | pension 75 – 80 lump sum 225 – 230 | pension 0 – 2.5 lump sum 2.5 – 5 | 1,603 | 1,495 | 7 |
| Paul Staff <i>Director Finance</i> | pension 50 – 55 lump sum 155 – 160 | pension 2.5 – 5 lump sum 7.5 – 10 | 1,126 | 1,000* | 61 |
| Jim Brisbane <i>Chief Operating Officer</i> | pension 35 – 40 lump sum 115 – 120 | pension 2.5 – 5 lump sum 12.5 – 15 | 912 | 770* | 89 |

*Revised figures received from MyCSP.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Pension for the Director of Public Prosecutions

Keir Starmer QC

Pension benefits were provided through a pension scheme which had the DPP as its only member. The Scheme is unfunded and the cost of benefits will be met by monies voted by Parliament each year. The pension will be increased annually in the same way as other public service pensions. The pension scheme provides benefits which broadly match the benefits provided under the Judicial Pension Scheme.

Alison Saunders CB

Pension benefits for Alison Saunders are provided through the Principal Civil Service Pension Scheme.

Alison Saunders CB
Accounting Officer

08 July 2014

Annex A – Board membership and attendance

The Board

The membership of the CPS Board, including attendance, during 2013-14 was as follows:

| Board Member | Position/Role | Attendance (out of 7 meetings) | Period |
|-----------------|--|--------------------------------|----------------------|
| Keir Starmer QC | DPP (Chair) | 3/3 | Apr 2013 to Oct 2013 |
| Alison Saunders | DPP (Chair) | 3/4 | From Nov 2013 |
| Peter Lewis | Chief Executive | 7/7 | 2013/14 |
| Jim Brisbane | Chief Operating Officer | 7/7 | 2013/14 |
| Paul Staff | Director of Finance | 7/7 | 2013/14 |
| Derek Manuel | Non-Executive Director – Chair of the Nominations and Governance Committee | 6/7 | 2013/14 |
| Alan Jenkins | Non-Executive Director | 7/7 | 2013/14 |
| Jeremy Newman | Non-Executive Director – Chair of the Audit and Risk Committee | 6/7 | 2013/14 |
| Alison Porter | Non-Executive Director | 7/7 | 2013/14 |

The membership of the Audit and Risk Committee during 2013-14 was as follows:

| Member | Position/Role | Period |
|---------------------|--------------------------------------|---------|
| Jeremy Newman | Non-Executive Board Director (Chair) | 2013/14 |
| Alan Jenkins | Non-Executive Board Director | 2013/14 |
| Richard Szadziewski | Non-Executive Member | 2013/14 |
| Caroline Johnstone | Non-Executive Member | 2013/14 |

The membership of the Nominations and Governance Committee during 2013-14 was as follows:

| Member | Position/Role | Period |
|------------------|--------------------------------|----------------------|
| Derek Manuel | Non-Executive Director (Chair) | 2013/14 |
| Alison Porter | Non-Executive Director | 2013/14 |
| Keir Starmer QC | DPP | Apr 2013 to Oct 2013 |
| Alison Saunders | DPP | From Nov 2013 |
| Peter Lewis | Chief Executive | 2013/14 |
| Jim Brisbane | Chief Operating Officer | 2013/14 |
| Mark Summerfield | Director of Human Resources | 2013/14 |

The membership of the Executive Group (formerly titled the Directors' Group) during 2013-14 was as follows:

| Member | Position/Role | Period |
|------------------------------|--|----------------------|
| Peter Lewis | Chief Executive (Chair) | 2013/14 |
| Keir Starmer QC ¹ | DPP | Apr 2013 to Oct 2013 |
| Alison Levitt QC | Principal Legal Advisor | 2013/14 |
| Jim Brisbane | Chief Operating Officer | 2013/14 |
| Adrian Foster | Head of Operations | Apr 2013 to May 2013 |
| Keith Milburn | Head of Operations (TP) | From Jun 2013 |
| Nick Hunt | Director Strategy & Policy | 2013/14 |
| Mark Summerfield | Director Human Resources | 2013/14 |
| Paul Staff | Director Finance | 2013/14 |
| | Chief Information Officer (on interim basis) | 2013/14 |
| Dale Simon | Director Equality & Diversity | 2013/14 |
| Joanna Millington | Director Communications | 2013/14 |

The membership of the Operational Delivery Group (formerly titled the Chief Crown Prosecutors' Group) during 2013-14 was as follows:

| Member | Position/Role | Period |
|-----------------------------|-------------------------------------|----------------------|
| Jim Brisbane | Chief Operating Officer (Chair) | 2013/14 |
| Keith Milburn | Head of Operations* | From Jun 2013 |
| Nick Hawkins | CCP CPS Direct | 2013/14 |
| Grace Ononiwu | CCP East of England | 2013/14 |
| Steve Chappell | CCP East Midlands | 2013/14 |
| Baljit Ubhey ² | CCP London | 2013/14 |
| Paul Whittaker ³ | Digital Business Programme Director | 2013/14 |
| Claire Lindley | CCP Mersey/Cheshire | From Apr 2013 |
| Wendy Williams | CCP North East | 2013/14 |
| Nazir Afzal | CCP North West | 2013/14 |
| Roger Coe-Salazar | CCP South East | Apr 2013 to Aug 2013 |
| Portia Ragnauth | CCP South East* | Sep 2013 to Dec 2013 |
| Jaswant Narwal | CCP South East | From Jan 2014 |
| Barry Hughes | CCP South West | 2013/14 |
| Ruth Bowskill | CCP Thames & Chiltern* | Oct 2013 to Jan 2014 |
| Adrian Foster ⁴ | CCP Thames & Chiltern | From Jan 2014 |
| Ed Beltrami | CCP Wales/Cymru | 2013/14 |
| Kate Brown | CCP Wessex | 2013/14 |
| Harry Ireland | CCP West Midlands | 2013/14 |
| Martin Goldman | CCP Yorkshire & Humberside | 2013/14 |
| Sue Patten | Head of Central Fraud Division | 2013/14 |

1 Keir Starmer QC departed the CPS in October 2013. Following a review of membership as part of the 2013 Governance Review the DPP no longer attends the Executive Group.

2 Baljit Ubhey previously attended the Operational Delivery Group as CCP Thames and Chiltern and as CCP London from November 2013.

3 Paul Whittaker previously attended the Operational Delivery Group as CCP Merseyside/Cheshire.

4 Adrian Foster previously attended the Operational Delivery Group as Head of Operations and as CCP Thames and Chiltern from January 2013.

| Member | Position/Role | Period |
|------------------------------|--|----------------------|
| Gregor McGill | Head of Organised Crime Division | 2013/14 |
| Sue Hemming | Head of Special Crime and Counter Terrorism Division | 2013/14 |
| Simon Clements | Head of Welfare, Rural and Health Division | Until Nov 2013 |
| Keir Starmer QC | DPP (permanent guest) | Apr 2013 to Oct 2013 |
| Alison Saunders ⁵ | DPP (permanent guest) | 2013/14 |
| Peter Lewis | Chief Executive (permanent guest) | 2013/14 |
| Nick Hunt | Director, Strategy & Policy (permanent guest) | 2013/14 |
| Joanna Millington | Director Communications (permanent guest) | 2013/14 |

* Position held temporarily

⁵ Alison Saunders previously attended the Operational Delivery Group as CCP London and as DPP from November 2013.

Annex B – Code for Crown Prosecutors

Introduction

- 1.1 The Code for Crown Prosecutors (the Code) is issued by the Director of Public Prosecutions (DPP) under section 10 of the Prosecution of Offences Act 1985. This is the seventh edition of the Code and replaces all earlier versions.
- 1.2 The DPP is the head of the Crown Prosecution Service (CPS), which is the principal public prosecution service for England and Wales. The DPP operates independently, under the superintendence of the Attorney General who is accountable to Parliament for the work of the CPS.
- 1.3 The Code gives guidance to prosecutors on the general principles to be applied when making decisions about prosecutions. The Code is issued primarily for prosecutors in the CPS, but other prosecutors follow the Code either through convention or because they are required to do so by law.
- 1.4 In this Code, the term “suspect” is used to describe a person who is not yet the subject of formal criminal proceedings; the term “defendant” is used to describe a person who has been charged or summonsed; and the term “offender” is used to describe a person who has admitted his or her guilt to a police officer or other investigator or prosecutor, or who has been found guilty in a court of law.

