



Copies of this publication can be made available in alternative formats on request.

Judicial Appointments Commission  
5th Floor  
Zone A  
102 Petty France  
London  
SW1H 9AJ  
T: 020 3334 0123

[jac.judiciary.gov.uk](http://jac.judiciary.gov.uk)

JUDICIAL APPOINTMENTS COMMISSION



JUDICIAL APPOINTMENTS COMMISSION

# ANNUAL REPORT AND ACCOUNTS

2013/14



ANNUAL REPORT 2013/14





JUDICIAL APPOINTMENTS COMMISSION  
ANNUAL REPORT  
AND ACCOUNTS  
2013/14

Report presented to Parliament pursuant to paragraph 32(4) of Schedule 12 of the  
Constitutional Reform Act 2005 and Accounts presented to Parliament pursuant to paragraph  
31(7) of Schedule 12 of the Constitutional Reform Act 2005

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

HC 270



© Crown copyright 2014

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence v.2. To view this licence visit [www.nationalarchives.gov.uk/doc/open-government-licence/version/2/](http://www.nationalarchives.gov.uk/doc/open-government-licence/version/2/) or email [PSI@nationalarchives.gsi.gov.uk](mailto:PSI@nationalarchives.gsi.gov.uk) Where third party material has been identified, permission from the respective copyright holder must be sought.

This publication is available at [www.gov.uk/government/publications](http://www.gov.uk/government/publications)

Any enquiries regarding this publication should be sent to the Judicial Appointments Commission.

Print ISBN 9781474107419

Web ISBN 9781474107426

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

ID 17061411

07/14

Printed on paper containing 75% recycled fibre content minimum

# CONTENTS

<b>Part 1: Annual Report</b>	<b>3</b>
Chairman's foreword	4
Chief Executive's introduction	6
Key facts	7
Selection exercise activity	9
Key issues	14
Ensuring fairness, encouraging diversity	17
The organisation	21
Case studies	26
<b>Part 2: Annual accounts 2013/14</b>	<b>35</b>
Management commentary - Directors' report	36
Strategic report	39
Remuneration report	41
Statement of the Commission's and Accounting Officer's responsibilities	48
Governance statement	49
The certificate and report of the Comptroller and Auditor General to the Houses of Parliament	59
Financial statements	61
<b>Part 3: Appendices</b>	<b>73</b>
Appendix A: Overview of the selection process	74
Appendix B: Performance in 2013/14	77
Appendix C: The structure of Her Majesty's Courts and Tribunals Service – Tribunals	84
Appendix D: The structure of Her Majesty's Courts and Tribunals Service – Courts	85



# PART 1: ANNUAL REPORT



## CHAIRMAN'S FOREWORD



The year began with Royal Assent for the Crime and Courts Act 2013, which included a number of provisions to enhance judicial diversity and gave the JAC a much greater role in senior appointments. Much of the year has been given over to delivering in practice the promise of these measures, while also managing a record number of applications and making a record number of recommendations for judicial appointment.

We have been asked to recruit for as wide a variety of roles as ever – not only those lay and legal posts in Courts and Tribunals within our core statutory responsibilities, but also others such as the Recorder of London, and Arbitrators for the Motor Insurers' Bureau, where the JAC has been asked to run additional selection exercises. We have also been very pleased to respond to requests for other types of assistance with appointments, for bodies such as the Investigator Powers Tribunal.

Changes under the Crime and Courts Act 2013 endorsed and enhanced the work of the JAC. These include transfer of the responsibility for the selection of deputy High Court judges to the JAC. Lay Commissioners also now have

greater involvement in appointments senior to the High Court, including chairmanship of the panel to select the Lord Chief Justice, as well as the President of the Supreme Court in rotation with our counterparts in Scotland and Northern Ireland.

Other important legislative changes include the extension of flexible working to the High Court and above. We have recently published the JAC policy on the use of the Equal Merit Provision, which will apply to exercises launching from 1 July 2014. As I told the House of Commons Justice Select Committee in March, alongside Commissioners Mr Justice Bean and Dame Valerie Strachan, none of these new measures constitutes a 'silver bullet', but together they will provide further support to the JAC and our partners in our ongoing efforts to achieve greater judicial diversity.

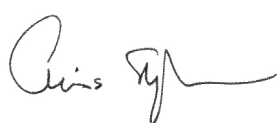
The judiciary is becoming more diverse. Women have been making good progress in JAC selection exercises for most levels of the judiciary for some time. This success is also being seen at more senior levels including the High Court and Court of Appeal. However, sustained efforts are needed to ensure this trend continues. Progress may also be affected if the number of vacancy requests falls, particularly in relation to part-time fee-paid appointments.

While in most selection exercises, Black, Asian and Minority Ethnic (BAME) candidates are being recommended in line with their numbers in the eligible pool of candidates, we are working with our partners to understand how further progress can be made. Useful pointers are coming from our updated research



on Barriers to Application, undertaken in partnership with the Law Society, the Bar Council and the Chartered Institute of Legal Executives, with the involvement of the Ministry of Justice and Judicial Office. An action plan to address the barriers identified is being taken forward jointly with each of these partners. Finally on diversity, it was pleasing to see this year the appointment of a second CILEx Fellow as a Deputy District Judge.

The terms of eight JAC Commissioners have come to an end over the past year. I would like to thank each of them for their important and valuable contributions to the modernisation of our processes, as well as the core business of making high quality recommendations for judicial appointment. We are all grateful for the support provided by the JAC staff, and in particular I would like to recognise the professionalism and commitment of our Chief Executive, Nigel Reeder, and our former Director of Operational Services, John Rodley, whose contract ended in 2013.



**Christopher Stephens**  
Chairman, Judicial Appointments Commission

## CHIEF EXECUTIVE'S INTRODUCTION



This has been the busiest year yet for the JAC. We have recommended more people for judicial posts than ever before and made excellent progress with our far-reaching change programme. I am grateful for the hard work and dedication of the staff and Commissioners for making that happen.

We ran 35 selection exercises in 2013/14, staff processed more than 5,000 applications and the Commission recommended more than 800 candidates for appointment. This was achieved against the continued backdrop of considerable budgetary constraint. We have worked hard to respond flexibly to changes to the selection programme and to meet some short notice requests.

We have thoroughly reviewed our selection process this year – both ourselves and through external appointment experts. This process has produced both positive reinforcement of our approach in many areas and some useful suggestions for changes which we are now considering.

Working closely with our partners in government, the judiciary, the legal professions, the Ministry of Justice and Her Majesty's Courts and Tribunals Service, we have also made progress on judicial diversity. The measures contained in the Crime and Courts Act 2013 which impact on the JAC, such as the Equal Merit Provision, have required considerable consultation to ensure the approach adopted is the right one. These changes are discussed in detail in this Annual Report.

JAC staff levels have not increased despite dealing with more applications year on year. In 2013/14 we had 67 staff, down from 89 in 2011 (average FTE over the year). The number of Senior Civil Servants also reduced from three to two during 2013/14.

Over 70% of staff work in frontline delivery positions directly involved in selection activity yet they have also found time to support the successful implementation of the change programme.

There is a degree of uncertainty in the selection programme the JAC will complete during 2014/15. We will work closely with partners to ensure we reach out as widely as possible to encourage those with the requisite fee-paid experience to consider the next step in their judicial careers. We will also be focusing on testing and embedding the enhancements to the selection process, including launching an 'Am I Ready' self evaluation tool and rolling out our new online recruitment system. Potential candidates from the legal professions and judiciary are already helping us develop and test these new services.

One of the most interesting projects we've recently begun is our 'candidate attraction' project which seeks to segment the legal market so we can better target high quality candidates from under-represented groups to apply for judicial roles. Work is underway now and I would expect to be able to report more fully on findings next year.

We are looking forward to the challenges of 2014/15 and are well-placed to deliver an even better service to the courts, judiciary and our candidates.

A handwritten signature in black ink, appearing to read 'Nigel Reeder'. The signature is stylized and written in a cursive-like font. It is positioned above the printed name and title of the Chief Executive.

**Nigel Reeder**  
Chief Executive

## KEY FACTS

### JAC background

The JAC started operating in April 2006. It is an executive non-departmental public body, sponsored by the Ministry of Justice

### JAC role

The JAC is independent and selects candidates for judicial office in courts and tribunals in England and Wales, and for some tribunals whose jurisdiction extends across the UK.

The Commission may be required to select a candidate for immediate appointment or to identify candidates for vacancies which will arise in the future.

The JAC selects one candidate for each vacancy and recommends that candidate to the Appropriate Authority, who can accept or reject the recommendation or ask the Commission to reconsider it.

### Key statutory duties

- To select candidates solely on merit
- To select only people of good character
- To have regard to the need to encourage diversity in the range of persons available for selection

### Activity in 2013/14

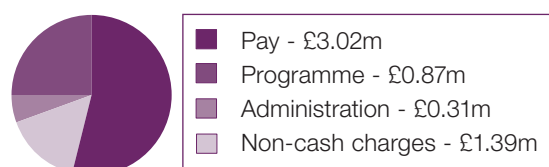
Exercises reported	Applications received	Recommendations made
35	5,591	806

### Budget

The JAC's funding in 2013/14 was £4.91m (£5.12m in 2012/13). It spent £4.20m (£4.92m in 2012/13).

In addition to funding received, the JAC incurred £1.39m (£1.80m in 2012/13) of non-cash charges such as rent and IT support, giving a total expenditure of £5.59m (£6.72m in 2012/13).

### Total expenditure in 2013/14



### Staff

In 2013/14 – 67 staff (68 in 2012/13 – average FTE over the year). This does not include Commissioners or Panellists.

### The Commission

The JAC is the organisation as a whole and the Commission is its board.

The Commission consists of a lay Chairman and 14 Commissioners.

All are recruited and appointed through open competition with the exception of three senior judicial members, two of whom are selected by the Judges' Council and the senior tribunal member, who is selected by the Tribunal Judges' Council. Membership of the Commission is drawn from the judiciary, the legal profession, the magistracy and the public.

### Purpose

The JAC's statutory purpose is to:

- Select candidates for judicial legal, specialist and non-legal offices in courts and tribunals in England and Wales and for some tribunals with UK wide jurisdiction in accordance with a selection programme agreed with the Ministry of Justice and individual requests from the Lord Chancellor
- Make selections solely on merit
- Select only persons of good character
- Have regard to the need to encourage diversity in the range of persons available for selection

## The JACs objectives

Our objectives, as expressed in the Business Plan for 2013/15, are to:

- Work with partners to reduce the time it takes to make an appointment
- Operate as cost effectively as we can
- Support the business need as far as it is possible to do so
- Make the candidate experience as positive as we can
- Improve the diversity outcomes of our selection processes
- Increase the certainty in the quality of selections

## Key JAC data from 2008/09 to 2013/14

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Exercises reporting to the Lord Chancellor/Appropriate Authority	24	25	21	25	36	35
Total number of applications for those exercises	3,518	3,084	4,684	5,490	4,637	5,591*
Total number of recommendations for those exercises	449	446	684	746	597	806
JAC staff numbers (average FTE over the year)	107	105	89	73	68	67

\* The definition of “applicant” changed during 2013/14 due to changes in practice and improvements in data processing. For exercises that completed between January and September 2013, applicant numbers exclude those who were subsequently found to be ineligible. For exercises that completed after September 2013, applicant numbers relate to all candidates who applied regardless of eligibility. The number of applicants involved is relatively small and has little impact on the overall 2013/14 figures.

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m	£m
<b>Total funding allocation</b>	<b>8.15</b>	<b>7.61</b>	<b>6.86</b>	<b>5.52</b>	<b>5.12</b>	<b>4.91</b>
Expenditure on pay (Staff and Commissioner pay)	5.54	5.01	4.46	3.45	3.16	3.02
Expenditure on the programme	1.81	1.76	1.37	1.16	1.50	0.87
Expenditure on administration <sup>1</sup> (including shared services)	0.79	0.76	0.30	0.40	0.26	0.31
<b>Total funded expenditure</b>	<b>8.14</b>	<b>7.53</b>	<b>6.13</b>	<b>5.01</b>	<b>4.92</b>	<b>4.20</b>
Soft charges (including accommodation costs)	2.40	2.23	2.12	1.89	1.80	1.39
Total expenditure	10.54	9.76	8.25	6.90	6.72	5.59

Note:

1 Includes utilisation of the provision

# SELECTION EXERCISE ACTIVITY

## The Selection Exercise Programme

The JAC recommends candidates for appointment as puisne judges of the High Court and to all judicial offices listed in Schedule 14 of the Constitutional Reform Act 2005 (CRA). Additionally, the Lord Chancellor may request the JAC's assistance in connection with other appointments he considers appropriate.

The selection exercise programme for the year is developed with the Ministry of Justice (MoJ) and Her Majesty's Courts and Tribunals Service (HMCTS). The programme is based on current and forthcoming judicial requirements forecast by HMCTS and a small number of judicial vacancies for tribunals not overseen by the MoJ. The programme provides some flexibility to enable the JAC to respond to changing business priorities.

As and when requirements are confirmed and agreed, details of the forthcoming selection exercises are published on the JAC website and disseminated through various media channels, targeted in each case at those most likely to be interested and/or eligible.

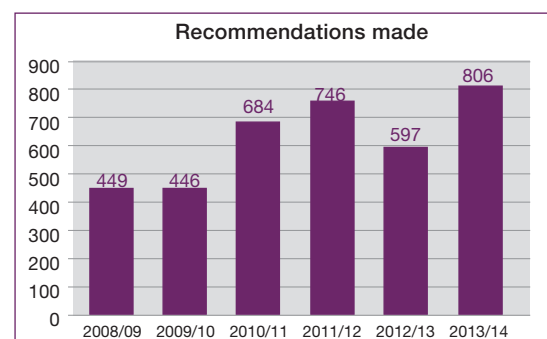
During 2013/14 the JAC accommodated all of the changes requested by HMCTS, amending the programme accordingly to deliver all of its requirements.

There were 35 exercises in total in 2013/14, similar to the previous year, but more applications were received and recommendations made than in any other year. In overall terms the JAC continues to receive applications from many more candidates than there are vacancies to fill and we have continued to receive sufficient applications to be able to recommend good quality candidates, particularly for salaried legal posts. The ratio of applications to recommendations decreased slightly to 6.94 to one (compared to 7.77 in 2012/13). Of the 169 candidates

recommended for salaried posts in 2013/14, 84% were assessed as strong or outstanding. For the 637 fee-paid posts 77% of candidates recommended were strong or outstanding (97% for legal and 72% for non-legal posts).

There were two selection exercises where the JAC was unable to recommend sufficient candidates to fill all of the vacancies in 2013/14. This was largely due to the specialist nature of the posts for which too few candidates had the specific, directly relevant experience required. Of the total number of recommendations made just over half were for two selection exercises, both fee-paid lay positions in the Social Entitlement Chamber.

The JAC selection process for vacancies up to and including High Court is outlined in Appendix A.



## Deputy High Court judge authorisations

Section 9(1) of the Senior Courts Act 1981 provides for the Lord Chief Justice, or his nominee (usually a Head of Division), to authorise Circuit Judges and Recorders to sit in the High Court as deputy High Court judges. The interim protocol agreed between the JAC and Judiciary in 2012 was applied again in 2013/14, where lay JAC Commissioners joined the Heads of Division and took part in the shortlisting process. Under the protocol, the Commission concurred with the authorisation of 24 individuals to sit in the Family and Chancery Divisions in 2013.

The Crime and Courts Act 2013 provides for the JAC to determine the process for the selection of suitable people for membership of a pool from which authorisations to sit as deputy High Court judges will be made. The JAC consulted the legal profession, Ministry of Justice and the Lord Chief Justice on its proposed approach and the final policy was published on the JAC website in early March 2014 (see deputy High Court judge authorisations on page 16).

*“If the JAC doesn’t do its job [and] bring on good judges who will be future senior candidates, then those senior candidates won’t be there. I think I would praise ... the JAC for the work it is doing on this.”*

**Chris Grayling, Lord Chancellor and Justice Secretary, speaking to the House of Lords’ Constitution Committee, 26 March 2014**

---

## Senior appointments

The Constitutional Reform Act, amended by the Crime and Courts Act 2013 (CCA), specifies the membership of panels for selection for judicial offices above High Court level and provides that panels should determine for themselves the selection process they will follow.

In 2013/14 panels were convened to make recommendations for the appointment of a new Lord Chief Justice and President of the Queen’s Bench Division. As a result of the changes made by the CCA the Chairman of the JAC chaired the panel to select the new Lord Chief Justice, which included two further lay Commissioners; and also under the new CCA arrangements the JAC provided three lay Commissioners for the President Queen’s Bench Division panel and, as before, the secretariat for both selections. The JAC carried the vacancy details, job descriptions and application forms for both exercises on its website, and used its e-newsletter and Twitter account (@becomeajudge) to ensure the roles were promoted publicly and open to the widest range of eligible applicants with the required experience to apply.

In 2013/14, four appointments were made to the Supreme Court. The JAC Chairman was a member of the selection panel, and while the JAC promoted the vacancies on its website and other channels it played no further role in the selection process.

Senior appointments are not included in the JAC’s reported statistics.

## Selection exercises in 2013/14

**Note:** Judicial roles are classified as either legal (requiring legal qualifications) or non-legal. Some are full or part-time salaried positions while others are part-time fee-paid roles where judicial officers sit for a certain number of days a year while also doing other work.