General Principles

- 2.1 The decision to prosecute or to recommend an out-of-court disposal is a serious step that affects suspects, victims, witnesses and the public at large and must be undertaken with the utmost care.
- 2.2 It is the duty of prosecutors to make sure that the right person is prosecuted for the right offence and to bring offenders to justice wherever possible. Casework decisions taken fairly, impartially and with integrity help to secure justice for victims, witnesses, defendants and the public. Prosecutors must ensure that the law is properly applied; that relevant evidence is put before the court; and that obligations of disclosure are complied with.
- 2.3 Although each case must be considered on its own facts and on its own merits, there are general principles that apply in every case.
- 2.4 Prosecutors must be fair, independent and objective. They must not let any personal views about the ethnic or national origin, gender, disability, age, religion or belief, political views, sexual orientation, or gender identity of the suspect, victim or any witness influence their decisions. Neither must prosecutors be affected by improper or undue pressure from any source. Prosecutors must always act in the interests of justice and not solely for the purpose of obtaining a conviction.
- 2.5 The CPS is a public authority for the purposes of current, relevant equality legislation. Prosecutors are bound by the duties set out in this legislation.
- 2.6 Prosecutors must apply the principles of the European Convention on Human Rights, in accordance with the Human Rights Act 1998, at each stage of a case. Prosecutors must also comply with any guidelines issued by the Attorney General; with the Criminal Procedure Rules currently in force; and have regard to the obligations arising from international conventions. They must follow the policies and guidance of the CPS issued on behalf of the DPP and available for the public to view on the CPS website.

The Decision Whether to Prosecute

- 3.1 In more serious or complex cases, prosecutors decide whether a person should be charged with a criminal offence and, if so, what that offence should be. They make their decisions in accordance with this Code and the DPP’s Guidance on Charging. The police apply the same principles in deciding whether to start criminal proceedings against a person in those cases for which they are responsible.
- 3.2 The police and other investigators are responsible for conducting enquiries into any alleged crime and for deciding how to deploy their resources. This includes decisions to start or continue an investigation and on the scope of the investigation. Prosecutors often advise the police and other investigators about possible lines of inquiry and evidential requirements, and assist with pre-charge procedures. In large scale investigations the prosecutor may be asked to advise on the overall investigation strategy, including

decisions to refine or narrow the scope of the criminal conduct and the number of suspects under investigation. This is to assist the police and other investigators to complete the investigation within a reasonable period of time and to build the most effective prosecution case. However, prosecutors cannot direct the police or other investigators.

- 3.3 Prosecutors should identify and, where possible, seek to rectify evidential weaknesses, but, subject to the Threshold Test (see section 5), they should swiftly stop cases which do not meet the evidential stage of the Full Code Test (see section 4) and which cannot be strengthened by further investigation, or where the public interest clearly does not require a prosecution (see section 4). Although prosecutors primarily consider the evidence and information supplied by the police and other investigators, the suspect or those acting on his or her behalf may also submit evidence or information to the prosecutor via the police or other investigators, prior to charge, to help inform the prosecutor's decision.
- 3.4 Prosecutors must only start or continue a prosecution when the case has passed both stages of the Full Code Test (see section 4). The exception is when the Threshold Test (see section 5) may be applied where it is proposed to apply to the court to keep the suspect in custody after charge, and the evidence required to apply the Full Code Test is not yet available.
- 3.5 Prosecutors should not start or continue a prosecution which would be regarded by the courts as oppressive or unfair and an abuse of the court's process.
- 3.6 Prosecutors review every case they receive from the police or other investigators. Review is a continuing process and prosecutors must take account of any change in circumstances that occurs as the case develops, including what becomes known of the defence case. Wherever possible, they should talk to the investigator when thinking about changing the charges or stopping the case. Prosecutors and investigators work closely together, but the final responsibility for the decision whether or not a case should go ahead rests with the CPS.
- 3.7 Parliament has decided that a limited number of offences should only be taken to court with the agreement of the DPP. These are called consent cases. In such cases the DPP, or prosecutors acting on his or her behalf, apply the Code in deciding whether to give consent to a prosecution. There are also certain offences that should only be taken to court with the consent of the Attorney General. Prosecutors must follow current guidance when referring any such cases to the Attorney General. Additionally, the Attorney General will be kept informed of certain cases as part of his or her superintendence of the CPS and accountability to Parliament for its actions.

The Full Code Test

- 4.1 The Full Code Test has two stages: (i) the evidential stage; followed by (ii) the public interest stage.
- 4.2 In most cases, prosecutors should only decide whether to prosecute after the investigation has been completed and after all the available evidence has been reviewed. However there will be cases where it is clear, prior to the collection and consideration of all the likely evidence, that the public interest does not require a prosecution. In these instances, prosecutors may decide that the case should not proceed further.
- 4.3 Prosecutors should only take such a decision when they are satisfied that the broad extent of the criminality has been determined and that they are able to make a fully informed assessment of the public interest. If prosecutors do not have sufficient information to take such a decision, the investigation should proceed and a decision taken later in accordance with the Full Code Test set out in this section.

The Evidential Stage

- 4.4 Prosecutors must be satisfied that there is sufficient evidence to provide a realistic prospect of conviction against each suspect on each charge. They must consider what the defence case may be, and how it is likely to affect the prospects of conviction. A case which does not pass the evidential stage must not proceed, no matter how serious or sensitive it may be.
- 4.5 The finding that there is a realistic prospect of conviction is based on the prosecutor's objective assessment of the evidence, including the impact of any defence and any other information that the suspect has put forward or on which he or she might rely. It means that an objective, impartial and reasonable jury or bench of magistrates or judge hearing a case alone, properly directed and acting in accordance with the law, is more likely than not to convict the defendant of the charge alleged. This is a different test from the one that the criminal courts themselves must apply. A court may only convict if it is sure that the defendant is guilty.

- 4.6 When deciding whether there is sufficient evidence to prosecute, prosecutors should ask themselves the following:

Can the evidence be used in court?

Prosecutors should consider whether there is any question over the admissibility of certain evidence. In doing so, prosecutors should assess:

- a) the likelihood of that evidence being held as inadmissible by the court; and
- b) the importance of that evidence in relation to the evidence as a whole.

Is the evidence reliable?

Prosecutors should consider whether there are any reasons to question the reliability of the evidence, including its accuracy or integrity.

Is the evidence credible?

Prosecutors should consider whether there are any reasons to doubt the credibility of the evidence.

The Public Interest Stage

- 4.7 In every case where there is sufficient evidence to justify a prosecution, prosecutors must go on to consider whether a prosecution is required in the public interest.
- 4.8 It has never been the rule that a prosecution will automatically take place once the evidential stage is met. A prosecution will usually take place unless the prosecutor is satisfied that there are public interest factors tending against prosecution which outweigh those tending in favour. In some cases the prosecutor may be satisfied that the public interest can be properly served by offering the offender the opportunity to have the matter dealt with by an out-of-court disposal rather than bringing a prosecution.
- 4.9 When deciding the public interest, prosecutors should consider each of the questions set out below in paragraphs 4.12 a) to g) so as to identify and determine the relevant public interest factors tending for and against prosecution. These factors, together with any public interest factors set out in relevant guidance or policy issued by the DPP, should enable prosecutors to form an overall assessment of the public interest.
- 4.10 The explanatory text below each question in paragraphs 4.12 a) to g) provides guidance to prosecutors when addressing each particular question and determining whether it identifies public interest factors for or against prosecution. The questions identified are not exhaustive, and not all the questions may be relevant in every case. The weight to be attached to each of the questions, and the factors identified, will also vary according to the facts and merits of each case.
- 4.11 It is quite possible that one public interest factor alone may outweigh a number of other factors which tend in the opposite direction. Although there may be public interest factors tending against prosecution in a particular case, prosecutors should consider whether nonetheless a prosecution should go ahead and those factors put to the court for consideration when sentence is passed.
- 4.12 Prosecutors should consider each of the following questions:
- a) *How serious is the offence committed?*
The more serious the offence, the more likely it is that a prosecution is required. When deciding the level of seriousness of the offence committed, prosecutors should include amongst the factors for consideration the suspect's culpability and the harm to the victim by asking themselves the questions at b) and c).
 - b) *What is the level of culpability of the suspect?*
The greater the suspect's level of culpability, the more likely it is that a prosecution is required. Culpability is likely to be determined by the suspect's level of involvement; the extent to which the offending was premeditated and/or planned; whether they have previous criminal convictions and/or out-of-court disposals and any offending whilst on bail or whilst subject to a court order; whether the offending was or is likely to be continued, repeated or escalated; and the suspect's age or maturity (see paragraph d) below for suspects under 18). Prosecutors should also have regard when

considering culpability as to whether the suspect is, or was at the time of the offence, suffering from any significant mental or physical ill health as in some circumstances this may mean that it is less likely that a prosecution is required. However, prosecutors will also need to consider how serious the offence was, whether it is likely to be repeated and the need to safeguard the public or those providing care to such persons.

c) *What are the circumstances of and the harm caused to the victim?*

The circumstances of the victim are highly relevant. The greater the vulnerability of the victim, the more likely it is that a prosecution is required. This includes where a position of trust or authority exists between the suspect and victim. A prosecution is also more likely if the offence has been committed against a victim who was at the time a person serving the public. Prosecutors must also have regard to whether the offence was motivated by any form of discrimination against the victim's ethnic or national origin, gender, disability, age, religion or belief, sexual orientation or gender identity; or the suspect demonstrated hostility towards the victim based on any of those characteristics. The presence of any such motivation or hostility will mean that it is more likely that prosecution is required. In deciding whether a prosecution is required in the public interest, prosecutors should take into account the views expressed by the victim about the impact that the offence has had. In appropriate cases, this may also include the views of the victim's family. Prosecutors also need to consider if a prosecution is likely to have an adverse effect on the victim's physical or mental health, always bearing in mind the seriousness of the offence. If there is evidence that prosecution is likely to have an adverse impact on the victim's health it may make a prosecution less likely, taking into account the victim's views. However, the CPS does not act for victims or their families in the same way as solicitors act for their clients, and prosecutors must form an overall view of the public interest.

d) *Was the suspect under the age of 18 at the time of the offence?*

The criminal justice system treats children and young people differently from adults and significant weight must be attached to the age of the suspect if they are a child or young person under 18. The best interests and welfare of the child or young person must be considered including whether a prosecution is likely to have an adverse impact on his or her future prospects that is disproportionate to the seriousness of the offending. Prosecutors must have regard to the principal aim of the youth justice system which is to prevent offending by children and young people. Prosecutors must also have regard to the obligations arising under the United Nations 1989 Convention on the Rights of the Child. As a starting point, the younger the suspect, the less likely it is that a prosecution is required. However, there may be circumstances which mean that notwithstanding the fact that the suspect is under 18, a prosecution is in the public interest. These include where the offence committed is serious, where the suspect's past record suggests that there are no suitable alternatives to prosecution, or where the absence of an admission means that out-of-court disposals which might have addressed the offending behaviour are not available.

e) *What is the impact on the community?*

The greater the impact of the offending on the community, the more likely it is that a prosecution is required. In considering this question, prosecutors should have regard to how community is an inclusive term and is not restricted to communities defined by location.

f) *Is prosecution a proportionate response?*

Prosecutors should also consider whether prosecution is proportionate to the likely outcome, and in so doing the following may be relevant to the case under consideration:

- The cost to the CPS and the wider criminal justice system, especially where it could be regarded as excessive when weighed against any likely penalty. (Prosecutors should not decide the public interest on the basis of this factor alone. It is essential that regard is also given to the public interest factors identified when considering the other questions in paragraphs 4.12 a) to g), but cost is a relevant factor when making an overall assessment of the public interest.)
- Cases should be capable of being prosecuted in a way that is consistent with principles of effective case management. For example, in a case involving multiple suspects, prosecution might be reserved for the main participants in order to avoid excessively long and complex proceedings.

g) *Do sources of information require protecting?*

In cases where public interest immunity does not apply, special care should be taken when proceeding with a prosecution where details may need to be made public that could harm sources of information, international relations or national security. It is essential that such cases are kept under continuing review.

The Threshold Test

5.1 The Threshold Test may only be applied where the suspect presents a substantial bail risk and not all the evidence is available at the time when he or she must be released from custody unless charged.

When the Threshold Test may be applied

5.2 Prosecutors must determine whether the following conditions are met:

- a) there is insufficient evidence currently available to apply the evidential stage of the Full Code Test; and
- b) there are reasonable grounds for believing that further evidence will become available within a reasonable period; and
- c) the seriousness or the circumstances of the case justifies the making of an immediate charging decision; and
- d) there are continuing substantial grounds to object to bail in accordance with the Bail Act 1976 and in all the circumstances of the case it is proper to do so.

5.3 Where any of the above conditions is not met, the Threshold Test cannot be applied and the suspect cannot be charged. The custody officer must determine whether the person may continue to be detained or be released on bail, with or without conditions.

5.4 There are two parts to the evidential consideration of the Threshold Test.

The first part of the Threshold Test – is there reasonable suspicion?

5.5 Prosecutors must be satisfied that there is at least a reasonable suspicion that the person to be charged has committed the offence.

5.6 In determining this, prosecutors must consider the evidence then available. This may take the form of witness statements, material or other information, provided the prosecutor is satisfied that:

- a) it is relevant; and
- b) it is capable of being put into an admissible format for presentation in court; and
- c) it would be used in the case.

5.7 If satisfied on this the prosecutor should then consider the second part of the Threshold Test.

The second part of the Threshold Test – can further evidence be gathered to provide a realistic prospect of conviction?

5.8 Prosecutors must be satisfied that there are reasonable grounds for believing that the continuing investigation will provide further evidence, within a reasonable period of time, so that all the evidence together is capable of establishing a realistic prospect of conviction in accordance with the Full Code Test.

5.9 The further evidence must be identifiable and not merely speculative.

5.10 In reaching this decision prosecutors must consider:

- a) the nature, extent and admissibility of any likely further evidence and the impact it will have on the case;
- b) the charges that all the evidence will support;
- c) the reasons why the evidence is not already available;
- d) the time required to obtain the further evidence and whether any consequential delay is reasonable in all the circumstances.

5.11 If both parts of the Threshold Test are satisfied, prosecutors must apply the public interest stage of the Full Code Test based on the information available at that time.

Reviewing the Threshold Test

5.12 A decision to charge under the Threshold Test must be kept under review. The evidence must be regularly assessed to ensure that the charge is still appropriate and that continued objection to bail is justified. The Full Code Test must be applied as soon as is reasonably practicable and in any event before the expiry of any applicable custody time limit.

Selection of Charges

6.1 Prosecutors should select charges which:

- a) reflect the seriousness and extent of the offending supported by the evidence;
- b) give the court adequate powers to sentence and impose appropriate post-conviction orders; and
- c) enable the case to be presented in a clear and simple way.

6.2 This means that prosecutors may not always choose or continue with the most serious charge where there is a choice.

6.3 Prosecutors should never go ahead with more charges than are necessary just to encourage a defendant to plead guilty to a few. In the same way, they should never go ahead with a more serious charge just to encourage a defendant to plead guilty to a less serious one.

6.4 Prosecutors should not change the charge simply because of the decision made by the court or the defendant about where the case will be heard.

6.5 Prosecutors must take account of any relevant change in circumstances as the case progresses after charge.

Out-of-Court Disposals

7.1 An out-of-court disposal may take the place of a prosecution in court if it is an appropriate response to the offender and/or the seriousness and consequences of the offending.

7.2 Prosecutors must follow any relevant guidance when asked to advise on or authorise a simple caution, a conditional caution, any appropriate regulatory proceedings, a punitive or civil penalty, or other disposal. They should ensure that the appropriate evidential standard for the specific out-of-court disposal is met including, where required, a clear admission of guilt, and that the public interest would be properly served by such a disposal.

Mode of Trial

8.1 Prosecutors must have regard to the current guidelines on sentencing and allocation when making submissions to the magistrates' court about where the defendant should be tried.

8.2 Speed must never be the only reason for asking for a case to stay in the magistrates' court. But prosecutors should consider the effect of any likely delay if a case is sent to the Crown Court, and the possible effect on any victim or witness if the case is delayed.

Venue for trial in cases involving youths

8.3 Prosecutors must bear in mind that youths should be tried in the youth court wherever possible. It is the court which is best designed to meet their specific needs. A trial of a youth in the Crown Court should be reserved for the most serious cases or where the interests of justice require a youth to be jointly tried with an adult.

Accepting Guilty Pleas

9.1 Defendants may want to plead guilty to some, but not all, of the charges. Alternatively, they may want to plead guilty to a different, possibly less serious, charge because they are admitting only part of the crime.

- 9.2 Prosecutors should only accept the defendant's plea if they think the court is able to pass a sentence that matches the seriousness of the offending, particularly where there are aggravating features. Prosecutors must never accept a guilty plea just because it is convenient.
- 9.3 In considering whether the pleas offered are acceptable, prosecutors should ensure that the interests and, where possible, the views of the victim, or in appropriate cases the views of the victim's family, are taken into account when deciding whether it is in the public interest to accept the plea. However, the decision rests with the prosecutor.
- 9.4 It must be made clear to the court on what basis any plea is advanced and accepted. In cases where a defendant pleads guilty to the charges but on the basis of facts that are different from the prosecution case, and where this may significantly affect sentence, the court should be invited to hear evidence to determine what happened, and then sentence on that basis.
- 9.5 Where a defendant has previously indicated that he or she will ask the court to take an offence into consideration when sentencing, but then declines to admit that offence at court, prosecutors will consider whether a prosecution is required for that offence. Prosecutors should explain to the defence advocate and the court that the prosecution of that offence may be subject to further review, in consultation with the police or other investigators wherever possible.
- 9.6 Particular care must be taken when considering pleas which would enable the defendant to avoid the imposition of a mandatory minimum sentence. When pleas are offered, prosecutors must also bear in mind the fact that ancillary orders can be made with some offences but not with others.