### Courts selection exercises

#### Salaried

Legal (legally qualified) / Non-legal	Exercise title	Exercise reference	Recommendations made
Legal	Circuit Judge	00712	54
Legal	Specialist Circuit Judge to the Patents County Court	00826	1
Legal	Senior Circuit Judge – Resident Judge	00827	2
Legal	Designated Civil Judge	00828	1
Legal	District Judge (Magistrates' Court) Wales	00830	1
Legal	District Judge (Civil)	00820	54
Legal	Specialist Circuit Judge (Chancery)	00803	1
Legal	Senior Circuit Judge – Designated Civil Judge	00860	2
Legal	Chief Chancery Master	00866	1
Legal	High Court (Queen's Bench and Family Division)	00873	10
<b>Total:</b>			<b>127</b>

“I would like to pay tribute to the Judicial Appointments Commission: they are doing their utmost (a) to increase diversity, and (b) they have stuck to what we really must stick to, which is appointment on merit.”

Lord Thomas of Cwmgiedd, Lord Chief Justice of England and Wales, speaking at a press conference, 5 November 2013



## Tribunals selection exercises

### Fee-paid

Legal (legally qualified) / Non-legal	Exercise title	Exercise reference	Recommendations made
Legal	Fee-paid Employment Judge of the Employment Tribunal (England and Wales)	00773	58
Non-legal	Fee-paid Disability Member of the First-tier Tribunal, Social Entitlement Chamber	00542	152
Non-legal	Fee-paid Medical Member of the First-tier Tribunal, War Pensions and Armed Forces Compensation Chamber	00823	10
Legal	Fee-paid Lawyer Chairman of the Residential Property Tribunal (Wales)	00812	9
Non-legal	Fee-paid Medical Member of the First-tier Tribunal, Social Entitlement Chamber (Social Security and Child Support)	00790	259
Non-legal	Fee-paid Lay Member of the First-tier Tribunal, Health, Education and Social Care Chamber (Mental Health)	00765	40
Non-legal	Fee-paid Medical Member of the First-tier Tribunal, Health, Education and Social Care Chamber (Mental Health)	00851	42
Legal	Fee-paid Judge of the First-tier Tribunal, Health, Education and Social Care Chamber (Mental Health)	00804	13
Legal	Fee-paid Legal Member of the Mental Health Review Tribunal for Wales	00805	10
Legal	Deputy Judge of the Upper Tribunal, Administrative Appeals Chamber	00877	10
Legal	Fee-paid Judge of the Restricted Patients Panel of the First-tier Tribunal, Health, Education and Social Care Chamber (Mental Health)	00842	10
Legal	Fee-paid Judge of the First-tier Tribunal, Social Entitlement Chamber (Social Security and Child Support) - Scotland	00834	20
Legal	Fee-paid Chairman of the Copyright Tribunal	00825	1
<b>Total:</b>			<b>634</b>

“The JAC has responded with enthusiasm to the challenge for selection exercises to be conducted swiftly and efficiently to enable the SEC to meet the urgent need for additional judicial office holders.”

**Robert Martin, former President, Social Entitlement Chamber**



**Salaried**

<b>Legal / Non-legal</b>	<b>Exercise title</b>	<b>Exercise reference</b>	<b>Recommendations made</b>
Legal	Circuit Judge of the Employment Appeal Tribunal	00807	1
Legal	Regional Judge of the First-tier Tribunal, Property Chamber (Residential Property)	00798	2
Legal	Deputy Regional Judge of the First-tier Tribunal, Property Chamber (Residential Property)	00799	3
Legal	Deputy Chamber President of the Upper Tribunal, Lands Chamber	00795	1
Legal	Salaried Judge of the First-tier Tribunal, Social Entitlement Chamber (Social Security and Child Support)	00854	23
Legal	Salaried Judge of the Upper Tribunal, Administrative Appeals Chamber	00878	7
Legal	President of Employment Tribunals (England and Wales)	00881	1
Legal	President of the Competition Appeal Tribunal	00740	1
Legal	Salaried Judge of the First-tier Tribunal, Health, Education and Social Care Chamber (Special Educational Needs and Disability, Care Standards and Primary Health List)	00833	1
Legal	Principal Judge of the First-tier Tribunal, Social Entitlement Chamber (Criminal Injuries Compensation)	00864	1
Non-legal	Salaried Medical Member of the First-tier Tribunal, Social Entitlement Chamber	00868	1
<b>Total:</b>			<b>42</b>

**JAC assistance (exercises not listed in schedule 14 CRA)**

<b>Legal / Non-legal</b>	<b>Exercise title</b>	<b>Exercise reference</b>	<b>Recommendations made</b>
Legal	Fee-paid Arbitrator of the Motor Insurance Bureau	00880	3
<b>Total:</b>			<b>3</b>

<b>Total Courts and Tribunals recommendations:</b>	<b>806</b>
--	------------

## KEY ISSUES

The JAC has continued to focus on providing an efficient and faster selection service that makes high quality selections and offers value for money. As public spending remains constrained the JAC, like all public bodies, has continued to identify further savings and ways to do more with less while maintaining and wherever possible improving the service we offer. The change programme introduced in 2012/13 to facilitate this has continued throughout 2013/14 and has been extended to cover the work required by implementation of measures from the Crime and Courts Act 2013.

This change programme has six clear objectives:

- To ensure continued high quality in the selections we make
- To improve the candidate experience (easier, quicker, more responsive)
- To contribute to a joint project to reduce the time it takes from the launch of an exercise to the date a candidate receives a letter offering an appointment
- To improve our diversity results
- To continue to meet the needs of our courts and tribunals
- To deliver a more effective and less costly selection system

The main elements of the programme for 2013/14 included:

- improving the selection process based on recognised best practice
- building a new online recruitment service
- further reducing the amount of time the selection process takes
- implementation of measures in the Crime and Courts Act in a way consistent with the objectives of the change programme

### Developing our selection process

Following a survey of best practice in the recruitment industry we introduced a number of small, ongoing improvements to our process such as moving to online multiple-choice tests and increasing our use of assessment tools where candidates demonstrate the skills expected of them in the role. We have also adopted the option of using a reduced number of referees in some exercises. This helps to reduce the workload for referees and panel members, without compromising the quality of the process.

In the second half of the year we commissioned a leading consultancy of appointment experts (Work Psychology Group) to undertake an external review of our selection processes. They reported back with recommendations in December 2013. They identified a number of strengths in our current process including the high quality work of our selection panels, the consistency and transparency of our process, and the high level of information available relating to our process. They also made a number of recommendations which we plan to discuss with partner organisations and trial during 2014/15. To help us take this forward we have recruited an Occupational Psychologist to provide the JAC with on-going support on this project and the wider selection process. This person is due to start work in May 2014.

The JAC's work on judicial selection was recognised during 2013/14 when it was among those honoured at the second annual UK Candidate Experience Awards for upholding a high standard in how it engages with and treats candidates.

### Judicial appointments recruitment system (JARS)

To support our new process to deliver wider efficiencies we are also introducing a new online recruitment system. Following a competitive tender process and approval from the Government Digital Service, the JAC signed a contract at the end of 2013 to develop a system using open standards and open source products. Work began in January. The project is on time and on budget and is expected to be ready by the end of 2014. The online application process and new records management system will allow more efficient processing of applications, references and selection day reports. We anticipate it will make a considerable contribution to future efficiencies and financial savings and improve the candidate experience.

### Review of the “end-to-end” selection and appointments process

The JAC continues to work with HMCTS, Judicial Office and the MoJ to reduce the

overall time it takes to appoint a judge from roles being open for application through to taking up appointment. As part of this project the JAC has, since 2012, produced quality-assured statistics that demonstrate a reduction in the process from 30 weeks to 21 weeks – as measured from launch of a selection exercise to an offer letter being sent to a candidate from Judicial Office. During 2012/13 the JAC, JO and HMCTS agreed a new target of 20 weeks for the ‘end-to-end process’ of the majority of exercises planned for 2014/15.

The table below shows the progress made in shortening the appointment period overall and specifically in terms of the JAC component.

To help achieve this shared target the JAC has decided to use, where appropriate, a two-week application window rather than the three weeks currently used as standard. Further work on reducing the time it takes to make a judicial appointment will continue through the implementation of the new JARS online service in 2014/15.

	2011/12	2012/13	2013/14	Target
End to end	30 weeks	24 weeks	21 weeks	20
JAC	22 weeks	20 weeks	19 weeks	18

Note: The profile of selection exercises changes from year to year, i.e. the number of exercises can vary as can the number of posts those exercises seek to fill.

## Crime and Courts Act 2013

The Crime and Courts Act (CCA) received Royal Assent on 25 April 2013. It included several measures for the JAC to implement to contribute to greater transparency and diversity in judicial selections. As a result the JAC consulted on and developed a number of important policy changes (see also page 10 under Senior Appointments).

The two main policies that the JAC worked on during 2013/14 were:

### The Equal Merit Provision

Following Royal Assent of the CCA the JAC issued a three-month public consultation on the proposed implementation of the provision, which allows that where two or more candidates are of equal merit, the JAC may give preference to a candidate for the purpose of increasing the diversity of the judiciary. The policy (published on 8 April 2014) will apply to all selection exercises launching on or after 1 July 2014.

The provision will apply:

- where two or more selectable candidates are considered to be of equal merit assessed against the advertised requirements for a specific post
- to the categories of race and gender
- only at the final selection decision-making stage

Individual decisions, to be made by the Commission sitting as the Selection and Character Committee, will be based on all the evidence gathered during the selection process.

The JAC will report in its Official Statistics, starting in June 2015, the number of instances where an individual has been selected following application of the policy.

The consultation response is on the JAC website alongside the policy. We received 53 responses in total – 69% of the 49 substantive responses were in favour of implementation of the Equal Merit Provision and 29% were against.

## Deputy High Court judge authorisations

The Crime and Courts Act also provides for the JAC to select candidates for a pool from which requests for authorisations to sit as a deputy High Court judge will be made. Previously the JAC was asked to concur with such authorisations. The Commission published its policy in March 2014, which defines the process that will apply to the selection of members of the pool and categories of exception where that process may not apply. The Commission has made a commitment to keep the policy under review to ensure it remains operationally robust.

# ENSURING FAIRNESS, ENCOURAGING DIVERSITY

## Fair treatment in selections

The Equality Act 2010 applies a general equality duty to the JAC, as a public authority, to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations. In addition the JAC is subject to specific duties which require it to publish relevant, proportionate information demonstrating compliance with the equality duty.

The JAC's Equality Objectives for 2012-2016 are split into four distinct areas, namely outreach, fair and open processes, monitoring, and promoting diversity in the workplace. They were implemented in April 2012 and are reviewed twice a year. Both the objectives and performance report are published on the JAC website.

Key activities during 2013/14:

- Equality assessments were conducted and recorded for all policy changes and amendments to selection tools. A list of assessments is published every six months on the JAC website.
- 254 reasonable adjustments were carried out with the total cost remaining relatively low at £639.
- Complaints relating to diversity remain low, with just 19 received out of 5,591 applications in 2013/14, only one of which was upheld and four partially upheld.

## The Diversity Forum

In August 2013 we published up-to-date research on Barriers to Application, which had been conducted in early 2013. The research, conducted with the Law Society, Bar Council of England and Wales and Chartered Institute of Legal Executives (CILEx), updated research first conducted in 2008. Nearly all aspects of judicial office were considered to be more

appealing, according to the 2013 survey results. The most appealing aspects of a judicial career were the work being interesting (97%, up from 92%), making a difference to the law (93%, up from 85%) and undertaking public service (unchanged at 89%). Also:

- 87% agreed judicial office would be enjoyable (up from 74%).
- 46% had considered applying – a significant increase since 2008 (32%).
- 43% saw being a judge as part of their career path (up from 28%).

The research also sought to identify areas which would need to be tackled in order to encourage more applications. The key findings were:

- More information about the selection process (77%)
- More information about judicial roles (75%)
- Work shadowing/mentoring schemes (72%/71% respectively)
- Early notice of when vacancies will be advertised (68%)

The research results were presented to the Diversity Forum and a working group, made up of representatives from key stakeholders developed a priority action plan which has now been agreed by the Forum. Bar Council representative Julian Picton QC led the group, which also included JAC Commissioner Sir Andrew Ridgway and representatives from CILEx, the Law Society and the Ministry of Justice. The action plan is on the JAC website and progress will be monitored and reviewed by the Forum.

**Julian Picton QC on *Barriers to making a judicial appointment***

“What struck me most about the Barriers working group was the sea change in attitude to judicial diversity which its members espoused. The goal of a diverse judiciary is no longer a minority sport. It is a common imperative.

“From the higher reaches of the Judiciary, through the Ministry of Justice, the Judicial Office and the Tribunals Service, across the Professions and within the Judicial Appointments Commission itself, there is an iron will to bring about lasting and radical change. The Barriers action plan is more than the first few strides along a difficult journey. If we do what each of us has agreed to do, the action plan has the potential to take us the whole way there.”

Julian Picton QC is a member of the Diversity Forum. He led the forum’s work on the Barriers research action plan.

**The Advisory Panel on Judicial Diversity**

With the publication of the Equal Merit Provision policy the JAC will have completed 13 of the 15 actions given to it by the 2010 Advisory Panel on Judicial Diversity, chaired by Baroness Neuberger. We committed to publishing the Equal Merit Provision policy – recommendation 21 – in April 2014 (published 8 April), which details how the provision will be implemented in selection exercises launching from July 2014 (see page 16). Work is well underway on the two remaining recommendations.

**Monitoring diversity**

The JAC has now been collecting diversity data on the additional criteria of sexual orientation and religious belief since the autumn of 2011 and confirmed in December 2013 that the June 2014 Official Statistics would include this information for the first time.

The JAC does not currently collect or monitor data specifically on social mobility. We are

working with the profession and judiciary to support their work with schools and colleges to ensure that students from under-represented groups understand that a judicial career is open to them in the future. We have also conducted some internal analysis of data to try to understand the backgrounds of our candidates, though this has been inconclusive. The Diversity Forum invited David Johnston, a Social Mobility Commissioner, to speak at its March 2014 meeting to provide further insight into the right questions to ask as part of diversity monitoring. Further work will be done on this during 2014/15.

The JAC is also exploring whether it is possible to develop an eligible pool for disability. The Chairman wrote to his counterparts at the Bar Council, Law Society and CILEx to establish the robustness of data currently collected.

During 2013/14, the JAC reported on 35 selection exercises, processing 5,591 applications and making 806 recommendations. The diversity of recommended candidates is detailed below.

Exercise type	Male		Female		White		BAME		Solicitor		Disabled	
Legal	156	52%	135	45%	268	89%	17	6%	108	36%	15	5%
Non-legal	208	41%	270	54%	407	81%	69	14%	n/a	n/a	82	16%
Total	364	45%	405	50%	675	84%	86	11%	n/a	n/a	97	12%

Note: A total of 302 recommendations were made for the 29 legal exercises and 504 for the six non-legal exercises. The above figures do not include those who did not specify gender, ethnicity, etc. All figures are taken from the JAC Official Statistics published in December 2013 and June 2014.



### Gender

- The December 2013 results were the first in which more than half the recommendations (52%) were for women.
- For 2013/14 as a whole, women made up half of all recommendations.
- The number of women recommended was particularly driven by two non-legal exercises where women made up 72% and 63% of recommendations.

### Ethnicity

- 11% of recommended candidates for all exercises reported in 2013/14 were from a Black, Asian and Minority Ethnic (BAME) background. The proportion typically varies between 8% and 15%.
- Looking at legal posts that reported in December 2013, 2% of recommended candidates came from a BAME background. In the June 2014 statistics this figure was 7%. For 2013/14 as a whole it was 6%.

### Candidates with a professional background of solicitor

- In six large legal posts reported in 2013/14, 50% or more of recommended candidates were from a solicitor background.
- However, overall, solicitors were less successful than in equivalent exercises in previous years.

### Disability

- In 2013/14, 12% of recommended candidates had a disability. In previous results, this figure has varied between 2% and 8%.
- The increase reflects the large number of candidates with a disability who applied for a specific Disability Member post reported in December 2013.

### Communications and outreach

The JAC has continued to provide speakers, both staff and Commissioners, for conferences, seminars and events across the country and feedback remains positive. In 2013/14 the JAC made increasing use of partner organisations to cascade and promote selection exercise and related material allowing for considerable savings to be made in terms of paid-for advertising. Our partners also now regularly host shared events using material prepared by the JAC. We continue to provide informative and educational articles through specialist media and via partner publications, particularly on changes to the selection process and diversity successes.

Outreach activity continues to focus on under-represented groups – women, BAME, disabled people, solicitors and CILEx Fellows. We also engage with those from a Lesbian, Gay, Bisexual and Transgender background, legal academics, the Government Legal Service and Employed Bar.

The 2013 update of the 2008 research on *Barriers to making a judicial appointment* suggests that we are raising awareness and understanding among all groups but that barriers remain. In October 2013 the Commission agreed a refreshed communications strategy. The primary objective, in large part advised by the results of the 2013 Barriers research, is to create an easier-to-use website with clear and targeted information on career paths, vacancies and how/when to apply. This includes developing self-assessment material to allow prospective candidates to identify whether they have the right level of skills and experience to be successful and to allow candidates to be kept informed throughout the process. This work is being undertaken as part of the JAC's new JARS recruitment service and is expected to be ready by the end of 2014.

The JAC has followed the Government's 'digital by default' policy and largely moved its activity online, using the website, social media and webinars to deliver much of its own activity. We have made much greater use of social media in 2013/14. By the end of March 2014 our Twitter account @becomeajudge had reached 2,000 followers and traffic to the website as a result of our tweets showed significant growth. During 2014/15 we hope to develop this further using Twitter and LinkedIn more proactively to engage with our followers.

### Candidate attraction

The JAC is now undertaking a project to consider the dispersal of diverse groups within each part of the profession. This will help us to develop more effective ways of reaching out to a wider range of candidates.

*"The JAC front-of-house staff were especially helpful on the selection day. They were careful to explain very clearly what would happen."*

Candidate, District Judge exercise 2013

### International and Parliamentary engagement

The JAC continued to receive a high number of requests to meet with overseas representatives during the 2013/14 year.