Reconsidering a Prosecution Decision

- 10.1 People should be able to rely on decisions taken by the CPS. Normally, if the CPS tells a suspect or defendant that there will not be a prosecution, or that the prosecution has been stopped, the case will not start again. But occasionally there are reasons why the CPS will overturn a decision not to prosecute or to deal with the case by way of an out-of-court disposal or when it will restart the prosecution, particularly if the case is serious.
- 10.2 These reasons include:
 - a) cases where a new look at the original decision shows that it was wrong and, in order to maintain confidence in the criminal justice system, a prosecution should be brought despite the earlier decision;
 - b) cases which are stopped so that more evidence which is likely to become available in the fairly near future can be collected and prepared. In these cases, the prosecutor will tell the defendant that the prosecution may well start again;
 - c) cases which are stopped because of a lack of evidence but where more significant evidence is discovered later; and
 - d) cases involving a death in which a review following the findings of an inquest concludes that a prosecution should be brought, notwithstanding any earlier decision not to prosecute.

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 7th Edition, January 2013
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Annex C – Casework Statistics

In these statistics, a **defendant** represents one person in a single set of proceedings, which may involve one or more charges. A set of proceedings usually relates to an incident or series of related incidents that are the subject of a police file. If a set of proceedings relates to more than one person then each is counted as a defendant. Sometimes one person is involved in several sets of proceedings during the same year: if so, he or she is counted as a defendant on each occasion.

The figures comprise defendants dealt with by the 13 Areas of the Service and, in the latest annual period, those proceedings previously conducted by the Department for Environment, Food and Rural Affairs (Defra), the Department for Work and Pensions (DWP) and the Department of Health (DoH). Data reported in the tables do not include the specialised casework handled by the central Casework Divisions. The central Casework Divisions, including prosecutions handled by the former Revenue and Customs Prosecutions Office, prosecuted 1,422 defendants in the period and handled 6,804 defendant appeals against conviction and/or sentence or extradition.

Chart 1: Magistrates' courts: caseload

Chart 1 shows the number of cases dealt with by the CPS in 2013-14 and in the two preceding years.

The number of defendants prosecuted by the CPS fell by 9.5% during the year. Several factors may affect this figure, including the number of arrests, the impact of the early involvement of prosecutors, the number of offences cleared up by the police, and the number of offenders cautioned by the police. The present fall in caseload may also be related to lower levels of recorded crime, and to the increased number of comparatively minor offences now dealt with by way of a fixed penalty without CPS involvement.

| | 2011-12 | 2012-13 | 2013-14 |
|------------------------|---------|---------|---------|
| Pre-charge decisions | 367,067 | 306,507 | 304,982 |
| Out of court disposals | 10,743 | 7,688 | 3,727 |
| Prosecuted by CPS | 787,547 | 707,777 | 640,657 |
| Other proceedings | 1,937 | 1,692 | 1,605 |

Pre-charge decisions: in around one third of cases, Crown Prosecutors are responsible for deciding whether a person should be charged with a criminal offence and, if so, what that offence should be in accordance with the Director's Guidelines. The figures shown here comprise all such decisions, regardless of whether the decision was to prosecute or not. Many pre-charge decisions will have been made in cases subsequently prosecuted by the CPS;

Out of court disposals: a simple caution, conditional caution, reprimand, final warning or TIC (taken into consideration) issued by the CPS at pre-charge stage;

Prosecuted by the CPS: this figure comprises all defendants charged or summonsed whose case was completed in magistrates' courts during the period, including those proceeding to a trial or guilty plea, those discontinued, and those which could not proceed. Cases committed or sent for trial in the Crown Court are not included in magistrates' caseload data. Further information on the type of finalisations is shown at chart 3;

Other proceedings: non-criminal matters, such as forfeiture proceedings under the Obscene Publications Acts.

Counting rules for the presentation of case volumes and outcomes were amended with effect from April 2007. Cases involving mixed pleas of guilty to some charges while other charges proceeded to contest were formerly double counted, but are now treated as a single defendant case. Figures in the present report have been produced in accordance with the revised rules.

Chart 2: Magistrates' courts: types of cases

Chart 2 shows the different types of cases dealt with by the CPS in magistrates' courts. They are:

Summary: Cases which can be tried only in the magistrates' courts;
Indictable only/either way: indictable only cases can be tried only in the Crown Court, but either way cases may be tried either in magistrates' courts or in the Crown Court.

| | 2011-12 | % | 2012-13 | % | 2013-14 | % |
|----------------------------|---------|------|---------|------|---------|------|
| Summary | 477,561 | 53.6 | 424,087 | 52.9 | 322,191 | 42.7 |
| Indictable only/either way | 414,155 | 46.4 | 378,341 | 47.1 | 431,552 | 57.3 |
| Total | 891,716 | | 802,428 | | 753,743 | |

The above figures include cases committed or sent for trial in the Crown Court as well as those completed in magistrates' courts.

Chart 3: Magistrates' courts: case outcomes

Chart 3 shows the outcome of defendant cases completed during the year. These are cases where a decision has been made by the police or CPS to charge or summons. Cases may proceed to prosecution or be discontinued at any stage of the proceedings up to the start of trial.

Discontinuances: Consideration of the evidence and of the public interest may lead the CPS to discontinue or drop proceedings at any time before the start of the trial. The figures include both cases discontinued in advance of the hearing, where the CPS offered no evidence and those withdrawn at court. Also included are cases in which the defendant was bound over to keep the peace;

Warrants etc: when the prosecution cannot proceed because the defendant has failed to appear at court and a Bench Warrant has been issued for his or her arrest; or the defendant has died; or where proceedings are adjourned indefinitely;

Discharges: committal proceedings in which the defendant is discharged;

Dismissals no case to answer: cases in which the defendant pleads not guilty and prosecution evidence is heard, but proceedings are dismissed by the magistrates without hearing the defence case;

Dismissals after trial: cases in which the defendant pleads not guilty and proceedings are dismissed by the magistrates after hearing the defence case – a not guilty verdict;

Proofs in absence: these are mostly minor motoring matters which are heard by the court in the absence of the defendant;

Guilty pleas: where the defendant pleads guilty;

Convictions after trial: cases in which the defendant pleads not guilty but is convicted after the evidence is heard.

| | 2011-12 | % | 2012-13 | % | 2013-14 | % |
|--|---------|------|---------|------|---------|------|
| Discontinuances (including bind overs) | 75,579 | 9.6 | 68,092 | 9.6 | 62,200 | 9.7 |
| Warrants etc | 9,094 | 1.2 | 9,652 | 1.4 | 9,698 | 1.5 |
| Discharges | 1,308 | 0.2 | 1,272 | 0.2 | 313 | 0.1 |
| Dismissals no case to answer | 1,362 | 0.2 | 1,232 | 0.2 | 1,450 | 0.2 |
| Dismissals after trial | 17,681 | 2.3 | 17,316 | 2.4 | 17,975 | 2.8 |
| Proofs in absence | 112,094 | 14.2 | 97,694 | 13.8 | 58,169 | 9.1 |
| Guilty pleas | 538,568 | 68.4 | 483,985 | 68.4 | 462,733 | 72.2 |
| Convictions after trial | 31,861 | 4.1 | 28,534 | 4.0 | 28,119 | 4.4 |
| Total | 787,547 | | 707,777 | | 640,657 | |

The rate of discontinuance remained stable at 9.7% in the three year period ending March 2014. Convictions rose from 78.7% in 2003-04 to 85.7% in 2013-14.

During 2013-14, a total of 6,642 defendants pleaded guilty to some charges, and were either convicted or dismissed after trial of other charges. To avoid double counting, and to ensure consistency with figures for previous years, the outcome for these defendants is shown as a guilty plea.

Chart 4: Magistrates' courts: committals to the Crown Court

In addition to the above cases, which were completed in magistrates' courts, the following numbers of defendants were committed or sent for trial in the Crown Court:

| | 2011-12 | 2012-13 | 2013-14 |
|----------------------|---------|---------|---------|
| Committals for trial | 104,204 | 94,688 | 113,123 |

Chart 5: Crown Court caseload

Chart 5 shows the number of defendants whose case was completed in the Crown Court:

| | |
|---------------------------------|--|
| <i>Prosecuted by the CPS:</i> | This figure comprises all cases proceeding to trial or guilty plea in the Crown Court, together with those discontinued or dropped by the CPS after having been committed or sent for trial. The outcome of these proceedings is shown at chart 7; |
| <i>Appeals:</i> | defendants tried in magistrates' courts may appeal to the Crown Court against their conviction and/or sentence; |
| <i>Committals for sentence:</i> | some defendants tried and convicted by the magistrates are committed to the Crown Court for sentence, if the magistrates decide that greater punishment is needed than they can impose. |

| | 2011-12 | 2012-13 | 2013-14 |
|-------------------------|---------|---------|---------|
| Prosecuted by the CPS | 107,244 | 97,182 | 94,617 |
| Appeals | 12,244 | 10,882 | 10,358 |
| Committals for sentence | 21,944 | 21,039 | 19,894 |

The number of defendants prosecuted decreased by 2.6% during 2013-14.

Counting rules for the presentation of case volumes and outcomes were amended with effect from April 2007. Cases involving mixed pleas of guilty to some charges while other charges proceeded to contest were formerly double counted, but are now treated as a single defendant case. Figures in the present report have been produced in accordance with the revised rules.

Chart 6: Crown Court: source of committals for trial

| | |
|--------------------------------|--|
| <i>Magistrates' direction:</i> | These are either way proceedings which the magistrates thought were serious enough to call for trial in the Crown Court; |
| <i>Defendants' elections:</i> | these are either way proceedings in which the defendant chose Crown Court trial; |
| <i>Indictable only:</i> | these are more serious cases which can only be tried in the Crown Court. |

| | 2011-12 | % | 2012-13 | % | 2013-14 | % |
|--------------------------|---------|------|---------|------|---------|------|
| Magistrates' directions: | 59,703 | 56.0 | 54,918 | 56.8 | 56,568 | 60.0 |
| Defendants' elections: | 7,777 | 7.3 | 3,958 | 4.1 | 2,400 | 2.6 |
| Indictable only: | 39,209 | 36.8 | 37,849 | 39.1 | 35,271 | 37.4 |
| Total: | 106,689 | | 96,725 | | 94,239 | |

Chart 7: Crown Court: case outcomes

Cases against defendants committed for trial in the Crown Court can be completed in several ways:

| | |
|-----------------------------------|---|
| <i>Judge ordered acquittals:</i> | These are cases where problems are identified after a case is committed or sent to the Crown Court. The prosecution offers no evidence, and the judge orders a formal acquittal of the defendant. These include cases where an evidential deficiency has been identified; where the defendant has serious medical problems; or has already been dealt with for other offences; or when witnesses are missing. Cases sent to the Crown Court under s51 Crime and Disorder Act 1998 and subsequently discontinued are also included in this total. Also included are cases in which charges do not proceed to a trial, and the defendant is bound over to keep the peace; |
| <i>Warrants etc:</i> | when the prosecution cannot proceed because the defendant fails to attend court and a Bench Warrant has been issued for his or her arrest; or the defendant has died; or is found unfit to plead. If the police trace a missing defendant, then proceedings can continue; |
| <i>Judge directed acquittals:</i> | these are cases where, at the close of the prosecution case against the defendant, a successful submission of 'no case' or 'unsafe' is made on behalf of the defendant, and the judge directs an acquittal rather than allow the case to be determined by the Jury; |
| <i>Acquittals after trial:</i> | when the defendant pleads not guilty and, following a trial, is acquitted by the jury; |
| <i>Guilty pleas:</i> | where the defendant pleads guilty; |
| <i>Convictions after trial:</i> | cases in which the defendant pleads not guilty but, following a trial, is convicted by the jury. |

| | 2011-12 | % | 2012-13 | % | 2013-14 | % |
|---|---------|------|---------|------|---------|------|
| Judge ordered acquittals (including bind overs) | 12,527 | 11.7 | 11,209 | 11.5 | 10,816 | 11.4 |
| Warrants, etc | 841 | 0.8 | 773 | 0.8 | 890 | 0.9 |
| Judge directed acquittals | 857 | 0.8 | 783 | 0.8 | 627 | 0.7 |
| Acquittals after trial | 6,290 | 5.9 | 6,030 | 6.2 | 5,599 | 5.9 |
| Guilty pleas | 78,106 | 72.8 | 69,971 | 72.0 | 68,937 | 72.9 |
| Convictions after trial | 8,623 | 8.0 | 8,416 | 8.7 | 7,748 | 8.2 |
| Total | 107,244 | | 97,182 | | 94,617 | |

Convictions rose from 74.3% in 2003-04 to 81.0% in 2013-14.

During 2013-14, a total of 2,246 defendants pleaded guilty to some charges, and were either convicted or acquitted after trial of other charges. To avoid double counting, and to ensure consistency with figures for previous years, the outcome for these defendants is shown as a guilty plea.

AGENT USAGE

The proportion of half day sessions in magistrates' courts covered by lawyers in private practice acting as agents in 2013-14 was 25.6% compared with 20.0% in 2012-13.

Annex D – Instructions Issued by the Director of Public Prosecutions to Associate Prosecutors of the Crown Prosecution Service Pursuant to Section 7A of the Prosecution of Offences Act 1985 as Amended

1. Introduction

- 1.1 These instructions are issued by the Director of Public Prosecutions pursuant to sections 7A (3) and (4) of the Prosecution of Offences Act 1985 (the Act) which apply generally to CPS non-legal employees designated by the Director in accordance with section 7A (1) of the Act.
- 1.2 They will take effect on 4 October 2010.
- 1.3 A non-legal employee designated in accordance with section 7A (1) will be referred to in these instructions as an Associate Prosecutor (AP).
- 1.4 These instructions apply whether an AP has been designated prior to the date specified in paragraph 1.2, upon that date, or subsequently.
- 1.5 Upon these instructions taking effect in accordance with paragraph 1.1, all previous instructions issued to APs pursuant to section 7A(3) and (4) of the Act, and set out in the appropriate Annex of the Director's annual report to the Attorney General in accordance with section 7A (7)(c) of the Act, will cease to have effect.
- 1.6 The Director may from time to time issue guidance to Chief Crown Prosecutors on the implementation of these instructions, and dealing with related matters including procedures for supervision of APs and training requirements relevant to certain duties.
- 1.7 Nothing in these instructions prevents an AP from reminding a court of its duties and powers in relation to any proceedings (including sentencing).

2. The Statutory powers under section 7A

- 2.1 Subject to any exceptions or limitations contained within these instructions, Section 7A, as amended, confers on APs the powers and rights of audience of a Crown Prosecutor in relation to:
 - (i) bail applications;
 - (ii) The conduct of criminal proceedings in the magistrates' courts (including the youth court) other than trials of either way offences tried summarily or offences punishable with a term of imprisonment;
 - (iii) The conduct of applications or other proceedings relating to preventative civil orders;
 - (iv) The conduct of proceedings (other than criminal proceedings) in connection with the discharge of the functions assigned to the Director by the Attorney General; and
 - (v) Any other powers of a Crown Prosecutor not involving the exercise of rights of audience in relation to the conduct of proceedings falling within (ii), (iii) and (iv) above.
- 2.2 Section 7A does not give APs power to institute or commence criminal proceedings.

3. Powers and rights of audience

- 3.1 Subject to the exceptions or limitations specified in Schedules 1 to 6 and completion of the approved AP training, all APs will exercise the statutory powers under section 7A.

Bail applications (paragraph 2.1 (i) above)

- 3.2 Bail applications include a defendant's application for bail, or application in relation to bail (including proceedings for breach and variation) in the Crown Court or the magistrates' court, subject to the exceptions listed in Schedule 1.

Conduct of criminal proceedings (paragraph 2.1 (ii) above)

- 3.3 The powers and rights of audience in relation to the conduct of criminal proceedings relate to all stages of the proceedings in magistrates' courts after a person has been charged. However the power to conduct trials is restricted to trials of non-imprisonable summary offences.
- 3.4 In applying these instructions a 'trial' is defined in section 7A (5A) of the Act as beginning *with the opening of the prosecution case after a not guilty plea and ends with the conviction or acquittal of the accused.*
- 3.5 APs exercise these powers and rights of audience on the instructions of a Crown Prosecutor and do not have a power of review under the Code for Crown Prosecutors for this purpose, except in accordance with paragraph 3.14 below.
- 3.6 APs are not designated to exercise the powers and rights of audience of Crown Prosecutors in the magistrates' court, (including the youth court), in relation to the proceedings specified in Schedule 2.