The Chairman welcomed the Chief Justice of South Africa, Mogoeng Mogoeng, in June 2013 and the head of the judiciary of Albania, Chief Justice Zaganori, and Justice Nuni, in March 2014.

The Chairman hosted a delegation from the Bangladesh Judicial Services Commission in June 2013, comprising Mr Justice Surendra Kumar Sinha (the most senior Judge of the

Appellate Division of the Supreme Court and the Chairman of the Commission), Justice Farid Ahmed Shibli (Senior District and Sessions Judge and Secretary of the Commission) and Justice Sekander Zulker Nayeem (Senior Assistant Judge and Senior Assistant Secretary of the Commission).

With the Chief Executive, the Chairman attended a seminar on judicial diversity in Scotland hosted by the Judicial Appointments Board for Scotland.

Senior JAC staff met with around 30 members of a Thai delegation in July last year. Sponsored by the University of Nottingham, they were in the UK mainly to learn about the court administration in England and Wales. Staff also welcomed Judge Emanuel Palacios from Spain in September. Judge Palacios was visiting as part of the Judicial Training Exchange Programme.

In November 2013, the JAC's Chief Executive met Dadyar Sulaiman, a Judge in Kurdistan's Judicial Council, as part of the John Smith Memorial Trust's MENA programme. Judge Sulaiman is official Speaker for the Judicial Council.

The JAC also received a visit from the Governor of the Turks and Caicos Islands, Peter Beckingham, in September, and hosted Mr Nikola Naumovski as part of the Foreign Office Serbian placement programme in February 2014.

The House of Commons Justice Select Committee held a one-off evidence session on the Judicial Appointments Commission on 5 March. The Chairman and Commissioners Mr Justice Bean and Dame Valerie Strachan represented the Commission. MPs asked questions covering a wide range of issues, from how the JAC has achieved significant time and cost savings, to the impact of the Crime and Courts Act, diversity and work underway as part of the selection process review.



# THE ORGANISATION

## The Commissioners as at 31 March 2014



### Christopher Stephens, Chairman (lay)

Christopher Stephens was previously a Member of the Senior Salaries Review Body (2009-2011) and a Civil Service Commissioner (2004-2009). He was a non-executive director of WSP (a global engineering consultancy) until July 2012, and Holidaybreak plc (a travel and education business) until September 2011. He was also Chairman of Traidcraft until March 2011 and Chairman of the DHL (UK) Foundation until May 2011. Until 2004, he was Group Human Resources Director of Exel (now DHL).



### Lady Justice Macur DBE, Vice Chairman (judicial)

Vice Chairman Julia Macur was appointed a Lady Justice of Appeal in 2013. Until 2007 she was the Family Division Liaison Judge for the South East Circuit. She was then the Presiding Judge of the Midlands Circuit until 2011. Her career started at the University of Sheffield where she graduated in 1978. She was appointed Queen's Counsel in 1998 and was a Recorder of the Crown Court between 1999 and 2005.



### Mr Justice Bean (judicial)

David Bean was appointed a Justice of the High Court, assigned to the Queen's Bench Division, in 2004. He has been Chairman of the Bar Council (2002), and is a former member of the Civil Justice Council. He was a Presiding Judge of the South Eastern Circuit from 2007 to 2010.

(David Bean left the Commission on 31 March 2014)



### Martin Forde QC (professional – barrister)

Martin Forde QC took Silk in 2006 and became a Recorder in 2009. His early career on the Midland Circuit included crime, personal injuries, matrimonial and a variety of civil and criminal work, though latterly he has focused on medical negligence and regulatory work. He is the South Eastern Circuit Diversity Mentor and Chair of the South Eastern Circuit Minorities Committee. He is also the Chair of the Bar Council's Equality and Diversity Sub Group: Access to Appointments and Progression.



### Professor Emily Jackson (lay)

Professor Jackson is a Professor of Law and Head of the Law Department at the London School of Economics. She was a member of the Department of Health Independent Panel to review the Liverpool Care Pathway and was Deputy Chair of the Human Fertilisation and Embryology Authority. She was appointed to the JAC in February 2014.



**Professor Noel Lloyd CBE (lay)**

Noel Lloyd was Vice Chancellor of Aberystwyth University. He is a member of the Commission on Devolution in Wales (the Silk Commission), which reported in March 2014. He is a member of the Board of Jisc, Chair of Fair Trade Wales and until September 2013 was Chair of High Performance Computing Wales. An academic mathematician, he has worked in Aberystwyth since 1974, after an early career in Cambridge, becoming Pro Vice-Chancellor in 1997. He has also been Chair of Higher Education Wales, Vice President of Universities UK and board member of the Quality Assurance Agency for Higher Education and the Universities and Colleges Employers Association.



**Ms Alexandra Marks (professional – solicitor)**

Alexandra Marks was a partner at Linklaters for over 20 years, practising in commercial property. She became a Recorder in 2002, is a Deputy High Court Judge, a Criminal Cases Review Commissioner, and Chair of the Architects Registration Board's Professional Conduct Committee. She is also a Past President of the City of London Law Society, a Board member of JUSTICE and Chairman of the Prisoners Education Trust



**Katharine Rainsford (lay-magistrate)**

Katharine Rainsford is a magistrate for the North London Local Justice Area and a member of the Sentencing Council of England and Wales. Previously she was a course director for the Judicial College and ran the national courses for new bench chairmen. She was the chairman of West Hertfordshire Bench. She was appointed to the JAC in February 2014.



**Lieutenant General Sir Andrew Ridgway KBE CB (lay)**

Andrew Ridgway served a five-year term as Lieutenant-Governor of Jersey and has been Chief of Defence Intelligence and previously Director General, Defence Training and Education. He had operational deployments with NATO and UN in Kosovo, Kuwait, and Central Bosnia, and served as the first Director of Operational Capability at the Ministry of Defence. He is the Chair of British Bobsleigh and has been involved in a number of voluntary bodies adjacent to his military career such as the Tank Museum.



**Lucy Scott-Moncrieff CBE (judicial – tribunal)**

Lucy Scott-Moncrieff is a Mental Health Tribunal judge, a past President of the Law Society of England and Wales, a Member of the Prime Minister's Challenge on Dementia Champion Group and the Managing Director of Scott-Moncrieff and Associates Ltd. Previously she was a Member of the Independent Commission on Mental Health and Policing, a Commissioner at Postcomm and a founder member of the QC Appointments Panel. She was appointed to the JAC in February 2014.



#### **District Judge Christopher Simmonds (judicial)**

Judge Simmonds is the District Judge of the Principal Registry of the Family Division. Previously, he was the Senior Partner at Davis, Simmonds and Donaghey Solicitors. He was appointed to the JAC in February 2014.



#### **Dame Valerie Strachan DCB (lay)**

Valerie Strachan is a former senior civil servant, She retired as Chair of HM Customs and Excise in 2000. She served as a Lay Assessor on the Leggatt enquiry in 2001/02 (which recommended the creation of the Tribunals Service). She was a panel member of the Rosemary Nelson Inquiry. Other appointments have included Chair of the University of Southampton, Vice Chair of the Big Lottery Fund and Chair of James Alleen's Girls School.



#### **Debra van Gene (lay)**

Debra van Gene is a Non Executive Director and Chair of the Remuneration Committee for JD Wetherspoon plc. Previously she was a Partner at the international executive search firm Heidrick and Struggles, and subsequently ran her own senior executive search business. She was appointed to the JAC in February 2014.



#### **Mr Justice Wilkie (judicial)**

Mr Justice Wilkie has been a Judge of the High Court, Queen's Bench Division, since 2004. He was a Presiding Judge of the North Eastern Circuit between 2007 and 2010. He was a Circuit Judge between 1997 and 2004, and a Law Commissioner between 2000 and 2004. He was also a Recorder between 1995 and 1997.

Each Commissioner is appointed in their own right, not as a delegate or representative of their profession. Twelve Commissioners, including the Chairman, are selected through open competition, and three by the Judges' Council.

Commissioners who left during 2013/14 were:

- Lady Justice Black DBE (former Vice Chairman), judicial member
- District Judge Malcolm Birchall, judicial member
- Judge Alison McKenna, judicial tribunal member
- Stella Pantelides, lay member
- Ranjit Sondhi CBE, lay member
- Her Honour Judge Deborah Taylor, judicial member
- John Thornhill Esq JP, magistrate member

## The Senior Leadership Team

The JAC is managed by its senior leadership team, which consists of a Chief Executive and a Director.



### Nigel Reeder OBE – Chief Executive

Nigel was appointed Chief Executive of the JAC in December 2011 following a Civil Service wide recruitment campaign. He joined the JAC as Director of Strategy and Outreach in March 2008 from the Ministry of Justice, where he had developed the Government’s policy on legal services reform and led the subsequent Bill team. Previously he worked for the Ministry of Defence.



### Sarah Gane – Director of Operations

Sarah joined the JAC in March 2009 following 18 years working in Courts and Tribunals. Her last role with the Ministry of Justice was as head of the Tribunals Services Administrative Support Centres in Leicestershire, which included heading up the Mental Health Tribunal. The Operations Directorate is responsible for the management of the selection exercises relating to appointments for HMCTS and other non-Ministry of Justice Tribunals.

## JAC values

<b>Fairness</b>	We are objective in promoting equality of opportunity and we treat people with respect.
<b>Professionalism</b>	We are committed to achieving excellence by working in accordance with the highest possible standards.
<b>Clarity and openness</b>	We communicate in a clear and direct way.
<b>Learning</b>	We strive for continuous improvement and welcome and encourage feedback.
<b>Sensitivity</b>	We are considerate and responsive in dealing with people.

## Staff

With the continuing need to ensure that the JAC operates within its funding, further efficiencies have been made, both in the way we operate and the deployment of staff. A decision was taken to reduce our Leadership Team by one Director and the contract of John Rodley, Director of Operational Services, was not renewed in July 2013. All selection exercise activity is now overseen by our Director of Operations, with the corporate functions reporting directly to the Chief Executive.

In 2013/14 staff numbers were 67<sup>2</sup> (average FTE over the year), a reduction of a quarter since 2010/11 (89 staff). The JAC however continues to deliver its selection exercises and made more recommendations in 2013/14 than ever before. This has been achieved through the commitment and determination of our staff, and through the deployment of temporary staff at peak periods.

The Ministry of Justice advised us in the spring of 2013 that it wished to vacate Steel House, the original JAC location, to realise savings and as part of the wider Government initiative to rationalise the London estate. We considered all the options for new premises and concluded that the move to MoJ headquarters in Petty France was the most practical.

In making this move, we have been very mindful of the need to preserve the independence of the JAC, in perception as well as substance. We have a separate reception and waiting area for JAC candidates and dedicated interview rooms. Our back office is also in a separate area which cannot be accessed by others.

The annual JAC staff survey again maintained an excellent response rate of 91%. The results were encouraging and indicated that we are in a better shape than last year. The key scores which show the extent to which people care about their jobs, are committed to the organisation, and put discretionary effort into

their work (the engagement score) increased to 62% from 53% and is above the average within the Civil Service.

Staff sickness absence rates have unfortunately remained above the last published average for Civil Service organisations. For 2013/14 on average 9.73 days were lost for each member of staff. Of this figure 5.03 days can be attributed to long term absence following scheduled operations. The JAC continues to monitor absence levels, and encourages healthy lifestyles. Just over 20% of our staff work flexibly, including compressed hours or on a part-time basis, which is in addition to the majority who adopt flexi-time.

We continue to invest in improving the skills of our staff so they can deliver the core business, while also developing personally. We encourage staff to spend at least five days a year on Learning and Development and all staff have access to Civil Service Learning, a one-stop shop for all generic learning needs. During 2013/14, staff attended 20 face-to-face courses run by Civil Service Learning, which included management skills (eight courses) and improving written communication (two courses). Additionally staff spent around 280 hours on e-learning packages available from Civil Service Learning, which included just under 200 hours on improving IT skills.

JAC staff continue to be involved in charitable activities at no cost to the public. A charity is selected by staff each year to benefit from the proceeds. In 2013/14, JAC staff contributed to The Passage, a local charity which supports the homeless in Westminster, and The YouthLink Network.

The Staff Forum remains available to provide staff with an avenue to express their views. We have also re-launched “coffee and chat” sessions with the leadership team, providing opportunities for staff to informally discuss issues of importance to them.

<sup>2</sup> This includes four members of staff currently on loan/secondment to other government departments.



## CASE STUDIES

### Brian Doyle



**Brian Doyle was appointed President of the Employment Tribunals (England and Wales) in February 2014. He was called to the Bar (I) in 1977 and appointed as a Fee-paid Chairman of the Employment Tribunals in 1994, becoming a Salaried Chairman in 2000, and then Regional Employment Judge, North West region in 2003. Prior to his salaried judicial career he was Professor and Dean of Law at the University of Liverpool.**

“I knew the role of President was coming up with the announcement of the retirement of the former President. I signed up for the JAC email alert which informed me when the selection exercise was ‘live’.

“When I was completing the application form the real hard work went into the self-assessment section. I found it particularly challenging in two ways; firstly, limiting myself to 250 words for each of the criteria and abilities and, secondly, making sure the information was evidence based. I spent quite a bit of time drafting and redrafting to ensure what I included was appropriate. It’s a very good discipline to be able to express yourself succinctly.

“For prospective candidates I can’t recommend enough the value of thinking months and even years ahead. You need to gather examples as you go along. It’s no use wracking your brain for examples with the blank application form in front of you. You need to make a note in your diary of your experiences and what you did. This approach is helpful when looking at any appointment or promotion in the judicial career structure.

“If you are seeking promotion then any experience you can gain is helpful. I had previously been a selector for JAC selection exercises. This included devising a qualifying test, assessing role-plays and interviewing candidates. All this stood me in great stead for my own experience of selection.

“My selection ‘day’ was actually a two-hour slot. It included a presentation, scenario-based questions, and a panel interview. The balance of the different elements was struck absolutely perfectly by the JAC. It was very thorough, and appropriately so for a position at this level.

“I spent a lot of time preparing – you can completely rely on the advance information provided by the JAC. However, in my view, that’s not the end – whether you are familiar with the jurisdiction you are applying to or not you can’t underestimate the value of extra research and reading. Another tip is practice, practice, practice. I rehearsed and refined my presentation again and again until I was certain it was just under the required time. All these elements of preparation are important.

“I was drained after the two hours. As is natural for everyone I came away thinking ‘I wish I had answered that question differently’.

“You can never fully know what a role will entail until you start it. Once selected and appointed, I shadowed the existing President of Employment Tribunals for a month before I succeeded him. During the shadowing I came across a number of challenges which I wouldn’t necessarily have thought would come up. That is why the shadowing proved invaluable for me in preparing to take up the role. For a post at this level you are unlikely to get the same opportunity before you apply or are interviewed.

“Prior to becoming a salaried judge 14 years ago I was a professor of law and I sat as a fee-paid judge at that time for some six years. I would recommend this route to other legal academics. There is much about the academic role and the judicial role that is very similar. You have much expertise that makes you very suitable: marshalling evidence, analysing the facts, applying the law, and providing well-crafted and well-written judgments. I would certainly say that a legal academic who is interested in becoming a judge should not be discouraged.”

## Faridah Eden



**Faridah Eden is a Fee-paid Judge of the First-tier Tribunal, Health, Education and Social Care Chamber, Mental Health. She is a solicitor working in the Government Legal Service (GLS) and is currently Head of the Academies and Free Schools team advising the Department for Education.**

“A few years ago a colleague at the Ministry of Justice was appointed as a Deputy District Judge and that got me thinking about the possibility of a judicial career in the future. I took the opportunity to attend a talk given by a JAC Commissioner and signed up for the JAC newsletter Judging Your Future to find out about upcoming roles.

“I undertook judicial work shadowing at Wandsworth County Court, arranged by Judicial Office, and then applied for a Deputy District Judge role. However, I didn’t get through the qualifying test as I ran out of time – so I knew I needed to practise to get my exam technique right.

“Next I looked at other options, and spotted that the Mental Health Tribunal needed fee-paid judges. As I had worked on a Mental Health Bill at the Home Office and I had previously given advice on restricted patients, I was familiar with the legal background. So I arranged to do shadowing at the Mental Health Tribunal and actually I much preferred it.

“Since I qualified as a solicitor, I have always worked in Government and done public law so

the County Court felt rather alien to me. The Mental Health Tribunal felt much more familiar. In a previous role at the Home Office I was advising people taking important decisions on immigration and asylum cases, so I was used to taking public law based decisions which had serious consequences for people’s lives and I understood how important it was to get those decisions right.

“I also liked the fact that the Mental Health Tribunal consists of a judge sitting with two other people – in Government you are often part of a team making a decision or advising. Everyone on both sides of the table was trying to come to the ‘right’ decision, working in the interests of the patient and trying to make sure this was a fair process. So it worked out much better – I am much happier that I’ve ended up with this role.

“If I were to offer advice to someone about to go through the JAC selection process I would say to spend some time thinking about your experience and how it fits. Think widely and look at the competencies. For example, it is fair to assume you will be asked about treating people equally and about awareness of community diversity. In the interview I included some examples from outside of work covering my role on my local Parish Church Council, on which I’ve worked with all sorts of people from across the local community.

“To prepare for the interview I also spoke to people I know who are sitting as Deputy District Judges. This was very useful in finding out what the selection process was like for them, what they enjoy about their job and what the challenges are. From those conversations, I understood that there were some key things I needed to get across in the situational questioning, like demonstrating fairness to both parties and giving everyone a chance to speak, while being aware that you need to get through your list in time as other cases are waiting to be heard.



“The selection day itself was well organised and professional. The JAC staff were very helpful and the panel interview was fair and balanced, with a clear emphasis on the job description and competency framework. I thought the balance of the interview panel worked well. I’m used to doing interviews as that is how we progress in the GLS but the lay member asked me some rigorous questions of the type I wouldn’t normally be asked in a GLS interview.

“I would really recommend shadowing. I came away from my day at the Mental Health Tribunal really enthused about it. By pure coincidence, the patient and her solicitor, social worker and doctor were all black or Asian and then on the other side of the table you had this panel of a judge, consultant psychiatrist and lay person who were all white and several decades older than the patient. It’s not about tokenism but about the patient feeling she was heard and the experience she was going through – having had someone closer to her own background on the panel would have been good.

“I am yet to start sitting but intend to continue my current working pattern of four days a week for the GLS and sit for the Mental Health Tribunal on my fifth day. I sit for at least 30 days per year and there will be flexibility as to when I do that on both sides. The GLS sees this as a positive thing to do, they are keen to support the JAC and they see the read-across benefits to the work we are doing.”

## Jennifer Eady QC



**Jennifer Eady is a Senior Circuit Judge of the Employment Appeal Tribunal. She was called to the Bar in 1989 and became a QC in 2006. Before taking up a full-time appointment, she had previous experience as a Recorder (County and Crown Courts), as a part-time Employment Judge and as a member of the Pension Regulator's Determinations Panel. She was also an independent member of the Acas Council for some seven years and is a Trustee of the Wallace Collection.**

"I started my full time salaried role in early December 2013 and really enjoy it. I think I had got to the stage where I was ready to leave the Bar; I wanted to feel I was making a more positive contribution. Had my predecessor not announced his retirement I might have waited a few more years but I didn't know when a vacancy at this court might arise again and didn't want to miss out on the opportunity, so I kept an eye on the JAC website and applied when it was advertised last summer.

"The Employment Appeal Tribunal (EAT) is a superior court of record, generally (although not exclusively) hearing appeals on points of law from Employment Tribunals. I am one of four Judges sitting at the EAT throughout the year. We are joined by visiting High Court and Circuit Judges. We generally sit alone but can also sit with lay members, appointed for their particular experience in employment relations. I previously sat as a fee-paid Employment Judge so am comfortable sitting with lay

members. I was also on the Acas Council for a number of years and am very used to chairing bodies which involve both sides of industry being represented.

"I had been through the JAC selection process before – when applying to be an Employment Judge and in the appointment process for Recorders. This meant I was reasonably familiar with the process. The process for public appointments generally is also similar and I had been through that for my other appointments. The more you do, the more experience you get and the more used to it you are.

"For me the real preparation for the interview came in completing the application form. You need to give it time and think it through. Barristers are not necessarily very good at self-assessment – we don't really do self-appraisal in a formal sense. It is, however, a skill you need to learn when you apply for silk or for a judicial post.

"In particular, your presentation style has to be thought through and that takes time. It is worth reflecting on all the experience you have got and then working hard to edit that effectively to fit it into the limited space on the application form. I would also recommend allowing time to collect all the information you are asked for so you have relevant dates etc at your fingertips.

"I did try to prepare for the interview but, on reflection, the best thing I could have done was simply to try to get a good night's sleep the night before. The panel are not trying to catch you out. They are trying to bring out the best in you. In turn, you are trying to ensure they don't make a mistake in missing why you might be best qualified for the role.

"In my application and interview, I obviously drew on my experience as a barrister and QC but I also referred to experience gained from other roles. Personally, I have greatly valued having a range of interests and experience, and I certainly drew upon that in my application.

“My new working week is generally divided into three sitting days, one reading day and one paperwork day. Before I started, the work here was described to me as fairly unremitting and I think that’s a fair description. We work pretty hard and put a lot into the preparation for each hearing. You don’t get additional days for reserved judgments, so when you hear a case you have to be prepared to give judgment straight away.

“You need excellent organisational skills to manage that kind of workload. In that respect, it is helpful that I was used to having a highly productive working day in order to manage my time as a working parent. If you have been used to having to leave Chambers on time to collect a child from nursery or school etc, you get pretty good at working highly productively in compressed hours; a useful transferable skill for a Judge.

“I enjoyed my career at the Bar and got a lot out of it, but I don’t miss it. The move to my new role felt absolutely right for me and my experience so far has only served to confirm that feeling.”

## Stephen Nichols



**Stephen Nichols is a District Judge appointed to the South Eastern Circuit. He was previously a Deputy District Judge while working in private practice. He began his career as a CILEx Fellow before becoming a solicitor.**

“When I began my career as a CILEx Fellow I didn’t for one moment think I might one day become a District Judge. When working as a solicitor, I applied to become a deputy district judge in order to find out more about the process and was surprised and delighted to be successful. I sat initially once a week. It was possible to do this because I was the owner of my own firm and I had very good quality staff that I could rely on working for me.

“When I moved to a new firm I reduced the sitting frequency to once a month. There is a tension between a busy practice and sitting as a judge but my firm welcomed the judicial point of view which I was able to bring in. As a result of this extra dimension the work my department prepared focussed on what I considered a judge is expecting to see. To be fair, as a busy practitioner you do have to put yourself out and make time to cover everything. But that is all part of being ambitious.

“When I was appointed a deputy judge in 2001 the application process was very different – it was tough but now the JAC has refined the process to a point where in my view it is absolutely fit for purpose. The focus now is on looking for specific qualities in candidates who are also expected to be able to demonstrate appropriate abilities and relevant experience.

“This was not my first application for a full time appointment. I learned from previous experience and applied this cumulative knowledge together with the helpful interview feedback given by the JAC. What is needed, in both the application form and at the interview, are specific examples of the particular qualities and abilities required for the post, so my approach was to concentrate on getting that right. If you generalise you are not giving any real indication of how good you are at what you are applying for.

“I was glad to be able to do the qualifying test online. I took the test from the comfort of my own office early in the morning. There is a strict time limit and you have to work swiftly. All aspects of civil law and procedure are covered.

“The JAC front of house staff were especially helpful on the selection day. They were careful to explain very clearly what would happen. My experience was that, at interview, one’s knowledge of law was presumed to a great extent. My advice to other candidates would be to concentrate more on what might be asked by the lay panel member. They look at a really diverse selection of areas and here I drew upon my experience as an advisor at the Citizen’s Advice Bureau where I’ve met and mixed with a diverse range of cultures.

“The interview also involved some situational questioning which really added an element of realism. It focuses the mind upon what you would be doing day to day as a District Judge. The answers that you provide also give the panel food for thought for further questioning.

“I would certainly recommend this career path to any CILEx Fellow. I found that taking this route gave me a very good practical grounding. I was able to study and gain work experience at the same time. There is a real advantage to doing it this way, and of course, today CILEx Fellows can apply for a number of judicial roles in courts and tribunals.”

## Michael Frampton



**Michael Frampton is a Fee-paid Medical Member of the First-tier Tribunal War Pensions and Armed Forces Compensation Chamber. He is an ear, nose and throat specialist who served for 17 years in the Royal Navy, including spells on submarines, before working as an NHS consultant for 23 years. He retired from that role in 2012.**

"I first became aware of the role through a friend who is on the tax tribunal and she showed me the vacancy on the JAC website. She thought I seemed to meet all the requirements for the role with my background as a retired NHS ear, nose and throat surgeon and former member of the Royal Naval Medical Service.

"I was appointed in October 2013 and have already sat on the Tribunal five times. I have found it very stimulating, and enjoyable if you can use that word. There is a great camaraderie between those I've worked with so far.

"When I was appointed I made the decision that I would stop the medico-legal work I had been doing since I retired from the NHS in 2012. I wanted to be able to be available for this role.

"I found the initial application form stage fairly painless – it was all electronic and it was very straightforward.

"Having been on the other side of the table for the past 30 years, being the interviewee was unfamiliar and I found the interview a surprisingly traumatic experience. The interview didn't just test my judgement, I also had to work through a medically and legally complex case, interpreting the Armed Forces Compensation Scheme and how it could be applied to arrive at a figure for compensation. I had downloaded the papers for this test case to read in advance so I was prepared, but it was the set questions that surprised me as they seemed more appropriate to a surgical registrar applying for a first consultant post than to an experienced 61 year old; I left the JAC convinced I had blown the whole thing.

"I would recommend that other applicants expect the unexpected at the interview stage. The process is certainly thorough and more than 'a friendly chat across the table' and 'a bit of a formality' – which I believe may have been the case in the past. I would also recommend a good night's sleep the night before; I travelled down to London on a very early train on the day of my interview and with the benefit of hindsight, I should have stayed at a hotel in London so that I felt fresher and more relaxed when I arrived at the JAC.

"This appointment is definitely one I would warmly recommend to my contemporaries, especially those who have served in the Forces who are also doctors. It was interesting that of the 10 doctors appointed at the same time, most had some insight into Service life, not necessarily serving themselves but having some past experience of the Reserve Forces, or as members of Forces families.

"During my training and at the Tribunal I have met many like-minded people who feel as I do that having worked for myself for the last 40 years it's nice to be doing something for other people; I know that doctors always try to help people, but this is slightly different as it is not done to pay the mortgage."



PART 2:  
ANNUAL ACCOUNTS  
2013/14



# MANAGEMENT COMMENTARY

## DIRECTORS' REPORT

### Introduction

The Judicial Appointments Commission (JAC) commenced operation on 3 April 2006, as part of the changes brought about by the Constitutional Reform Act 2005 (CRA), as amended by the Crime and Courts Act 2013. For the purposes of this report, Directors are defined as those who influence the decisions of the JAC as a whole, including Commissioners and the senior leadership team. Commissioners and Directors who served during 2013/14 are set out in the Remuneration Report, pages 41 to 47.

### Statement of the accounts

The financial statements for the period 1 April 2013 to 31 March 2014 have been prepared in a form directed by the Lord Chancellor with the approval of the Treasury in accordance with paragraph 31(2) of Schedule 12 to the CRA.

### Equal opportunities and diversity

The JAC continues to promote equality of opportunity, both in the selection of candidates for judicial office and in the recruitment, training and promotion of staff. The JAC meets its responsibilities under the Equality Act 2010, and the JAC's equality objectives for 2012-2016 can be viewed on the JAC website including a bi annual performance update. The consideration and implementation of reasonable adjustments is fully integrated into the work of the JAC in relation to our dealings with all candidates and our own staff.

### Employee involvement and wellbeing

The JAC works directly with staff through team meetings and electronic communication. We have regular, at least every two months, all office meetings where significant information, or changes that apply to all, are cascaded and discussed. All staff are encouraged to ask about organisational issues and how these relate to themselves and their work. We have also reintroduced drop in sessions where staff can talk to our CEO and Director of Operations about any work related issues.

We continue to monitor the JAC's intranet to ensure that it contains relevant information in a format that

is easy to communicate, and staff bulletins are issued fortnightly.

Our Health and Safety Policy, and responsibilities as set out in the Statement of Intent, are published on our intranet for staff. This is being revised following our move to MoJ Headquarters in 102 Petty France, London. We communicate other health and safety information to staff through the intranet and by notices. We have sufficient trained first aiders and fire wardens in place. There were no reportable health and safety incidents.

As mentioned on page 25, the JAC surveys the opinions of staff annually and undertakes exit interviews/questionnaires on all staff who leave. Our annual staff survey maintained its excellent response rate of 91% (89% in 2012), which is well above the general Civil Service benchmark. Our overall engagement score also increased to 62% (53% in 2012). However, we do need to continue to recognise the challenges being faced by public sector staff concerning pay and other resources, so we recognise the need to listen to staff feedback.

The Staff Forum, which was first established in November 2008, still meets monthly and holds regular open door sessions for staff to express views and discuss issues. The Forum also meets with the senior leadership team to identify any strategic issues.

### Timeliness in paying bills

The JAC aims to pay all properly authorised and undisputed invoices in accordance with contractual conditions or, where no such conditions exist, as soon as possible, but certainly within 30 days of the presentation of a valid invoice. During the financial year 2013/14 the JAC also monitored its payment performance against a 10 day target (of 90%).

As the JAC has one weekly payment run, these targets are often difficult to achieve, whilst also ensuring that proper checks are made to ensure invoices are valid.



The following sets out the JAC performance:

	2013/14 %	2012/13 %	Target %
Payment within 10 days	89.7	83.8	90
Payment within 30 days	99.8	99.8	100
<b>Total number of invoices</b>	<b>397</b>	<b>531</b>	

### Pension liabilities

Details regarding the treatment of pension liabilities are set out in notes 1g and 2 to the financial statements.

### Significant outside interests

In accordance with the Code of Conduct for the Judicial Appointments Commissioners, a register of financial and other interests was maintained and updated throughout the year by the Commissioners' Secretariat, who can be contacted at the offices of the JAC, 5th Floor, 102 Petty France, London SW1H 9AJ.

### Auditors

Under paragraph 31(7) Schedule 12 of the Constitutional Reform Act 2005, the Commission's external auditor is the Comptroller and Auditor General. The cost of the audit is disclosed in note 3 to the financial statements, and relates solely to statutory audit work.

So far as the Accounting Officer is aware, there is no relevant audit information of which the external auditors are unaware.

The Accounting Officer has taken all steps that he ought to have taken to make himself aware of any relevant audit information, and to establish that the JAC's auditors are aware of that information.

The JAC Framework Document requires that internal audit arrangements should be maintained in accordance with the Public Sector Internal Audit Standards. The MoJ Internal Audit (IA) service provides an independent and objective opinion to the Accounting Officer on the adequacy and effectiveness of the organisation's risk management, control and governance arrangements through a dedicated internal audit service to JAC. IA attends the JAC Audit and Risk Committee, which provides oversight on governance and risk management.

### Likely future business developments

Likely future developments and how they will affect our business are set out in the commentary below.

### Financial review

#### Accounting standards

The financial statements for the JAC are prepared in accordance with the Government's Financial Reporting Manual and applicable accounting standards.

#### Commentary on the accounts

In 2013/14 the JAC made more selections compared to 2012/13, and this was achieved with a reduced financial allocation. The Net Expenditure Account shows that net expenditure for the year was £5,561k compared with £6,691k the previous year, a 17% decrease. This was due to a reduction of £337k (9%) in pay costs following staff departures; £405k (52%) in selection exercise programme costs; and £411k (23%) in non-cash charges relating to services provided by the MoJ, due to the move to the Petty France offices.

The most notable of these variances was selection exercise costs, bearing in mind the fact that we made a record number of recommendations in the year. The data relating to recommendations and applications relate to those exercises that reported to the Lord Chancellor or Appropriate Authority during the year. However, there were a small number of large exercises that reported in 2013/14 that had little or no costs in 2013/14, notably Circuit judge (exercise 00712) and Fee-paid Medical Member of the First-tier Tribunal, Social Entitlement Chamber (Social Security and Child Support) (exercise 00790) that between them incurred £7k direct costs in 2013/14, but represented 313 recommendations. In addition, due to the nature of the remaining exercises in the programme we incurred much lower costs, such as advertising, where we tend to only pay for non-legal exercises, as we take advantage of other 'free' channels. There were also lower outsourcing and actors' costs due to the nature of the exercises delivered.

In response to the reductions in budgets, as a result of the Spending Review, the JAC continues to look at its staffing and organisational structure whenever a member of staff leaves, to see whether efficiencies can be made. There has been a slight reduction in staff during the year. The result of these measures mean that the JAC underspent on its grant-in-aid allocation of £4,911k by £709k (14%), spending just £4,202k of its allocation, which also takes account of the utilisation of the provision established in 2009/10 to fund an early retirement. We therefore did not draw down our full grant-in-aid allocation. For the purposes of the summary financial data on pages 7 and 8 panel chairs and lay panel members' costs are treated as selection exercise programme costs.

The JAC continues to make extensive use of shared services for central functions, such as the provision of accommodation, HR and IT by the MoJ, to benefit from economies of scale. These costs are generally 'soft' charged, with no funds exchanged, although some are 'hard' charged. Further details of the 'soft' charges can be found in note 4 to the financial statements.

The closing bank balance relates to grant-in-aid drawn down by the JAC in readiness to pay its liabilities.

## Development and performance

### Overview of the year

As described in Part 1, the JAC completed 35 selection exercises in 2013/14 (36 in 2012/13), and began a further four continuing into 2014/15. The number of recommendations made, and applications received during the year, is dependent upon the mix of exercises. The JAC made 806 recommendations in 2013/14 (597 in 2012/13), and received 5,591 applications for these positions (4,637 in 2012/13).

We have also continued to operate fair and non-discriminatory selection processes and we have worked with others to encourage applications from a wider range of people. We have played a key role in the Judicial Diversity Taskforce, which was set up in March 2010 by the Lord Chancellor following the report of the Advisory Panel on Judicial Diversity (Neuberger Report). Progress against the recommendations in the report was first published in May 2011, with a progress report published in September 2012. A final update is expected to be published in September 2014. We have also continued to work with partners through the JAC Diversity Forum to encourage a collective approach to identifying and breaking down the barriers to

application and set up a working group to take forward the actions from the 2013 research.

We are working with our supplier on developing an IT system – Judicial Appointments Recruitment System (JARS) – and have obtained assistance from MoJ, most notably in relation to the procurement and security of the system. This will replace our existing database, and provide a more effective system to help us deliver the selection exercise programme more efficiently. We have commenced the build of this system, which has been recorded as an asset in the course of construction.

The JAC key relationships are with our candidates, the Lord Chancellor and his officials, the Lord Chief Justice and the judiciary, Her Majesty's Courts and Tribunals Service and the legal professional bodies.

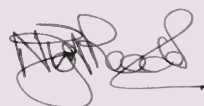
Members of the judiciary participate in each element of the selection exercise process, setting and marking qualifying tests for selection exercises and participating as interview panel members. As disclosed in the Remuneration Report, the services of judicial Commission members, as well as the cost of the judicial input to the selection process, are provided without charge.

There was one loss of personal data during the year – as set out in the Governance Statement (Nil in 2012/13).