Preventative Civil Orders (paragraph 2.1 (iii) above)

- 3.7 APs are designated to conduct applications or other proceedings relating to those Preventative Civil Orders (PCOs) set out in paragraph 3.8 below. The conduct of proceedings that APs may undertake varies according to the legislative requirements of the particular PCO. This gives APs, where the legislation applies, authority to conduct an application for an order, or adduce further evidence, or apply for the variation or discharge of an order.
- 3.8 PCOs relate only to the following:
- (i) Anti-Social Behaviour Order – the conduct of applications for orders made after a verdict or finding; variation and discharge of such orders.
 - (ii) Football Banning Order – the conduct of applications on complaint or after a verdict or finding; to adduce and lead further evidence where appropriate; and to appeal against the refusal of a court to impose such an order.
 - (iii) Drinking Banning Order (to come into force on a day to be appointed) – the conduct of applications for orders made after a verdict or finding; variation and discharge of such orders.
 - (iv) Parenting Orders – a duty to assist the court on request.
 - (v) Restraining Orders – in relation to orders made after a verdict or finding to adduce and lead further evidence; and to apply for a variation or discharge of such an order. In relation to orders on acquittal to adduce and lead further evidence; and to apply for a variation or discharge of such an order.
- 3.9 A breach of a PCO is a criminal offence. Each PCO carries a different penalty. APs have power to deal with breaches subject to Schedule 2 and 4 below.
- 3.10 APs shall only exercise the powers and rights of audience as specified in Schedule 3.

Functions assigned by the Attorney General to the Director (paragraph 2.1 (iv) above)

- 3.11 The Attorney General has assigned to the Director the following functions:
- (i) applications for warrants of further detention under section 43(1) of the Police and Criminal Evidence Act 1984 and their extension under section 44 of that Act;
 - (ii) applications by other countries for extradition of persons in the UK;
 - (iii) conduct of proceedings relating to case stated and Habeas Corpus;
 - (iv) conduct of proceedings under section 2 of the Dogs Act 1871 instituted by a police force (dangerous dogs that may be destroyed); and
 - (v) applications for removal of driving disqualifications under section 42 Road Traffic Offenders Act 1988.
- 3.12 APs are designated to conduct proceedings only in relation to paragraphs 3.11 (iv) and (v) above, (proceedings under section 2 of the Dogs Act 1871 and those under section 42 of the Road Traffic Offenders Act 1988).

Powers not involving rights of audience (paragraph 2.1 (v) above)

3.13 The powers of a Crown Prosecutor that do not involve rights of audience relate to all other criminal proceedings conducted in the magistrates' court.

3.14 APs shall only review magistrates' court cases which are straightforward and which involve no difficult technical issues, or other complication of fact or law. Consistent with that principle, the power to review and determine such proceedings shall only be exercised in accordance with Schedule 4.

Schedule 1

Otherwise than as provided for in Schedule 6 APs are not designated to conduct bail applications (including any variations, breaches and appeals) in the following matters.

1. Bail applications in the Crown Court.
2. Bail applications in youth courts.
3. Bail applications in relation to youths charged with an adult in the magistrates' court or a youth appearing alone in the magistrates' court.

Schedule 2

Otherwise than as provided for in Schedule 5 APs are not currently designated to exercise the powers and rights of audience of Crown Prosecutors in the magistrates' court (including the youth court) for the following proceedings.

1. Trials relating to summary only non-imprisonable offences. Summary trials relating to either way offences and those punishable with a term of imprisonment are excluded from section 7A of the Act.
2. Post conviction hearings commonly known as 'Newton Hearings'.
3. Hearings in relation to committal proceedings where there is consideration of the evidence (section 6(1) of the Magistrates' Courts Act 1980).
4. Matters that involve obligatory driving disqualification where evidence will be called in respect of 'special reasons' as to why the court should not impose disqualification.

Schedule 3

APs shall only exercise the powers and rights of audience of Crown Prosecutors in relation to Preventative Civil Orders in the following circumstances.

APs shall only conduct proceedings for PCOs where the conditions in (i) and (ii) both apply. The conditions are:

- (i) Instructions have been given by a Crown Prosecutor in relation to the application, variation, or discharge or in adducing or leading further evidence, where applicable; and
- (ii) The proceedings are not contested.

Schedule 4

APs shall only exercise the powers of a Crown Prosecutor (including the power to review and determine criminal proceedings) in the following circumstances.

1. To review summary or either way offences only where:
 - the defendant is an adult; and
 - the matter is summary-only or considered to be suitable for summary disposal; and
 - a guilty plea is reasonably expected; or
 - (if otherwise) the offence is a minor road traffic offence, provided the defendant is not a youth.

A guilty plea may reasonably be expected where:

- a. The suspect has made a clear and unambiguous admission to the offence to be proved and has said nothing that could be used as a possible defence,
Or
 - b. Though the suspect has made no admission in interview, the commission of the offence and the identification of the offender can be established by good quality evidence (e.g. of a police officer or another reliable independent witness) or the suspect can be seen clearly committing the offence on a good quality visual recording.
2. To amend a charge or summons where the amendment is minor, for example:
 - An error as to the value of any property;
 - The date upon which an offence took place;
 - The venue for the offence;
 - The description of any relevant object.
 3. To withdraw a charge or summons where:
 - a road traffic offence involves the production of documents by the defendant (otherwise than in specified proceedings), and the defendant has produced the relevant documents to the court's Police Liaison Officer or other police officer; and
 - the AP is satisfied that the charge or summons is no longer sustainable.

Schedule 5

1. The following provisions of these instructions do not apply to those members of staff designated under Section 7A (1) of the Prosecution of Offences Act 1985 who have been appointed as Level 2 Associate Prosecutors:
 - (i) Schedule 2, paragraph 1 (Trials relating to summary only non-imprisonable offences).
 - (ii) Schedule 2, paragraph 2 (Newton Hearings in relation to summary only non-imprisonable offences only).
 - (iii) Schedule 2, paragraph 4 ('special reasons hearings').
 - (iv) Schedule 3, paragraph (ii) (thus allowing Level 2 Associate Prosecutors to conduct contested PCOs).
2. Level 2 Associate Prosecutors will be able to exercise the powers contained in Schedule 4 (2) and (3) to amend a charge or summons, or to withdraw a road traffic offence requiring the production of documents during the course of a trial.
3. Level 2 Associate Prosecutors have the following additional powers also exercisable during the course of prosecuting a trial:
 - i. To withdraw or offer no evidence or no further evidence in relation to any charge where:
 - They form the opinion that there is no longer sufficient evidence to support the charge and the trial will continue in relation to other charge(s) which are before the court

Schedule 6

The following provisions of these instructions do not apply to those members of staff designated under Section 7A (1) of the Prosecution of Offences Act 1985 who have undertaken specialist youth training and are prosecuting in one of the following courts: Leeds, Wakefield, Pontefract, Dewsbury, Bradford, Huddersfield, Calder, Bingley, Oxford, Banbury, Didcot, Witney, Bicester, Milton Keynes, High Wycombe, Aylesbury, Reading, Newbury, Maidenhead, Slough, Bracknell, Hemel Hempstead, St Albans, Hertford, Stevenage, Watford, Hatfield, Bedford and Luton.

- i. Schedule 1, paragraph 2 (bail applications in youth courts).
- ii. Schedule 1, paragraph 3 (Bail applications in relation to youths charged with an adult in the magistrates' court or a youth appearing alone in the magistrates' court).

Annex E – Associate Prosecutors Training and Selection

Criteria for designation

All persons designated under section 7A (1) of the Prosecution of Offences Act 1985 are generally known as Associate Prosecutors (APs).

All persons are selected for the AP role through fair and open competition or appointed in accordance with published CPS policy on “Staff movements within the CPS, including retirement, redundancy, promotion and transfer”.

In order to be designated as an AP all persons must meet the criteria and satisfy the personal competencies for the role. These competencies include having experience of casework within the criminal justice system or of lay presentation, and having a working knowledge of criminal law and its application, magistrates’ courts procedure and the criminal justice system.

Training

All prospective APs undertake an internal training programme which involves assimilating a comprehensive resource pack through distance learning and attending both a foundation course (legal principles) and a separate advocacy course, unless by virtue of their being a practising Crown Prosecutor immediately prior to re-grading as an AP, it is determined that they already possess the knowledge and experience necessary to exercise the designated powers.

The training equips the applicant with the knowledge and advocacy skills to undertake a review and presentational role in the magistrates’ courts in accordance with the Instructions issued by the Director, under section 7A (3) and (4) of the Prosecution of Offences Act 1985. Applicants attending this training will only be designated as an AP where they have passed an independent assessment of competence at its conclusion.

After successfully completing the advocacy course, APs have to complete a face-to-face training course dealing with bail applications. It is recommended that this is completed no longer than three to four months after the Advocacy assessment.

APs also have access to the CPS e-learning modules to further enhance their knowledge. These include Acceptance of Pleas, Criminal Procedure Rules, Assault Sentencing Guidelines and Custody Time Limits.

APs selected to prosecute trials in summary only non-imprisonable offences, and other contested cases, are known as Level 2 Associate Prosecutors (AP2s). AP2s undertake an intensive additional training programme, unless by virtue of their being a practising Crown Prosecutor prior to re-grading as an AP2, it is determined that they already possess the knowledge and experience necessary to perform that role.

The additional AP2 training involves the study of e-learning modules, observation of experienced advocates in trials and other contested hearings, attending a five day course on the underpinning knowledge and skills required for the role and a further five day practical advocacy course.