### Progress in relation to corporate objectives

For further details of the progress made by the JAC against the strategic objectives set out in the 2013/15 Business Plan, see Appendix B: Performance in 2013/14.

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
27 June 2014

# STRATEGIC REPORT

## Forward look and future developments

The grant-in-aid allocation provided by MoJ will decrease from £4,911k in 2013/14 to £4,850k in 2014/15 (a 1% reduction). This is only a modest decrease compared to recent years, and is due to the higher costs associated with the JAC's transition to the new IT system and to help us through our Change Programme, as well as providing funds for a Voluntary Early Departure scheme.

There are fluctuations in the number and type of exercises the JAC is asked to run each year. As at the start of the new financial year, while we expect to see broadly the same number of exercises, they will attract lower numbers of candidates, and we expect our overall number of recommendations made to reduce significantly by the year-end. However, we continue to deliver the exercises as required by the Lord Chancellor, and are flexible to any changes requested to the programme.

The Business Plan 2014/15 gives further details of the JAC's objectives (effectively covering our business model and strategy) for the year ahead and how these will be achieved. These are:

- To deliver a selection exercise programme, agreed with our partners.
- To run each selection exercise fairly and with transparency, recommending high quality candidates, solely on merit, to the appropriate authority, while delivering a positive candidate experience.
- To have regard to the need to encourage diversity in the range of persons available for selection for appointments.
- To deliver change in the form of more efficient, effective, economical and candidate-focused processes.
- To deliver an effective operating model for the JAC with an organisational structure adapted to provide value for money.

## Principal risks

The principal risks for the JAC are set out in the Corporate Risk Register, with the main ones being: delivery of the agreed Change Programme, including the Equal Merit Provision; loss of corporate knowledge; failure of IT candidate system; and that candidates from our target groups (women, BAME, disabled and solicitors) do not progress through the selection process in line with the eligible pool.

The senior leadership team monitors these corporate risks (via the Corporate Risk Register), each quarter and takes action to ensure that the risks are, to the extent possible, mitigated. The Corporate Risk Register is then discussed at the Audit and Risk Committee, and a summary provided to the main Commission Board through the Management Information Pack. The Governance Statement also provides a description of the key elements of the risk and control framework.

## Going concern

The Statement of Comprehensive Net Expenditure Account shows a deficit in 2013/14. Due to grant-in-aid funding the Statement of Financial Position at 31 March 2014 shows an excess of assets over liabilities of £559k.

Whilst the JAC is currently undergoing a Triennial Review, we know of no intention to suspend the JAC's activities. In addition, the Lord Chancellor, as part of oral evidence to the Constitution Committee on 26 March 2014, said that "There is no question of not having a Judicial Appointments Commission". It has therefore been considered appropriate to adopt a going concern basis for the preparation of these financial statements. Grant-in-aid for 2014/15, taking into account the amounts required to meet the JAC's liabilities, has already been included in the departmental estimate.

## Staffing gender split

The split of the Directors, senior leaders and staff is as follows:

	Male	Female	Total
Directors	1	1	2
Senior leaders	5	5	10
Staff	20	31	51
<b>Total</b>	<b>26</b>	<b>37</b>	<b>63</b>

These correspond to the total of permanent, fixed term contracts and seconded staff as set out in note 2.

## Environmental, social and community matters

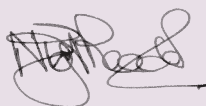
Staff sickness absence levels have again risen above the average across Civil Service organisations. For 2013/14 on average 9.73 days for each member of staff was lost (8.29 days in 2012/13). More information on staff wellbeing is provided on page 25.

JAC staff are encouraged to be conscious of sustainability and energy-saving issues. The JAC has a Green Champion who works with the MoJ Sustainability team and promotes good practice directly and via the intranet.

The JAC is exempt from sustainability reporting. However, its offices are within the main MoJ building, and therefore information on this, including details on greenhouse gas emissions, can be found in the MoJ's consolidated resource accounts.

The JAC fully considers human rights issues in relation to its staff and candidates.

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
27 June 2014

# REMUNERATION REPORT

This Remuneration Report has been prepared in accordance with Chapter 6 of the Companies Act 2006 as interpreted for the public sector context. It summarises JAC policy on remuneration as it relates to Commissioners and Directors.

The two principal features of this report are:

- a summary and explanation of the JAC's remuneration and employment policies and the methods used to assess performance; and
- details of salaries, benefits in kind and accrued pension entitlement (details of remuneration and benefits are set out in the tables within this report and have been subject to audit by the Comptroller and Auditor General under the Constitutional Reform Act 2005).

## Appointment policy

The Lord Chancellor, under the provisions of the Constitutional Reform Act 2005 (CRA), approves the appointment of the Chief Executive of the JAC and the terms and conditions for staff and Commissioners. For the first half of the year covered by this Report the CRA also provided for the appointment by the Lord Chancellor of the Chairman and 11 Commissioners following full and open competitions and following recommendation by independent selection panels. The Judges' Council was responsible for selecting the three senior judicial Commissioners comprising a mix of Court of Appeal and High Court judges – the legislation required at least one of each.

Changes introduced by the Crime and Courts Act 2013, which came into effect in October 2013, substituted the CRA provisions relating to the composition of the Commission with new arrangements set out in secondary legislation (The Judicial Appointments Commission Regulations (SI 2013/2191)). While those Regulations maintain the majority of the previous arrangements there are two areas of change to note. First, in respect of the 11 Commissioners outlined above, the Regulations provide that in respect of the two professional members, instead of limiting those offices to one solicitor and one barrister the legislation extends the opportunity to apply for one of those offices to Fellows of CILEx. Second, in respect of the three senior judges, two of those (a Court of Appeal judge and a High Court judge) are still selected by

the Judges' Council, but responsibility for selection of the third judge is to be made by the Tribunal Judges' Council, which is required to select a senior tribunals judge for the third senior judicial commissioner role. The Regulations also provide for the Lord Chancellor to alter the composition of the Commission by Order, but no such Orders were made during the period.

## Directors

The existing Directors (who are senior civil servant equivalents) are permanent members of the JAC. The terms and conditions of their appointments, including termination payments, are governed by their contracts. The Directors during 2013/14 and details of their contracts are set out on page 45.

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. 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 and 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 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 public services, including the requirement on departments to meet the output targets for the delivery of departmental services; 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 on the Office of Manpower Economics' website at <https://www.gov.uk/government/organisations/office-of-manpower-economics>.

## 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. JAC staff are employed as Public Servants, rather than Civil Servants, but the principles of this Act still apply. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the Directors covered by this report hold appointments which are governed by their contracts. Early termination, other than for misconduct, results in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

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

## Panel Chairs and Panellists

The JAC has appointed panellists who are used, when required, to assess candidates for selection. These panellists can either operate as panel chairs or as independent members. The panel chairs provide a summary report for Commissioners on candidates' suitability for selection. These panel chairs and panellists are paid a fee for each day worked and are entitled to reimbursement for travel and subsistence. The taxation on such expenses is borne by the JAC, as agreed by HM Revenue and Customs. They do not have any pension entitlements.

## Commissioners

Commissioners are appointed by the Lord Chancellor for fixed terms in accordance with Schedule 12 of the Constitutional Reform Act 2005. No Commissioner is permitted to serve for periods (whether or not consecutive) for longer than 10 years. Commissioners are public appointees and provide strategic direction to the JAC and select candidates for recommendation for judicial office to the Appropriate Authority. Changes introduced by the Crime and Courts Act 2013, which came into effect in October 2013, substituted the CRA provisions relating to the appointment of Commissioners with new arrangements set out in secondary legislation (The Judicial Appointments Commission Regulations (SI 2013/2191)). While those Regulations maintain the previous arrangements for the appointment of Commissioners outlined above, they also provide for the Lord Chancellor to alter the composition of the Commission by Order. No such Order was made during the period.

Commissioners, excluding the Chairman and those who are members of the judiciary are paid a fee by the JAC. The fee is neither performance-related nor pensionable. Any increase in the level of fees is at the discretion of the Lord Chancellor. Commissioners who are in salaried state employment, including judges, receive no additional pay for their work for the JAC. Commissioners do not receive any pension benefits.

Commissioners who are entitled to a fee are paid an annual amount of £9,473 in respect of 28 days service a year. In exceptional circumstances they may be paid for additional days' work at £338.33 per day. Commissioners entitled to a fee, who were in post up to the end of January 2012, were paid an annual fee at a rate of £12,180, in respect of 36 days' service per year. If these Commissioners worked additional days, they were paid at £406 per day. The remuneration of the Chairman is included in the Directors' remuneration table on page 45.

The members of the Commission during 2013/14 and details of their appointments are set out below.

	Date of original appointment	Date of re-appointment	Length of current term
<b>Chairman</b>			
Christopher Stephens	07/02/2011	07/02/2014	2 years
<b>Commissioners</b>			
Mr Justice Bean (left on 31/03/2014)	01/09/2010		5 years
Martin Forde QC	05/01/2012		3 years
Professor Noel Lloyd CBE	01/02/2012	01/02/2014	3 years
Ms Alexandra Marks	05/01/2012		3 years
Lieutenant General Sir Andrew Ridgway KBE CB	01/02/2012	01/02/2014	3 years
Dame Valerie Strachan DCB	01/02/2012		3 years
Mr Justice Wilkie	25/05/2012		5 years
<b>Left during the year</b>			
Lady Justice Black DBE	01/10/2008		5 years
District Judge Malcolm Birchall	01/02/2012		2 years
Judge Alison McKenna	01/02/2012		2 years
Mrs Stella Pantelides	01/02/2012		3 years
Ranjit Sondhi CBE	01/02/2012		2 years
Her Honour Judge Deborah Taylor	05/01/2012		3 years
John Thornhill Esq JP FRSA	01/02/2012		2 years
<b>Joined during the year</b>			
Professor Emily Jackson	01/02/2014		3 years
Lady Justice Macur DBE	01/10/2013		5 years
Katharine Rainsford	01/02/2014		3 years
Lucy Scott-Moncrieff CBE	01/02/2014		3 years
District Judge Christopher Simmonds	01/02/2014		3 years
Debra van Gene	01/02/2014		3 years



## Commissioners' remuneration

The Commissioners' remuneration (audited) for the year is as shown below (for joining/leaving dates see Governance Statement), including payments to Commissioners for acting as panellists in selection exercises:

			2013/14	2012/13
	Remuneration	Benefits in kind	Total	Total
	£000	(to nearest £100)	£000	£000
Mr Justice Bean (left on 31/03/2014)	-	-	-	-
Martin Forde QC	9	-	9	9
Professor Noel Lloyd CBE	13 <sup>1</sup>	7,100	20	15
Ms Alexandra Marks	16 <sup>2</sup>	-	16	9
Lieutenant General Sir Andrew Ridgway KBE CB	11 <sup>3</sup>	6,200	17	30
Dame Valerie Strachan DCB	15 <sup>4</sup>	-	15	14
Mr Justice Wilkie	-	-	-	-
<b>Left during the year</b>				
Lady Justice Black DBE	-	-	-	-
District Judge Malcolm Birchall	-	-	-	-
Judge Alison McKenna	-	-	-	-
Mrs Stella Pantelides	10	600	11	12
Ranjit Sondhi CBE	8	2,200	10	12
Her Honour Judge Deborah Taylor	-	-	-	-
John Thornhill Esq JP FRSA	8	5,100	13	15
<b>Joined during the year</b>				
Professor Emily Jackson	2	-	2	-
Lady Justice Macur DBE	-	-	-	-
Katharine Rainsford	2	-	2	-
Lucy Scott-Moncrieff CBE	2	-	2	-
District Judge Christopher Simmonds	-	-	-	-
Debra van Gene	2	-	2	-
<b>Total</b>	<b>98</b>	<b>21,200</b>	<b>119</b>	<b>116</b>

<sup>1</sup> Includes remuneration for acting as a panellist on the Lord Chief Justice selection

<sup>2</sup> Includes remuneration for acting as a panellist on the High Court selection

<sup>3</sup> Includes remuneration for acting as a panellist on the Queen's Bench Division selection

<sup>4</sup> Includes remuneration for acting as a panellist on the Lord Chief Justice, President of the Investigatory Powers Tribunal and the Queen's Bench Division selections

All remuneration is based on the time each Commissioner was in office, so does not necessarily represent a full year's service – see dates for original appointments on page 43.

Commissioners acted as panellists for a total of 93 days in the reporting period.

### Benefits in kind

Commissioners may be reimbursed for their travel and subsistence costs in attending Commission business if the cost of their journey is greater than what they would otherwise incur with their other employment. Since non-judicial Commissioners are deemed to be employees of the JAC, the amounts of these reimbursements are treated as benefits in kind and are disclosed in the table above and incorporated into the benefits in kind amounts.

The taxation on such expenses is borne by the JAC. There are no other benefits in kind.

Judicial Commissioners are not deemed to be employees of the JAC, and therefore their travel and subsistence costs are not treated as benefits in kind. Total claims for Judicial Commissioners were as follows: Mr Justice Bean £65; District Judge Birchall £2,323; and Judge Alison McKenna £62. There were no other travel and subsistence claims made.

## Staff

For a breakdown of average staff numbers see note 2 to the accounts.

### Appointments

The Directors during 2013/14 and details of their appointments are set out below:

		Date of appointment	Contract
<b>Chief Executive</b>	Nigel Reeder	20/12/2011	Permanent member of staff (3 month notice period)
<b>Directors:</b>			
Selection Exercises	Sarah Gane	30/03/2009	Permanent member of staff (3 month notice period)
Operational Services	John Rodley	04/02/2009	Fixed Term Contract: 4 years (3 month notice period) Left 31/07/2013

### Remuneration (including salary) and pension entitlements (including the Chairman)

The following sections provide details of the remuneration and pension interests of the Directors of the JAC (audited), including the Chairman, which were as follows:

Single total figure of remuneration:

	2013/14				
	Salary	Bonus Payments	Benefits in kind	Pension benefits <sup>4</sup>	Total
	£000	£000	(to nearest £100)	£000	£000
Christopher Stephens	55-60 <sup>1</sup>	-	-	-	55-60
Nigel Reeder	80-85	-	-	(5)-0	80-85
Sarah Gane	70-75	-	-	20-25	90-95
John Rodley	25-30 <sup>2</sup>	-	-	5-10	30-35
	2012/13				
	Salary	Bonus Payments	Benefits in kind	Pension benefits <sup>4</sup>	Total
	£000	£000	(to nearest £100)	£000	£000
Christopher Stephens	35-40 <sup>3</sup>	-	-	-	35-40
Nigel Reeder	80-85	-	-	0-5	80-85
Sarah Gane	65-70	-	-	10-15	75-80
John Rodley	75-80	-	-	25-30	100-105

Notes:

- The figure is the rate based on a 0.4 FTE between 1 April 2013 and 30 September 2013, plus associated overtime, and 0.6 FTE between 1 October 2013 and 31 March 2014. Full-year equivalent rate being £100-105k
- The figure quoted is for the period 1 April 2013 to 31 July 2013. Full-year equivalent rate being £75-80k
- The figure is the rate based on a 0.4 FTE. Full-year equivalent rate being £90-95k
- 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 increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights

## ■ Remuneration report

### Pay Multiples

The JAC is required to disclose the relationship between the remuneration of the highest-paid director in the organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the JAC in the financial year 2013/14 was £80-85k (2012/13, £80-85k). This was 2.8 times (2012/13, 2.8 times) the median remuneration of the workforce, which was £29,790 (2012/13, £29,495).

In 2013/14, Nil (2012/13, Nil) employees received remuneration in excess of the highest-paid director.

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.

This presentation is based on the cash payments made in the year by the JAC.

### Benefits in kind

Directors have no entitlement to benefits in kind. In 2013/14 no Director received any benefits in kind.

Total travel and subsistence claims over the reporting period for Directors were as follows: Christopher Stephens £684; Nigel Reeder £114; Sarah Gane £33; John Rodley £Nil.

### Pension Benefits

The following sections provide details of the pension interests of the Chairman and Directors of the JAC.

#### Pension Benefits

The pension entitlements (audited) of the Directors, including the Chairman were as follows:

	Total accrued pension at pension age as at 31/03/2014 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/03/14 £000	CETV at 31/03/13 £000	Real increase in CETV £000	Employer Contribution to partnership pension account Nearest £000
Christopher Stephens <sup>1</sup>	-	-	-	-	-	-
Nigel Reeder	40-45 plus Lump sum 120-125	0-2.5 plus Lump sum 0-2.5	860	810	(1)	-
Sarah Gane	20-25 plus Lump sum 60-65	0-2.5 plus Lump sum 2.5-5	319	285	13	-
John Rodley	5-10 plus Lump sum 0-5	0-2.5 plus Lump sum 0-2.5	152	137	9	-

Note:

1 Is not entitled to pension benefits

The CETV figures are provided by approved pensions administration centres, who have assured the JAC that they have been correctly calculated following guidance provided by the Government Actuary's Department.

#### Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil and public 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 their pensionable earnings during their 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 the 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 [www.civilservice.gov.uk/pensions](http://www.civilservice.gov.uk/pensions).

#### Cash equivalent transfer values

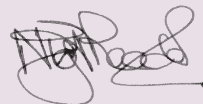
A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment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

The 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.

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
27 June 2014

## STATEMENT OF THE COMMISSION'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Constitutional Reform Act 2005, the Lord Chancellor with the consent of HM Treasury has directed the Judicial Appointments Commission (JAC) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the JAC and of its net resource outturn, application of resources, changes in taxpayers' equity, and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Lord Chancellor including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Accounting Officer of the MoJ has designated the Chief Executive as Accounting Officer of the JAC. 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 JAC's assets, are set out in Managing Public Money published by HM Treasury.

# GOVERNANCE STATEMENT

## Framework

### Introductory

As Accounting Officer for the JAC I have overall responsibility for ensuring the JAC applies high standards of corporate governance – including effective support for the Board's performance and management of risks, to ensure it is well placed to deliver its objectives and is sufficiently robust to face challenges.