All prospective AP2s who attend this training must pass an independent assessment of competence at the end of the second five day course before they are permitted to deal with the summary trials and other contested hearings as set out in the Director’s Instructions.

Continuing professional development

All APs must complete 16 hours of continuing professional development training per year.

Annex F – Director’s Guidance

During the period of this report, the Director of Public Prosecutions has issued guidance under Section 37A of the Police and Criminal Evidence Act 1984 as follows:

- The Director’s Guidance on Charging (fifth edition) with effect from May 2013.

Annex G – Common Core Tables

| | Title | Details | Period Covered |
|----------------|--|--|-----------------------|
| Table 1 | Public spending | A summary of the department's total expenditure by Treasury budgetary control total and expenditure type | 2009-10 to 2015-16 |
| Table 2 | Public spending control | Current year expenditure against initial and final budgetary provision | 2013-14 |
| Table 3 | Capital employed | Capital employed by the department in meeting its objectives | 2009-10 to 2015-16 |
| Table 4 | Administration budgets | Administration expenditure related to the running of the department | 2009-10 to 2015-16 |
| Table 5 | Staff in post | Average staffing numbers for the department | 2009-10 to 2015-16 |
| Table 6 | Total spending by country and region | Analysis of spending in each UK country and nine regions of England | 2009-10 to 2012-13 |
| Table 7 | Total spending per head by country and region | Analysis of spending per head of population in each UK country and nine regions of England | 2009-10 to 2012-13 |
| Table 8 | Spending by function of programme, by country and region | Analysis of spending by function of programme in each UK country and nine regions of England | 2012-13 |

Table 1: Total departmental spending

| | 2009-10 Outturn | 2010-11 Outturn | 2011-12 Outturn | 2012-13 Outturn | 2013-14 Outturn | 2014-15 Plans | 2015-16 Plans |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|
| Resource DEL | | | | | | | |
| Administration Costs in HQ and on Central Services | 54,271 | 39,184 | 27,967 | 32,308 | 30,428 | 32,460 | 31,600 |
| Crown Prosecutions and Legal Services | 603,538 | 585,503 | 555,098 | 524,593 | 516,479 | 475,144 | 449,116 |
| Total Resource DEL | 657,809 | 624,687 | 583,065 | 556,901 | 546,907 | 507,604 | 480,716 |
| <i>Of which:</i> | | | | | | | |
| Staff costs | 382,583 | 381,345 | 378,920 | 367,009 | 349,849 | 289,667 | 292,569 |
| Purchase of goods and services | 303,517 | 279,986 | 235,685 | 223,555 | 233,924 | 245,128 | 244,262 |
| Income from sales of goods and services | -64,544 | -72,342 | -64,165 | -65,533 | -64,075 | -59,636 | -60,000 |
| Rentals | 28,727 | 28,529 | 26,784 | 26,839 | 24,215 | 28,555 | - |
| Depreciation ¹ | 7,384 | 7,076 | 5,745 | 4,935 | 2,898 | 3,800 | 3,800 |
| Other resource | 142 | 93 | 96 | 96 | 96 | 90 | 85 |
| Resource AME | | | | | | | |
| CPS voted AME charges | 14,483 | -12,106 | 5,702 | 4,092 | 5,360 | 5,264 | 5,264 |
| Total Resource AME | 14,483 | -12,106 | 5,702 | 4,092 | 5,360 | 5,264 | 5,264 |
| <i>Of which:</i> | | | | | | | |
| Staff costs | - | -2,920 | 540 | -634 | - | - | - |
| Take up of provisions | 18,646 | -4,122 | 5,905 | 3,316 | 2,941 | 4,505 | 4,505 |
| Release of provision | -4,163 | -7,737 | -5,132 | -3,048 | -1,718 | -2,241 | -2,241 |
| Other resource | - | 2,673 | 4,389 | 4,458 | 4,137 | 3,000 | 3,000 |
| Total Resource Budget | 672,292 | 612,581 | 588,767 | 560,993 | 552,267 | 512,868 | 485,980 |
| <i>Of which:</i> | | | | | | | |
| Capital DEL | | | | | | | |
| Crown Prosecutions and Legal Services | 6,112 | 3,031 | 788 | -594 | -672 | 3,280 | 2,460 |
| Total Capital DEL | 6,112 | 3,031 | 788 | -594 | -672 | 3,280 | 2,460 |
| <i>Of which:</i> | | | | | | | |
| Purchase of assets | 6,112 | 3,031 | 788 | -594 | -672 | 3,280 | 2,460 |
| Capital AME | | | | | | | |
| <i>Of which:</i> | | | | | | | |
| Total Capital Budget | 6,112 | 3,031 | 788 | -594 | -672 | 3,280 | 2,460 |
| Total departmental spending² | 671,020 | 608,536 | 583,810 | 555,464 | 551,595 | 512,348 | 484,640 |
| <i>Of which:</i> | | | | | | | |
| Total DEL | 656,537 | 620,642 | 578,108 | 551,372 | 546,235 | 507,084 | 479,376 |
| Total AME | 14,483 | -12,106 | 5,702 | 4,092 | 5,360 | 5,264 | 5,264 |

¹ Includes impairments² Total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly, total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL, and total AME is the sum of resource budget AME and capital budget AME less depreciation in AME.

Table 2: Public spending control

| | £'000 | | | | | | | |
|--|---------------------------|--------------|--|--------------|------------------------|--------------|--------------------------------|-------------|
| | 2013-14 Original Plans | | 2013-14 Adjusted Plans [†] | | 2013-14 Final Plans | | 2013-14 Provisional Outturn | |
| | Resource | Capital | Resource | Capital | Resource | Capital | Resource | Capital |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Voted expenditure | 562,425 | 2,260 | 568,176 | 2,260 | 554,289 | 2,260 | 546,907 | -672 |
| <i>Of which:</i> | | | | | | | | |
| Administration Costs in HQ and on Central Services | 37,470 | - | 43,221 | - | 37,470 | - | 30,428 | - |
| Crown Prosecutions and Legal Services | 524,955 | 2,260 | 524,955 | 2,260 | 516,819 | 2,260 | 516,479 | -672 |
| Total Spending in DEL | 562,425 | 2,260 | 568,176 | 2,260 | 554,289 | 2,260 | 546,907 | -672 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| Voted expenditure | 6,092 | - | 6,092 | - | 6,092 | - | 5,360 | - |
| <i>Of which:</i> | | | | | | | | |
| CPS voted AME charges | 6,092 | - | 6,092 | - | 6,092 | - | 5,360 | - |
| Total Spending in AME | 6,092 | - | 6,092 | - | 6,092 | - | 5,360 | - |
| Total | 568,517 | 2,260 | 574,268 | 2,260 | 560,381 | 2,260 | 552,267 | -672 |
| <i>Of which:</i> | | | | | | | | |
| Voted expenditure | 568,517 | 2,260 | 574,268 | 2,260 | 560,381 | 2,260 | 552,267 | -672 |

[†] Figures for Adjusted Plans have been adjusted for machinery of government changes effected during 2013 to reflect the Final Plans structure where applicable

Table 3: Capital Employed

| | £000s | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|
| | 2009-10 Outturn | 2010-11 Outturn | 2011-12 Outturn | 2012-13 Outturn | 2013-14 Outturn | 2014-15 Plans | 2015-16 Plans |
| Assets and Liabilities on the Statement of Financial Position at end of year: | | | | | | | |
| Assets | | | | | | | |
| Non-Current assets | | | | | | | |
| Intangible | 19,761 | 15,676 | 11,742 | 7,828 | 4,969 | 4,000 | 3,000 |
| Tangible | 45,907 | 36,231 | 28,562 | 22,074 | 15,945 | 11,000 | 9,000 |
| <i>of which:</i> | | | | | | | |
| Land and buildings | 5,065 | 4,884 | 4,608 | 4,084 | 4,059 | 4,000 | 4,000 |
| Other | 40,842 | 31,347 | 23,954 | 17,990 | 11,886 | 7,000 | 5,000 |
| Investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current assets | 83,629 | 71,953 | 84,665 | 76,424 | 65,923 | 65,000 | 65,000 |
| Liabilities | | | | | | | |
| Payables (< 1 year) | -120,046 | -94,018 | -109,388 | -105,269 | -99,448 | -100,000 | -100,000 |
| Payables (> 1 year) | -36,813 | -29,596 | -24,195 | -17,248 | -9,677 | -4,500 | -2,000 |
| Provisions | -15,825 | -8,109 | -10,895 | -10,434 | -9,682 | -9,000 | -9,000 |
| Capital employed within core department | | | | | | | |
| | -23,387 | -7,863 | -19,509 | -26,625 | -31,970 | -33,500 | -34,000 |
| ALB net assets | - | - | - | - | - | - | - |
| Total capital employed in departmental group | | | | | | | |
| | -23,387 | -7,863 | -19,509 | -26,625 | -31,970 | -33,500 | -34,000 |

¹ These figures are not subject to audit by The Comptroller and Auditor General.

Table 4: Administration budget

| | £'000 | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|
| | 2009-10 Outturn | 2010-11 Outturn | 2011-12 Outturn | 2012-13 Outturn | 2013-14 Outturn | 2014-15 Plans | 2015-16 Plans |
| Resource DEL | | | | | | | |
| Administration Costs in HQ and on Central Services | 54,271 | 39,184 | 27,967 | 32,308 | 30,428 | 32,460 | 31,600 |
| Total administration budget | 54,120 | 39,184 | 27,967 | 32,308 | 30,428 | 32,460 | 31,600 |
| <i>Of which:</i> | | | | | | | |
| Staff costs | 25,280 | 23,961 | 18,714 | 19,065 | 18,151 | 12,225 | 19,100 |
| Purchase of goods and services | 30,894 | 22,260 | 9,644 | 13,588 | 10,504 | 20,835 | 13,000 |
| Income from sales of goods and services | -2,045 | -7,130 | -487 | -441 | - | -600 | - |
| Rentals | - | - | - | - | 1,170 | - | - |
| Other resource | 142 | 93 | 96 | 96 | 603 | - | -500 |

¹ These figures are not subject to audit by The Comptroller and Auditor General.

Table 5: Staff in Post

| | 2009-10 Actual | 2010-11 Actual | 2011-12 Actual | 2012-13 Actual | 2013-14 Actual | 2014-15 Plans | 2015-16 Plans |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Crown Prosecution Services: | | | | | | | |
| Civil Service FTEs | 8,390 | 7,978 | 7,394 | 6,936 | 6,482 | 5,996 | 5,513 |
| Other | 172 | 116 | 70 | 110 | 129 | 120 | 115 |
| Total | 8,562 | 8,094 | 7,464 | 7,046 | 6,611 | 6,116 | 5,628 |

¹ These figures are not subject to audit by The Comptroller and Auditor General.

Table 6: Total spending by country and region

| | £ million | | | |
|---------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 2009-10 outturn | 2010-11 outturn | 2011-12 outturn | 2012-13 outturn |
| North East | 40 | 37 | 34 | 33 |
| North West | 101 | 96 | 89 | 85 |
| Yorkshire and the Humber | 61 | 58 | 54 | 52 |
| East Midlands | 49 | 45 | 41 | 38 |
| West Midlands | 73 | 67 | 62 | 56 |
| East | 54 | 52 | 49 | 48 |
| London | 116 | 113 | 108 | 100 |
| South East | 81 | 74 | 70 | 69 |
| South West | 41 | 38 | 37 | 35 |
| England | 615 | 579 | 543 | 516 |
| Scotland | – | – | – | – |
| Wales | 41 | 38 | 36 | 34 |
| Northern Ireland | – | – | – | – |
| UK identifiable expenditure | 656 | 618 | 579 | 551 |
| Outside UK | – | – | – | – |
| Total identifiable expenditure | 656 | 618 | 579 | 551 |
| Non-identifiable expenditure | – | – | – | – |
| Total expenditure on services | 656 | 618 | 579 | 551 |

¹ These figures are not subject to audit by The Comptroller and Auditor General.

Table 7: Total spending per head by country and region

| | National Statistics | | | £ per head |
|------------------------------------|---------------------|--------------------|--------------------|--------------------|
| | 2009-10 outturn | 2010-11 outturn | 2011-12 outturn | 2012-13 outturn |
| North East | 16 | 14 | 13 | 13 |
| North West | 14 | 14 | 13 | 12 |
| Yorkshire and the Humber | 12 | 11 | 10 | 10 |
| East Midlands | 11 | 10 | 9 | 8 |
| West Midlands | 13 | 12 | 11 | 10 |
| East | 9 | 9 | 8 | 8 |
| London | 15 | 14 | 13 | 12 |
| South East | 9 | 9 | 8 | 8 |
| South West | 8 | 7 | 7 | 6 |
| England | 12 | 11 | 10 | 10 |
| Scotland | - | - | - | - |
| Wales | 13 | 13 | 12 | 11 |
| Northern Ireland | - | - | - | - |
| UK identifiable expenditure | 11 | 10 | 9 | 9 |

¹ These figures are not subject to audit by The Comptroller and Auditor General.

Table 8: Spending by function of programme, by country and region

| | National Statistics | | £ million |
|---|---------------------|-------------------------------|---------------------------------|
| | Law Courts | Total Public order and safety | TOTAL CROWN PROSECUTION SERVICE |
| North East | 33 | 33 | 33 |
| North West | 85 | 85 | 85 |
| Yorkshire and the Humber | 52 | 52 | 52 |
| East Midlands | 38 | 38 | 38 |
| West Midlands | 56 | 56 | 56 |
| East | 48 | 48 | 48 |
| London | 100 | 100 | 100 |
| South East | 69 | 69 | 69 |
| South West | 35 | 35 | 35 |
| England | 516 | 516 | 516 |
| Scotland | - | - | - |
| Wales | 34 | 35 | 36 |
| Northern Ireland | - | - | - |
| UK identifiable expenditure | 515 | 516 | 517 |
| Outside UK | - | - | - |
| Total identifiable expenditure | 515 | 516 | 517 |
| Non identifiable expenditure | - | - | - |
| Total expenditure by function of programme | 515 | 516 | 517 |

¹ These figures are not subject to audit by The Comptroller and Auditor General.

Annex H – Complaints to the Parliamentary and Health Service Ombudsman

The CPS only falls within the remit of the Parliamentary and Health Service Ombudsman when a complaint received by the Ombudsman relates to the Code of Practice for Victims of Crime (the Victims' Code).

The Victims' Code places a statutory obligation on criminal justice agencies to provide a standard of service to victims of crime or, where the victim died as a result of the criminal conduct, their relatives.

Since 3 April 2006, the Parliamentary Ombudsman has had a statutory responsibility to consider complaints, referred by MPs, from those who complain that a body has not met its obligations under the Victims' Code.

The obligations the Victims' Code places on the agencies concerned include that:

- They provide victims, or their relatives, with information about the crime, including about arrests, prosecutions and court decisions;
- They provide information about eligibility for compensation under the Criminal Injuries Compensation Scheme;
- Victims be told about Victim Support and either be referred on to them or offered their service;
- Bereaved relatives be assigned a family liaison police officer; and
- Victims of an offender who receives a sentence of 12 months or more after being convicted of a sexual or violent offence have the opportunity to make representations about what licence conditions or supervision requirements the offender should be subject to on release from prison.

Where a victim of crime in England and Wales believes a criminal justice agency, including the CPS, has failed to provide the service set out in the Victims' Code, they should first put their complaint directly to the agency concerned. If their complaint is not addressed to their satisfaction by the agency, they may then contact an MP and ask them to refer the complaint to the Ombudsman.

Once a complaint is received by the Ombudsman it undergoes an assessment process which determines whether or not the Ombudsman should investigate it.

In 2012/13 the Ombudsman received three complaints about the CPS in relation to the Victims' Code and upheld two complaints. In 2013/14 the Ombudsman received six complaints but did not complete any investigations.

In 2013/14 the Department implemented new processes for handling complaints from victims, witnesses and ordinary members of the public. Further details can be found in the section headed 'Complaints' on page 7.

Annex I – CPS Area/Police Force Boundary Map



Annex J – Glossary

| | |
|---------------|--|
| ABM | Area Business Manager |
| ACPO | Association of Chief Police Officers |
| AGO | Attorney General's Office |
| CA | Crown Advocate |
| CCP | Chief Crown Prosecutor |
| CJS | Criminal Justice System |
| CPS | Crown Prosecution Service |
| CQS | Core Quality Standards |
| DPP | Director of Public Prosecutions |
| DV | Domestic Violence |
| FReM | Financial Reporting Manual |
| GFS | Graduated Fee Scheme |
| HMCPsi | Her Majesty's Crown Prosecution Service Inspectorate |
| HMCTS | Her Majesty's Courts and Tribunals Service |
| HMIC | Her Majesty's Inspectorate of Constabulary |
| HMICA | Her Majesty's Inspectorate of Court Administration |
| HMRC | Her Majesty's Revenue & Customs |
| HQ | Headquarters |
| IAC | Independent Assessor of Complaints |
| LOD | Law Officers' Department |
| MoJ | Ministry of Justice |
| NAO | National Audit Office |
| NED | Non-executive Director |
| QC | Queen's Counsel |
| RASSO | Rape and Serious Sexual Offences |
| RCPO | Revenue and Customs Prosecutions Office |
| VAWG | Violence Against Women and Girls |
| VRR | Victims' Right to Review |