I have responsibility for maintaining a sound system of internal control that supports the achievement of the JAC's policies, aims and objectives, while safeguarding public funds and JAC assets for which I am responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

### Committee Structure

In order to achieve these aims the JAC has in place the following committee structure, which is supported by a Senior Leadership team (comprising myself, the Director of Operations and all Assistant Directors), who in turn are supported by a dedicated JAC staff. Specific support is provided to the Chairman (and Vice Chairman, as required) by a Private Office function and all Commissioners are served by a Secretariat.

- The Commission (comprising 15 Commissioners including the Chairman as set out in the Constitutional Reform Act 2005 (CRA), as amended by the Crime and Courts Act 2013 (CCA) – meets monthly (except in January, April and August). Members of the Commission come from a wide background and are drawn from the lay public, the legal professions, tribunals, the magistracy and the judiciary. The specific make up of the Commission means that it has a breadth of knowledge and expertise. In addition, the Director of Operations and I attend Commission meetings. The Commission has overall responsibility for: the JAC's strategic direction, within the provisions of the CRA, as amended by the CCA, and supporting the Framework Document agreed between the Lord Chancellor and the Chairman of the JAC; ensuring that statutory or administrative requirements for the use of public funds are complied with; reviewing financial information concerning the management of the JAC; and demonstrating high standards of corporate governance at all times.
- Selection and Character Committee (SCC) – generally meets twice a month (with some variation depending on business need). Membership is the same as the Commission, and the Committee is chaired by the JAC Chairman, Vice-Chairman or another nominated Commissioner. The SCC identifies candidates suitable for recommendation to the Appropriate Authority for appointment to all judicial offices under Schedule 14 to the CRA, as amended by the CCA and to other offices as required by the Lord Chancellor under Section 98 of the CRA. In order to meet quoracy requirements, selection and character decisions can be made only when at least three Commissioners are present; of which one Commissioner must be a lay member and one a judicial member.
- Audit and Risk Committee (ARC) – the Committee comprises the Chair (a Commissioner), an independent (non-JAC) member and two other Commissioners. The Committee meets four times a year, with an additional meeting to consider annual accounts, and advises me on the adequacy and effectiveness of risk management and internal control, including the strategic risk register processes. The Committee assesses the internal and external audit activity plans and the results of such activity.

■ Governance statement

Attendance at Board and Committee meetings during the year:

Commissioner details	Meetings attended in 2013/14		
	Board	SCC <sup>1</sup>	ARC
<b>Number of meetings: 01/04/2013 to 31/01/2014</b>	7	17	5
<b>Number of meetings: 01/02/2014 to 31/03/2014</b>	2	5	0
<b>Total Meetings in the Year</b>	<b>9</b>	<b>22</b>	<b>5</b>
Christopher Stephens (Chairman) <sup>2</sup>	9	21	-
Mr Justice Bean (left 31/03/2014)	7	15	-
Martin Forde QC	6	7	-
Professor Noel Lloyd CBE <sup>2</sup>	8	15	-
Ms Alexandra Marks	8	15	-
Lieutenant General Sir Andrew Ridgway KBE CB <sup>2</sup>	9	9	-
Dame Valerie Strachan DCB	9	18	5
Mr Justice Wilkie	9	17	-
<b>Left during the year</b>			
District Judge Malcolm Birchall (term ended 31/01/2014)	3	12	2
Lady Justice Black DBE (Vice Chairman) (term ended 30/09/2013)	4	6	-
Judge Alison McKenna (term ended 31/01/2014)	5	5	-
Mrs Stella Pantelides (left 31/01/2014)	6	7	-
Ranjit Sondhi CBE (term ended 31/01/2014)	6	12	-
Her Honour Judge Deborah Taylor (left 14/11/2013)	2	4	-
John Thornhill Esq JP FRSA (term ended 31/01/2014)	7	10	5
<b>Joined during the year (from 01/02/2014 unless otherwise stated)</b>			
Professor Emily Jackson	2	1	-
Lady Justice Macur DBE (Vice Chairman) (from 01/10/2013)	4	9	-
Katharine Rainsford	2	1	-
Lucy Scott-Moncrieff CBE	1	1	-
District Judge Christopher Simmonds	2	1	-
Debra van Gene	2	1	-
<b>Vacancies at year-end</b>			
Vacant Circuit Judge Position (from 15/11/2013)	N/A	N/A	N/A

Notes

- 1 Commissioners are allocated to attend 11 SCC meetings per year. It is open to them to attend additional meetings at their own discretion, or when additional meetings are scheduled to deal with urgent business.
- 2 Commissioners re-appointed during the year.



### Working with partners

In addition to various ad hoc meetings throughout the year, the JAC either hosts or participates in the following forums, to assist it in achieving its aims, in collaboration with its partners:

- Diversity Forum – hosted by the JAC, the Forum meets quarterly. The Forum comprises the Chair (the JAC Chairman) another JAC Commissioner informally nominated to take a lead on diversity, and any other interested Commissioners, in addition to the Chief Executive and the Equality and Fair Treatment Manager. The meeting is attended by representatives of the MoJ (including the Permanent Secretary and/or a Minister/ Undersecretary of State), Judiciary and legal professions. The Forum is supported by a Working Group formed for the purpose of taking forward a plan of action following the results of the Barriers to Entry research.
- Senior Appointments Selection Panels – convened as vacancies arise. The CCA stipulates that a panel convened to select Justices of the Supreme Court must be chaired by a lay member and include a minimum of one JAC Commissioner.
- Advisory Group – meets monthly. The Group comprises the Chair (a JAC Commissioner), the Director of Operations, and other JAC staff members, in addition to representatives of the Judiciary and legal professions. The Advisory Group considers the suitability of materials and methods to be used in selection processes for specific exercises.

## Board and Committee Performance

### Board Papers

Board papers follow a standard template to ensure they are completed, taking account of all possible dependencies such as financial, risk and media, and where relevant, equality implications. They are also reviewed prior to submission. This enables Board members to make sound judgements, based on the information contained in the papers. Minutes of the Board are made public on the JAC website.

### Board performance evaluation

The Board assessed its performance towards the end of 2012/13 by completing a questionnaire, based on the National Audit Office Board Evaluation Questionnaire. The JAC Commission Board Evaluation Questionnaire had 28 questions covering: objectives; strategy and remit; performance measurement; relationships with key stakeholders; propriety and complaints; Project Management; risk management; audit and corporate reporting; and the Boardroom.

The results were overwhelmingly positive. Commissioners discussed the results of the questionnaire at a Board strategic event on the 10 May 2013 and no significant issues were raised as a result.

Board meetings or reports have not revealed any issues during the course of the year that suggest the organisation has been vulnerable in relation to its performance or the stewardship of its resources. This can be confirmed through the performance against our Business Plan objectives, whilst keeping well within our budget allocation from the MoJ. Other assurance mechanisms are through the work and reports from both the Internal and External Audit functions.

In common with some JAC staff members, each Commissioner is subject to evaluation through the provision of '360°' feedback. This feedback is considered as part of the review process each Commissioner has with the Chairman.

### Board discussions

The Board has considered a wide range of issues over the year, including: the JAC's Good Character Guidance (redrafted; for candidates), Selection Process Review, grading of candidates, assessment materials, process for selecting deputy High Court judges, authorisation of Circuit Judges to sit in the Court of Appeal and the interim process for such authorisations, changes to statutory consultation, selection processes as they apply to certain individual selection exercises, the Equal Merit Provision, the JAC Communications Strategy, Judicial Appointments Recruitment System (JARS - the new IT system), authority to approve decisions with regard to the number of Statutory Consultees, JAC Staff Survey results, Rehabilitation of Offenders Act 1974 (exceptions order 1975) as it now applies to candidates for judicial appointments, Section 9(1) process for authorisations, personalised feedback for candidates, the use of personal references, Commissioners as applicants for judicial office, JAC Business Plan 2014/15, and regular reports from working groups and Assistant Directors, which incorporated progress on selection exercises, performance, finances and risk.

The Chairs of the Audit and Risk Committee, the Advisory Group, and IT Project Steering Group briefed the Board on the highlights of their respective meetings.

As part of the Chairman's goal of increasing engagement with key interested parties, guests are invited to attend Board meetings to exchange views, discuss priorities and other pertinent issues. Guests attend a portion of a Board meeting and are not present for the entirety of a meeting, nor do they have any influence on the Board's decision-making.

Guests attending Board meetings in the year included: the Lord Chief Justice and the Chairman of HM Courts and Tribunals Service.

#### **Audit and Risk Committee performance**

At the end of 2012/13, the Audit and Risk Committee assessed its effectiveness by using the National Audit Office Audit Committee self-assessment checklist. Compliance with the checklist was found to be good with only minor recommendations for change. These recommendations, implemented in 2013/14, included: declarations of interest added to the agenda at the start of each meeting; training on accounting within Government; and advance notice of 'any other business' in relation to Committee meetings.

### **Transition**

#### **Changes to the Commission**

A third of the Commission changed at the start of February 2014. In October 2013 there was a change of Vice Chairman. The JAC had a vacancy for a judicial member (Circuit Judge) from 15 November 2013 until the end of the year, due to the early departure of one such member.

As a result of February's turnover, ARC membership also changed following the departure of two serving Commissioner members. On 27 March, the two new members received an induction in respect of their ARC duties.

Continuity has been evidenced by the re-appointment of the incumbent Chairman for an additional two-year term, in addition to the re-appointment of two Commissioners who had applied to renew their terms, and five Commissioners whose current terms have not ended in this period.

While turnover of Commissioners is less than that experienced in 2011/12, the JAC has remained alive to the potential for the loss of knowledge as identified in the Corporate Risk Register. In order to mitigate this risk the JAC had in place a number of initiatives to ensure a thorough handover process, as follows:

- As part of the selection process for new Commissioners, the Chairman sought to identify suitable candidates who may be reasonably allocated to Working Groups or take lead responsibility for particular functions where vacancies have arisen.
- The Induction Manual for Commissioners was revised and made up-to-date. This document covers: the background and history of the

JAC; the JAC's statutory duties; the JAC's selection processes; the JAC's organisational structure; duties performed by Commissioners; Commissioners' Code of Conduct, Terms and Conditions, and Standards of Public Life; and the JAC working environment.

- All new Commissioners attended a formal Induction on 6 February 2014, which covered: the selection process; exercise programme; regularity and propriety; information assurance and security; and administrative issues.
- An Exercise Management Plan was designed to provide the detail of exercises being handed over and was used by all selection exercise teams. It has been the task of the Selection Exercise Programme Manager to provide exercise-specific induction for the new Commissioners on those specific exercises that they are assigned to. To assist in their induction, new Commissioners have been assigned to some exercises where sitting Commissioners are already assigned. This step has been taken to provide an opportunity for new Commissioners to learn through direct experience. Feedback from the previous handover indicated that Commissioners would benefit from a more thorough awareness of their roles when assigned to selection exercises.
- Commissioners attended part of an event on 4 March 2014 to train and refresh JAC selection and Panel members. This provided them with an opportunity to get to know Panel members and understand some more detail of our selection processes.
- Commissioners participated in a two-day Annual Strategic Review on 13-14 March 2014. During this review, Commissioners were briefed on Change Programme progress, the Selection Exercise Programme, the Judicial Appointments Recruitment System (JARS), the work of the Diversity Forum and the Selection Process Review.
- Every new Commissioner had a meeting with the Chairman following their induction and first Board meeting.

#### **Changes to senior staff**

In July 2013, the JAC's Director of Operational Services left the JAC. This led to an organisational restructure being implemented at that time. Following a review of the organisational restructure in October 2013, further adjustments were made. A further review of the structure started in late March 2014, with the outcome expected in early 2014/15.

### **Response to changes of key personnel outside of the JAC**

In this period, the Commission has had to respond effectively to changes of key stakeholders outside of the JAC, including the Lord Chief Justice (October 2013) and President of the Queen's Bench Division (also October 2013). These changes have coincided with legislative changes, affecting the JAC's working relationship with these office-holders.

### **Commencement of Provisions under the Crime and Courts Act 2013 (CCA)**

Throughout this period, a number of CCA provisions have commenced. These affected the criteria for selection of persons to the Commission, the authorisation process to allow persons to sit as deputy High Court judges, the make-up of senior judicial appointments panels (on which JAC Commissioners sit) and introduced the Equal Merit Provision (with a view to increasing judicial diversity).

## **Corporate Governance**

### **Guidance followed**

The JAC follows HM Treasury/Cabinet Office guidance Corporate Governance in Central Government Departments: Code of Good Practice 2011, as far as possible in its capacity as a small arms length body. As such it does not comply with the code provisions relating to a Minister, nor have a separate professionally qualified finance director sitting on the Board, although such a person is a member of the JAC's Senior Leadership Team. The Board membership is also governed by the requirements of the CRA, as amended by the CCA.

The Board does not have any Non-Executive Board members, although the Audit and Risk Committee does have an independent (non-JAC) member.

There is no formal Nominations and Governance Committee in place identifying leadership potential. Risk management is supported fully through the Audit and Risk Committee, which reports back to the Board.

### **Responsibility**

Otherwise, in accordance with this code, the JAC Board and its other Committees provide the necessary leadership, effectiveness, accountability and sustainability to ensure the JAC delivers its objectives, whilst maintaining an open and transparent dialogue with the MoJ and other key interested parties. As Accounting Officer, I also take seriously my responsibilities on the use of public funds that have been provided to the JAC, to ensure the most effective and efficient use of those funds.

The JAC has a balanced Board in place, in accordance with the CRA, as amended by the CCA, which consists of the Chairman and the Commissioners, who all have equal decision-making rights. As Chief Executive I attend Board meetings, together with the Director of Operations, in a non-voting capacity. Of utmost importance is that all Board members uphold the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

### **Organisational Robustness**

At the ARC meeting in January 2014, the Committee considered the issue of organisational robustness, which was the subject of a brief report produced by the Finance and Performance Team, in collaboration with Human Resources. The report provided an overview of the current health of the organisation, and discussed indicators that are used – and which could be used – in order to assess the JAC's performance.

## **Assurance**

### **Summary**

To assist with this process I, as Chief Executive, alongside the Director of Operations and Senior Leaders are required to sign assurance statements as evidence of the overall assurance provided.

### **Changes of responsibility**

At the start of the year, the JAC had two Directors, covering Operational Services and Selection Exercises who had responsibility for providing assurance for their respective Directorates.

Assurance statements, which are challenged through the Audit and Risk Committee, help determine whether there are any material departures from governance arrangements that need to be reported in this statement.

In July 2013, the Director of Operational Services left the JAC. This led to assurance responsibility being shared between myself and the Director of Operations (a new position created following the organisational structure implemented at that time).

To reflect the restructure, and the significance of the Change Programme in assisting the JAC to meet its objectives, assurance was divided between the following three areas at the mid-year stage:

- Change Programme
- Corporate
- Operations and Policy

■ Governance statement

After the mid-year assessment a new process was adopted for evidencing assurance across these three areas. As Chief Executive I provided overall assurance for the Change Programme and Corporate areas and the Director of Operations provided such assurance for Operations and Policy. The revised statements, however, delegated

responsibility to Assistant Directors for listing exceptions that occurred and controls in place in discrete areas of JAC business.

**Control exceptions**

Significant control exceptions identified this year included:

Significant control exception	Summary of remedial action
Loss of personal data through the physical, external postal system (not retrieved).	Secure electronic/digital communication to be used in future for related data.
Failure to close a list created under s.94 to the Constitutional Reform Act 2015 (CRA) (lists of candidates recommended to be considered in light of future vacancies that may arise) on schedule (Courts exercise).	Selection exercise knowledge no longer restricted to Senior Managers, and all relevant information is maintained on JAC databases.  Selection Exercise Programme Board and Joint Delivery group monitor s.94 lists on a biannual basis, in addition to Senior Leaders on a monthly basis.
Advertisement of a non-Schedule 14 exercise (to the CRA), without a s.98 request from the Lord Chancellor.  Non-Schedule 14 exercises are for offices which are not set out in the CRA which the Lord Chancellor may request the JAC's assistance to complete.	Advertisement temporarily withdrawn and s.98 list received.
Personal data incorrectly sent to the wrong recipient via e-mail.	Reported in accordance with the Data Protection Policy and those involved have been informed of breach and advised of correct procedure. Formal reminder provided for all staff and at team meetings to avoid recurrence.
In going forward to an SCC meeting for three s9(1) authorisations (for eligible individuals to sit as deputy High Court judges), the relevant team did not check character.	Judicial Office was asked to delay acceptance of the recommendations until checks had been completed to ensure the persons were not authorised prior to the JAC satisfying its statutory obligation. The process of consulting with the Lord Chancellor was taking place so no delay was incurred. This had been the first time the JAC had taken full ownership of this process, following legislative change, and the JAC will make sure checks form part of the authorisation process going forward.
Failure to close a s.94 list on time, contrary to published process (Tribunals exercise). The JAC held open the list in anticipation of a Vacancy Request.	All s.94 lists are to be put before the Commission Board prior to each 12 month review period.

### Internal Audit

The JAC uses the MoJ's Internal Audit and Assurance service, which is accountable to me as Accounting Officer. The service operates to Public Sector Internal Audit Standards and submits regular reports, which include the Head of Internal Audit's annual independent opinion on the adequacy and effectiveness of the arrangements for risk management, control and governance, together with recommendations for improvement.

The Annual Report from the Head of Internal Audit reflects well on the organisation and they provided a reasonable assurance (Amber/Green) that the risk, control and governance arrangements are adequate to enable objectives to be achieved.

At the January 2014 ARC meeting, the Committee agreed that all future finalised internal audit reports would be circulated to Committee members ahead of ARC meetings.

In 2013/14, Internal Audit, in agreement with the JAC, started to provide Management Letters with respect to the assurance of elements of the Change Programme. The provision of such letters, which can be produced more frequently than finalised reports, is considered a more fluid method of feedback and enables recommendations to be acted upon more quickly, which is especially pertinent for the JAC Change programme.

### External Audit

The National Audit Office (NAO) provides the external audit function for the JAC, and provided an unqualified opinion on our financial statements. In addition, they identified no significant internal control weaknesses, no issues concerning the regularity of expenditure, nor any misstatements.

### Sponsor Department (MoJ)

My responsibilities also include our requirement to meet the Business Plan objectives agreed with the MoJ. I therefore have regular meetings with the Lord Chancellor's officials to discuss progress in meeting our strategic objectives. They also help formulate our future business direction and highlight inherent risks and opportunities in implementing our policies.

## Data Quality

### Data considered by the Board

At each Board meeting Commissioners considered monthly updated versions of the JAC's Management Information Pack. The Pack contains progress against Business Plan objectives, statistical data relating to selection exercises across the selection exercise programme, and includes information on lists created under Section 94 to

the CRA and with regard to senior appointments. Finance, human resources, outreach activity and a summary of the corporate risks is also set out in the Pack.

The data that is entered into the Pack is checked and updated monthly by the relevant Assistant Directors, or other staff members delegated with the authority to make updates on their behalf. Updates are collated by the Finance and Performance Team which provides a challenge function, and are reviewed collectively by the JAC's Senior Leadership Team prior to Board meetings. Each quarter it is considered by the Audit and Risk Committee in detail, prior to its consideration at Board level. The Pack is then issued to MoJ sponsorship quarterly.

Immediately prior to the release of bi-annual official statistics – which include diversity data – these are circulated to all Commissioners for consideration, in addition to key partners. Data produced as a result of selection processes are regularly checked to ensure they are up-to-date and that figures are correct and consistent across reports generated.

### Data considered by the Selection and Character Committee

At its meetings, the Selection and Character Committee (SCC) considers proposal papers when agreeing its recommendations to the Appropriate Authority. The Committee looks at the progress of candidates of different backgrounds through selection processes. To help the Committee do this, it is provided with the diversity statistics for each exercise. These statistics, however, do not have a bearing on the character and selection decisions that the Committee makes. This will change when the Equal Merit Provision comes into effect on 1 July 2014.

All papers brought before the Committee are subject to prior review and approval by the relevant Selection Exercise Manager, the Director of Operations and me, as Chief Executive. Any concerns regarding the progression of candidates of different backgrounds are raised in proposal papers' summaries and are discussed.

The JAC currently uses the 'Equitas' computer database. It stores diversity data collected using the Monitoring Form, which is part of the standard JAC application form. Diversity data is used as the basis for the statistics included in selection decision proposal papers. Completing the Monitoring Form is not compulsory and not all candidates complete all items within the form. It is anticipated that during 2014/15, when the Judicial Appointments Recruitment System (JARS) will become 'live', the way data is collected will change significantly.



It is recognised that this data may come under greater scrutiny when the JAC starts its implementation of the Equal Merit Provision, whereby consideration will be given to increasing diversity when considering candidates of equal merit.

#### **Data considered by the Audit and Risk Committee**

As stated above, the Audit and Risk Committee (ARC) considers the Management Information Pack when it sits. In addition, the Committee considers data presented in other documents, including: papers on the JAC's quarterly accounts, which are also submitted to MoJ for consolidation, and any ad hoc papers that the Committee requests to be prepared (in the current year, this has included a paper setting out the breakdown of changes made to vacancy requests submitted to the JAC in respect of different selection exercises).

Papers are reviewed prior to consideration at the Committee by the Assistant Director for Finance and Performance, and in the case of ad hoc papers, by the Assistant Director for the relevant area of JAC business.

## **Risk**

#### **Audit and Risk Committee**

The Accounting Officer and Board of Commissioners are supported by the Committee in monitoring the key risks to achieving our strategic objectives through regular updates of the Corporate Risk Register from the Senior Leadership team. Commissioners have delegated to the Committee responsibility for advising on the adequacy and effectiveness of risk management and internal control, including the risk management process.

The Committee reviews the Corporate Risk Register and progress on risk management at each of its quarterly meetings. It challenges staff on risk matters where appropriate. Once the Committee has commented on the Corporate Risk Register, it is sent to the MoJ, together with the Management Information Pack.

#### **Risk management objectives**

The JAC's risk management system is designed to maintain risk at a tolerable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. It evaluates the likelihood of those risks being realised and the impact should they be realised, and to manage the risks efficiently, effectively and economically.

#### **Risk registers**

The JAC regularly reviews risks to its objectives and monitors controls to mitigate these risks through the effective use of risk registers. Risk registers are tools used by the JAC to capture and summarise risks faced and its response to these risks.

The JAC regularly updates its risk registers to ensure that new or emerging risks are identified throughout the year and to ensure that the most appropriate responses can continue to be identified. We follow the guidance in HM Treasury's The Orange Book (2004), by evaluating risks in terms of their impact on corporate objectives and likelihood of occurrence.

There is a hierarchy of risk registers, starting with the organisation-wide Corporate Risk Register at the top (the key risks in the Corporate Risk Register are set out further below). Feeding into this are also detailed registers in place to oversee the management of corporate risks relating to health and safety, and information security.

A risk register is maintained for each strand of the JAC Change Programme, comprising the: 'end-to-end' selection process; Judicial Appointments Recruitment System (JARS – using Agile methodology); Selection Process Review; legislative change; and organisational restructure. In addition, there is a risk register for the Selection Exercise Programme. These are reviewed at their respective Board meetings, on a monthly basis.

Each selection exercise has a risk register which is contained within its Selection Exercise Project Record (SEPR). Instead of impact on corporate objectives – although this is alluded to in two of the higher impact ratings that can be assigned to risks – the emphasis in selection exercise risk registers is primarily on impact on individual selection exercises. This has been reflected in revised guidance for staff in the SEPR template.

The JAC jointly owns and manages the Judicial Appointments Programme Board risk register with HM Courts and Tribunal Service, Judicial Office and the MoJ. This register is reviewed at the Board's monthly meetings.

#### **Risk management and training**

All staff have been informed of their responsibility for managing risk and new staff receive a summary on managing risk in their induction packs. All Courts and Senior Appointments selection exercise staff (at all grades) attended a Risk Register Workshop in February 2014. Most Tribunals selection exercise staff (at all grades) attended one of two workshops in March 2014. These workshops provided tailored, practical advice for those whose job it is to complete risks registers for individual selection exercises.

Many staff members are involved actively in the management of risk, through reporting at individual project boards and other forums, and the aim is for all staff to attend a refresher workshop on risk management, where there is a business need. The workshops were facilitated by the Risk Improvement Manager (RIM), with the aim to further embed risk management at all levels within the organisation and not just at more senior grades. The RIM attends Senior Leadership Team meetings, when required, to discuss risk, and provide guidance and assistance. The RIM is available to assist staff with any queries they may have regarding the management of risk.

#### **Risk Management Policy and Framework**

The JAC's Risk Management Policy and Framework defines what is meant by risk and risk management, outlines the key principles underpinning the JAC's approach to risk management and explains the risk management processes and the roles and responsibilities of staff. The Framework aims to achieve best value for money in delivering services, by balancing the costs and benefits of either reducing or accepting those risks that have been highlighted. Key to this is the identification of those strategic risks that threaten to impact on the successful delivery of the JAC's corporate objectives. These may be risks to the JAC's reputation, business operations, programmes or activity associated with business innovation or development.

The JAC has a low to medium risk appetite. This means that the JAC is prepared to accept, tolerate or be exposed to a low to medium level of risk at any one point in time. The Risk Management Policy and Framework was reviewed by the Audit and Risk Committee in January 2014.

#### **Corporate Risk Register**

There were two new key risks on the Corporate Risk Register in 2013/14. The first related to the JAC's move from Steel House to 102 Petty France, and its possible adverse impact on its operations and has subsequently been closed following the successful move. The second relates to the Change Programme implementation.

The strategic risks and the mitigations that make up the Corporate Risk Register on the date these accounts are authorised for issue are listed below. As mentioned above, these risks and their ratings are considered on a quarterly basis with new actions added to record the progress made in mitigating the risks. At the time of going to print, the key amber rated risks facing the JAC related to:

1. The Change Programme  
Delay to the completion and implementation of the Change Programme is our most

significant risk with the potential to cause reputational damage with our Board, partners, own staff and Key Interested Parties. The JAC mitigates the risk by having strong governance arrangements in place, which include a Change Programme Board, risk registers and implementation plans for each project and regular consultations with JAC staff.

2. Loss of Corporate Knowledge  
Increased turnover or long-term absence of staff, panel members or Commissioners and any resulting loss of knowledge could result in the organisation regressing while the knowledge base is rebuilt. Control measures to mitigate this risk include regular reviews of staff turnover by the Senior Leadership team, regularly updated induction manuals, handover processes and an annual appraisal of Commissioners and panel members.
3. Equitas (the JAC application database) and web-based application systems  
The JAC relies on IT for the successful delivery of selection exercises and because of this, a failure in either Equitas and/or the web-based application system before JARS is in place could result in significant disruption, errors, complaints and possible reputational damage. To mitigate the risks the organisation has a Memorandum of Understanding and agreed IT provision standards with MoJ, support arrangements in place for both systems and staff trained to deal with the most common IT issues.
4. Progression and Diversity of Selection  
The JAC has a statutory duty to have regard to the need to widen the pool of candidates available for selection. If the JAC does not achieve this, it could hamper progress towards a more diverse judiciary, to which the JAC is committed as a matter of policy. A new targeted communications strategy, working with partners to break down barriers to applicants and refreshing the eligible pool are among the strands of work undertaken to mitigate the risk.

## **Information Security**

#### **Senior Information Risk Owner (SIRO)**

The SIRO is responsible for managing information risk on behalf of myself, as Accounting Officer, and the Board, and for providing the necessary assurance. In July 2013, SIRO responsibility passed from the Director of Operational Services to the Assistant Director, Complaints and Security.



## ■ Governance statement

Any data recorded on Equitas is subject to specific legislative provisions set out in the CRA, the Data Protection Act (DPA) 1998 and Freedom of Information Act (FoIA) 2000. User access is strictly controlled and trail logs are kept for security checks and audit purposes. Requests for information are handled in full compliance with both the DPA and FoIA.

Any operational requirement to deviate from the JAC Security Policy, as annually reviewed, regarding data security requires SIRO agreement. The SIRO reported that there was one known incident of personal data loss for the period covered by this Governance Statement. This incident is documented under the Control Exceptions section on page 54.

The JAC is due to implement Civil Service-wide changes to security classifications from 2 April 2014. Ahead of this date, all staff members were provided refresher training on information security, in addition to guidance on the new classification system to be used when marking information.

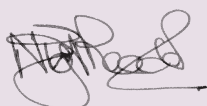
### Summary

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control, including the risk management framework. My review is informed by the work of the internal auditors and senior leaders within the JAC who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

In their annual report, our internal auditors have provided a reasonable assurance. I have been advised on the implications of the result of my review by the Board and the Audit and Risk Committee. I am satisfied that a plan to address weaknesses in the system of internal control and ensure continuous improvement of the system is in place. I am also satisfied that all material risks have been identified, and that those risks are being properly managed.

I am therefore able to confirm that there have been no known significant governance issues that could undermine the integrity or reputation of the JAC up to 31 March 2014 and up to the date of this report.

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
27 June 2014

# THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Judicial Appointments Commission for the year ended 31 March 2014 under the Constitutional Reform Act 2005. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

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

As explained more fully in the Statement of the Commission's and Accounting Officer's Responsibilities, the Judicial Appointments Commission Board and the Accounting Officer are 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 Constitutional Reform Act 2005. 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 Judicial Appointments Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Judicial Appointments Commission; 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 report.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## **Opinion on Regularity**

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

## **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the Judicial Appointments Commission's affairs as at 31 March 2014 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Constitutional Reform Act 2005 and directions issued thereunder by the Lord Chancellor with the approval of HM Treasury.

## **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with directions made under the

## ■ The Certificate and report of the Comptroller and Auditor General to the Houses of Parliament

Constitutional Reform Act 2005 by the Lord Chancellor with the approval of HM Treasury; and

- the information given in the sections of the Annual Report entitled 'Key facts', 'Key Issues' and 'The organisation'; the Directors' Report; and the Strategic Report for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

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

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records 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 CE Morse**

*Comptroller and Auditor General*

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London SW1W 9SP  
2 July 2014

# FINANCIAL STATEMENTS

## Statement of Comprehensive Net Expenditure

for the year ended 31 March 2014

	Note	2013/14 £000	2012/13 £000
<b>Expenditure</b>			
Staff costs	2	3,510	3,847
Other expenditure	3	670	1,049
Services and facilities provided by sponsoring department	4	1,388	1,799
		<b>5,568</b>	<b>6,695</b>
<b>Income</b>			
Other income	5	(7)	(4)
		<b>(7)</b>	<b>(4)</b>
<b>Net expenditure</b>		<b>5,561</b>	<b>6,691</b>

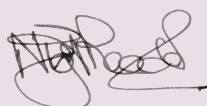
The notes on pages 65 to 72 form part of these accounts. No other comprehensive expenditure was incurred during the year.

## Statement of Financial Position

as at 31 March 2014

	Note	31 March 2014 £000	31 March 2013 £000
<b>Non-current assets:</b>			
Intangible assets	6	134	-
<b>Total non-current assets</b>		<b>134</b>	<b>-</b>
<b>Current assets:</b>			
Trade and other receivables	7	36	18
Cash and cash equivalents	8	908	710
<b>Total current assets</b>		<b>944</b>	<b>728</b>
<b>Total assets</b>		<b>1,078</b>	<b>728</b>
<b>Current liabilities:</b>			
Trade and other payables	9	(77)	(124)
Other liabilities	9	(436)	(337)
<b>Total current liabilities</b>		<b>(513)</b>	<b>(461)</b>
<b>Non-current assets plus net current assets</b>		<b>565</b>	<b>267</b>
<b>Non-current liabilities</b>			
Provisions	10	(6)	(35)
<b>Total non-current liabilities</b>		<b>(6)</b>	<b>(35)</b>
<b>Assets less liabilities</b>		<b>559</b>	<b>232</b>
<b>Taxpayers' Equity</b>			
General reserve		559	232
		<b>559</b>	<b>232</b>

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
27 June 2014

The notes on pages 65 to 72 form part of these accounts.

## Statement of Cash Flows

for the year ended 31 March 2014

	Note	2013/14 £000	2012/13 £000
<b>Cash flows from operating activities</b>			
Net expenditure		(5,561)	(6,691)
Adjustments for non-cash transactions			
Services and facilities provided by sponsoring department	4	1,388	1,799
Increase/(Decrease) in trade receivables and other current assets	7	(18)	30
Increase/(Decrease) in trade payables and other current liabilities	9	52	(107)
Movement in provision	10	(29)	(29)
<b>Net cash (outflow) from operating activities</b>		<b>(4,168)</b>	<b>(4,998)</b>
<b>Cash flows from investing activities</b>			
Purchase of Intangible asset		(134)	-
<b>Net cash (outflow) from investing activities</b>		<b>(134)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Grant from MoJ		4,500	4,500
<b>Net financing</b>		<b>4,500</b>	<b>4,500</b>
Net increase/(decrease) in cash and cash equivalents in the period	8	<b>198</b>	<b>(498)</b>
Cash and cash equivalents at the beginning of the period	8	<b>710</b>	<b>1,208</b>
Cash and cash equivalents at the end of the period	8	<b>908</b>	<b>710</b>

The notes on pages 65 to 72 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2014

	Note	Revaluation Reserve £000	I&E Reserve £000	Total Reserves £000
<b>Balance at 31 March 2012</b>			624	624
<b>Changes in taxpayers' equity in 2012/13</b>				
Grant from MoJ		-	4,500	4,500
Non-cash charges – services provided by sponsoring department	4	-	1,799	1,799
Comprehensive expenditure for the year		-	(6,691)	(6,691)
<b>Balance at 31 March 2013</b>		-	232	232
<b>Changes in taxpayers' equity in 2013/14</b>				
Grant from MoJ		-	4,500	4,500
Non-cash charges – services provided by sponsoring department	4	-	1,388	1,388
Comprehensive expenditure for the year		-	(5,561)	(5,561)
<b>Balance at 31 March 2014</b>		-	559	559

The notes on pages 65 to 72 form part of these accounts.



## Notes to the financial statements

for the year ended 31 March 2014

### Note 1 Statement of accounting policies

These financial statements are prepared on a going concern basis in accordance with the Constitutional Reform Act 2005 and with the 2013/14 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the JAC for the purpose of giving a true and fair view has been selected. The particular policies adopted by the JAC are described below. They have been applied consistently in dealing with items that are considered material to the accounts, and are in a form as directed by the Lord Chancellor with the approval of the Treasury.

#### a) Accounting convention

The accounts are prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, in accordance with Treasury guidance.

#### b) Funding

Government grant-in-aid received for revenue expenditure is accounted for as funding through the general reserve.

#### c) Income

Income represents the recovery of costs, as the JAC does not generate income through its normal activities.

#### d) Accounting for value added tax

JAC is not permitted to recover any VAT on expenditure incurred. All VAT is therefore charged to the relevant expenditure category.

#### e) Property, plant and equipment

The JAC does not recognise any property, plant and equipment as such assets are held by the MoJ, which we utilise through the services and facilities provided by the sponsoring department. Assets costing more than the prescribed capitalisation level of £5,000 are treated as capital assets. Where an item costs less than the prescribed limit but forms part of an asset or grouped asset whose total value is greater than £50,000, the items are treated as a capital asset.

#### f) Intangible assets

In accordance with IAS 38, Intangible Assets, the JAC has recognised the costs associated with the development of the Judicial Appointments Recruitment System (JARS). Product development costs, meeting the criteria for recognition in the Statement of Financial Position, are measured at cost, including any staff costs directly attributable. The asset is currently in the course of construction, and therefore no amortisation has yet been applied.

#### g) Pensions policy

Past and present employees are covered by the provisions of the PCSPS schemes. The defined benefit schemes are unfunded except in respect of dependants' benefits. The JAC recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from the employees' services, by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

#### h) Services and facilities provided by sponsoring department

In accordance with the Framework Document, the JAC does not meet the costs of certain services as these are provided by the MoJ, which are non-cash charges. These services are agreed and managed through memoranda of understanding between the JAC and MoJ, and include: legal services; finance training; accommodation; HR services; provision of IT equipment; internet/intranet facilities; and procurement advice. An analysis of these charges can be found in note 4.

#### i) Receivables

Receivables represent amounts due to the JAC at the year-end.

#### j) Provisions, Contingent Liabilities and Assets

JAC complies with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. We are also required to pay the additional cost in respect of employees who retire early from the PCSPS. The total cost is provided in full when the early retirement is approved as the liability then becomes binding on the JAC.

#### k) Operating leases

All payments under operating leases are charged to the Statement of Comprehensive Net Expenditure as they are incurred. The determination of a lease is based upon the substance of that arrangement – whether the arrangement is dependent upon the use of a specific asset and conveys the right to use that asset.

## ■ Financial statements

The JAC has entered into an arrangement with an outsourced supplier, through the MoJ, to provide the use of assets, specifically the accounting system, in return for payments made. The payments made specifically for these assets have been accounted for as operating leases.

### l) Impending application of newly issued accounting standards not yet effective

The JAC provides disclosure where it has not yet applied a new accounting standard, and discloses known or reasonably estimable information relevant to assessing the possible impact that initial application of the new standard will have on the JAC's financial statements.

IFRS 9 Financial Instruments was implemented in November 2009 and applied to financial assets. Additional requirements relating to the classification and measurement of financial liabilities were implemented in January 2013. The JAC has applied

the new standards for the accounting period ending 31 March 2014 and for comparative periods. The amendments made to IFRS 9 did not impact upon the JAC as it is exposed to little credit, liquidity or market risk.

### m) Financial instruments

As the cash requirements of the JAC are met through Grant-in-Aid provided by the Ministry of Justice, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the JAC's expected purchase and usage requirements and the JAC is therefore exposed to little credit, liquidity or market risk.

### n) Operating segments

The JAC does not have any operating segments to report.

## Note 2 Staff costs and numbers

Staff costs comprise:							2013/14	2012/13
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed term contracts	Other contracted staff	Total	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Wages and Salaries	159	412	1,969	25	143	134	2,842	3,099
Social Security Costs	21	80	155	2	10	-	268	318
Other Pension Costs	-	-	368	5	27	-	400	430
	<b>180</b>	<b>492</b>	<b>2,492</b>	<b>32</b>	<b>180</b>	<b>134</b>	<b>3,510</b>	<b>3,847</b>

During the year £35k (2012/13 - £Nil) of staff costs has been capitalised.

The costs disclosed in the Remuneration Report are included within this staff costs note.

In 2013/14, JAC employed its own staff (permanent staff, on loan and those on fixed term contracts). Other contracted staff are supplied by agencies. All irrecoverable value added tax is included within wages and salaries. No VAT is included in social security or other pension costs.

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme, but the JAC is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details can be found in the Resource Accounts of the Cabinet Office: Civil Superannuation ([www.civilservice.gov.uk/pensions](http://www.civilservice.gov.uk/pensions)).

Employers' contributions for staff seconded from other government departments, payable to the PCSPS, are made from the sponsor department. The JAC is recharged the full cost of employing staff on secondment, including other pension

costs. For 2013/14, employers' contributions of £400k were payable to the PCSPS (2012/13: £430k), at one of four rates in the range 16.7% to 24.3% (2012/13: 16.7% to 24.3%) 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.

JAC and government department employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. These are handled through the MoJ (who provide the pension service for JAC staff) or the employee's sponsor department and are paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. There were no such contributions for 2013/14 (2012/13: Nil).

The average numbers of full-time equivalent persons employed during the year were as follows:

	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed term contracts	Other contracted staff	Total
<b>2012/13</b>	2	9	59	-	4	5	<b>79</b>
<b>2013/14</b>	2	6	57	-	6	4	<b>75</b>

The average numbers for Commissioners, Panel chairs and lay panel members represents their total respective input into the JAC in full time equivalent terms.

There was one voluntary departure in the year (2012/13 – Nil).

**Note 3 Other expenditure**

	2013/14 £000	2012/13 £000
<b>Selection exercise programme</b>		
Panel members' travel and subsistence	228	346
Judicial fees	-	41
Advertising	8	67
Catering	9	14
Criminal records check	10	7
Equality proofing and translation services	1	2
Outsourced accommodation and IT	51	114
Actors' costs	31	135
Couriers	2	20
Staff travel and subsistence	20	16
Commissioners' travel and subsistence	8	16
Dry run fees	5	2
Design and print	8	6
	<b>381</b>	<b>786</b>
<b>Other programme costs</b>		
Media subscriptions and licences	3	5
Outreach	3	9
Website infrastructure	(1)	11
Publications	3	3
Commissioners' travel and subsistence	10	7
Research	61	32
Panellist training	41	8
	<b>120</b>	<b>75</b>
<b>Administration costs</b>		
Building improvements	-	1
Staff travel and subsistence	4	4
Equipment maintenance	-	1
Staff training and events	19	13
Couriers	3	3
Telecoms	3	2
Recruitment	3	4
Legal services	6	13
External audit	29	29
	<b>67</b>	<b>70</b>
<b>Non-cash items</b>		
Write-offs	-	2
	<b>-</b>	<b>2</b>
<b>Shared Services</b>		
Internal audit	31	33
E-delivery/IT services	5	1
Financial services	66	82
	<b>102</b>	<b>116</b>
<b>Total</b>	<b>670</b>	<b>1,049</b>

The auditors did not perform any non-audit work and therefore received no remuneration for such work.

Some of the expenditure in 2012/13 and 2013/14 has been reclassified as Other programme costs to more fairly reflect the nature of the expense.

The reasons for the significant changes in expenditure are as follows:

- Selection exercise programme: Panel members' travel and subsistence; Outsourcing and Actors' costs: Selection exercise costs depend on the nature of the programme being delivered. In 2012/13 there were more selection exercises that required the use of outsourced costs and actors for role-plays.
- Research: Work was undertaken during the year in relation to the Judicial Appointments Recruitment System and assistance with Occupational Psychology work. This was different to the work relating to 2012/13.
- Panellist Training: There was a panel training event in the year, whilst there was no such event in 2012/13.

#### Note 4 Services and facilities provided by sponsoring department (non-cash)

	2013/14 £000	2012/13 £000
Legal and Judicial Services Group	-	-
Commercial Group	887	1,422
Human Resources Directorate	11	12
E-Delivery Group	417	278
Information operations	21	24
Communications	4	7
Transforming Justice	-	1
Shared services	48	49
Procurement	-	6
	<b>1,388</b>	<b>1,799</b>

The recharge information from MoJ does not provide for the legal advice received through the Legal and Judicial Services Group, and has not been incorporated as agreed with MoJ. The charge for the Commercial Group reduced in the year as a result of the shrinking MoJ estate and the move to the main MoJ offices at 102 Petty France. There was an increase in the E-Delivery Group recharge due to a different basis of charging.

#### Note 5 Income

	2013/14 £000	2012/13 £000
Other income	7	4
	<b>7</b>	<b>4</b>

Income represents recovery of costs associated with a selection exercise – (Motor Insurers' Bureau), and contributions in relation to the completion of the Barriers to Entry research that was concluded in the year. (2012/13 - recovery of legal costs).

**Note 6 Intangible assets**

	<b>Asset under construction £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>		
At 1 April 2013	-	-
Additions	-	-
At 31 March 2014	134	134
	<b>134</b>	<b>134</b>
<b>Amortisation</b>		
At 1 April 2013	-	-
Charged in year	-	-
At 31 March 2014	-	-
	<b>134</b>	<b>134</b>
<b>Carrying amount at 31 March 2014</b>	<b>134</b>	<b>134</b>
<b>Carrying amount at 1 April 2013</b>	<b>-</b>	<b>-</b>

**Note 7 Trade receivables and other current assets**

	<b>31 March 2014 £000</b>	<b>31 March 2013 £000</b>
<b>Amounts falling due within one year</b>		
Deposits and advances	12	11
Other receivables	23	7
Prepayments	1	-
	<b>36</b>	<b>18</b>
<b>Analysis of balances</b>		
Balances with government bodies	23	6
Balances with bodies external to government	13	12
	<b>36</b>	<b>18</b>

**Note 8 Cash and cash equivalents**

	<b>31 March 2014 £000</b>	<b>31 March 2013 £000</b>
Balance at 1 April	710	1,208
Movement	198	(498)
Balance at 31 March	<b>908</b>	<b>710</b>

All cash and cash equivalents is held at the Government Banking Service.

**Note 9 Trade payables and other current liabilities**

	<b>31 March 2014 £000</b>	<b>31 March 2013 £000</b>
<b>Amounts falling due within one year</b>		
Trade payables	24	78
Other payables	53	46
	<b>77</b>	<b>124</b>
Other taxation and social security	80	96
Accruals	356	241
	<b>436</b>	<b>337</b>
	<b>513</b>	<b>461</b>
<b>Analysis of balances</b>		
Balances with government bodies	300	321
Balances with bodies external to government	213	140
	<b>513</b>	<b>461</b>

**Note 10 Provisions for liabilities and charges**

	<b>Approved Early Retirement £000</b>	<b>Total £000</b>
<b>Balance at 1 April 2013</b>	35	35
Provided in the year	-	-
Provisions utilised in the year	(29)	(29)
<b>Balance at 31 March 2014</b>	<b>6</b>	<b>6</b>

The provisions utilised in the year relate to the amount of the provision payable in relation to 2013/14, and was paid during the year. The full remaining amount of £6k is due to be released from the provision in the next 12 months.

**Note 11 Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not yet incurred is £194k (Nil 2013).

**Note 12 Commitments under leases**

	<b>2013/14 £000</b>	<b>2012/13 £000</b>
<b>Operating leases</b>		
Total future minimum lease payments under operating leases are given in the table below for each of the following periods		
<b>Obligations under operating leases comprise:</b>		
Not later than one year	11	14
Later than one year and not later than five years	-	3
Later than five years	-	-
	<b>11</b>	<b>17</b>

The operating lease commitments relate to the amount payable to our financial services provider for use of the hardware associated with the accounting system. The original contract expired at the end of December 2012, but was subsequently extended to the end of June 2014, and more recently to the end of December 2014.



## ■ Financial statements

### **Note 13 Contingent liabilities**

There are no contingent liabilities as at the balance sheet date. (Nil 2013).

### **Note 14 Related party transactions**

The JAC is a Non-Departmental Public Body sponsored by the MoJ. The MoJ is regarded as a related party. During the period, the JAC had various material transactions with the MoJ. In addition the JAC has had material transactions with HM Revenue and Customs.

No board member, key manager or other related parties has undertaken any material transactions with the JAC during the year.

### **Note 15 Losses and special payments**

There were no losses or special payments in the year ended 31 March 2014 (Nil 2013).

### **Note 16 Events after the reporting period**

There were no significant events after the reporting period.

In accordance with the International Accounting Standard 10 'Events after the reporting period', accounting adjustments and disclosures are considered up to the point where the financial statements are 'authorised for issue'. In the context of the JAC, this is interpreted as the date on the Comptroller and Auditor General's audit certificate.

### **Note 17 Financial instruments**

As the cash requirements of the JAC are met through Grant-in-Aid provided by the MoJ, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the JAC's expected purchase and usage requirements and the JAC is therefore exposed to little credit, liquidity or market risk.

# PART 3: APPENDICES



# APPENDIX A: OVERVIEW OF THE SELECTION PROCESS

## Initial stages

Selection exercise planning starts when the JAC receives a vacancy request and eligibility statement from the Lord Chancellor. The vacancy request and eligibility statement contain the following information:

- The role, number and location of posts
- Whether part-time working is available
- Minimum eligibility requirements for appointment to the post laid down in statute as well as any additional selection criteria applied by the Lord Chancellor

The JAC then prepares a tailored application form and accompanying information pack providing all the details required by a candidate. The JAC promotes the selection exercise through the JAC website, selected media and through representative bodies and other organisations. It is then launched on the JAC website and via social media, and applications are invited.

## Shortlisting

Shortlisting of candidates currently takes two forms:

- Qualifying test – this consists of an online test, designed to test a selection of the qualities and abilities required for judicial office. Shortlisting is a competitive process, so the tests are designed to be challenging and include an element of time pressure. Qualifying tests do not have a pass mark; rather they identify those people with the highest scores to be invited to the selection day. Experienced judges generally prepare and moderate qualifying tests to ensure appropriateness and consistency. Tests tend to be multiple choice and are automatically marked.

- Paper-based sift – a panel, typically consisting of a JAC panel chair and lay member together with a judicial member, considers the self assessment supplied by the candidate and their references. The information is assessed against the qualities and abilities sought for the role, and the candidates who best demonstrate these are invited to the selection day. JAC panellists are individuals with a recruitment background, recruited by the JAC to sit on an independent fee-paid basis and trained in JAC processes.

The JAC normally invites candidates to the selection day in a ratio of between two and three candidates per vacancy. The JAC uses qualifying tests for most selection exercises where a high volume of applications is anticipated. However, processes are tailored to each post, so a paper-based sift may be used if the number of applications is small, or in other limited circumstances. Following the shortlisting process the eligibility is assessed for all candidates who are invited to attend a selection day.

## References

References are used by the JAC as evidence of a candidate's demonstration of the qualities and abilities by reference to their past performance, experience, track record and suitability for appointment. The JAC uses two types of reference:

- Judicial/Professional – these referees are designated by the JAC for each exercise and are specified by the JAC within the information pack for that exercise
- Personal – these referees are chosen by the candidate and are expected to have direct knowledge of either the professional or voluntary work of the candidate

## Selection Day

Shortlisted candidates are invited to a selection day, which may comprise only an interview, or an interview with either:

- a presentation; and/or
- situational questioning; or
- a role play

The selection day is conducted and assessed by a panel, which usually consists of a panel chair, judicial member and independent member.

The panel members will consider all the information about each candidate (their performance at the selection day, the candidate's self assessment and references) and assess them against the qualities and abilities. The panel chair then completes a summary report, providing an overall panel assessment. This report forms part of the information presented to Commissioners when they make their recommendations.

## Statutory Consultation

Where the JAC makes a selection for offices for the High Court and below, the Crime and Courts Act 2013 removed the requirement for the JAC to consult two judges with relevant knowledge of the judicial vacancies. This statutory consultation can now be with one judge, although for High Court positions it is likely the JAC will continue to seek comments from two consultees. In some cases no statutory consultation may be necessary, although approval for this is needed from the appropriate authority in each case. A process for seeking agreement of the relevant parties on the number of consultees has been agreed and will be considered as part of planning for each selection exercise.

When they consider candidates to recommend for appointment, Commissioners take into account the responses from statutory consultees, where they have been sought, with all the other information about a candidate. They may decide not to follow

the views expressed by the consultees, but if this happens the Commission will give its reasons when making recommendations to the Appropriate Authority (the Lord Chancellor, Lord Chief Justice, or Senior President of Tribunals depending on the role to be filled).

## Selection

Commissioners make the final decision on which candidate(s) to recommend for appointment to the Appropriate Authority. In doing so, they consider those candidates that the selection panels have assessed as best meeting the requirements of the role, having been provided with information gathered on those individuals throughout the whole process.

## Character Checks

In accordance with the JAC's statutory duty, the good character of candidates is also assessed. This assessment can include financial, criminal and professional checks. In July 2013, the Commission published revised guidance on good character in order to provide greater clarity to candidates and to incorporate changes made to Rehabilitation of Offenders legislation.

## Quality Assurance

Quality assurance measures are applied throughout the selection process to ensure the proper procedures are applied and the highest standards are maintained. The quality checks include:

- Assigning a Commissioner to each exercise, who works closely with the JAC selection exercise team to ensure standards are met
- Reviewing the progression of candidates through each stage of the process for any possible unfairness, including by reference to diversity
- Observing interviews to share good practice across panels

## ■ Appendix A: Overview of the selection process

- Overseeing moderation of panel assessments to ensure consistency (because of the number of candidates, many exercises will use a number of test markers and more than one panel)

### **Feedback on the selection process**

Candidate feedback is undertaken online at two or three stages in the process, post application and/or post shortlisting, and post selection day. This process ensures that the JAC obtains comprehensive and complete analysis of candidate feedback for each exercise and is used to inform policy initiatives.

## APPENDIX B: PERFORMANCE IN 2013/14

The following milestones were agreed with the Ministry of Justice to measure performance in 2013/14 against our strategic objectives. A green (met), amber (partially met) and red (not met) rating is used to indicate the status of each milestone. Performance against the milestones at year end is set out below.

<b>Strategic Objective A1.</b>		
<b>To deliver the selection exercise programme, agreed with the Ministry of Justice, Judicial Office and HMCTS, recommending high quality candidates to the Lord Chancellor</b>		
<b>Milestones</b>	<b>Status</b>	<b>Commentary and achievements</b>
A1.1 To demonstrate flexibility by absorbing changes to the selection programme agreed with the Business Area.  By: March 2014 (annually)	Green	Three additional exercises have been added to the programme; one removed part way through planning; and the launch date of five exercises amended at the request of HMCTS. 21 vacancy request changes have been made to six (out of 28) exercises.  All changes recorded and considered at Selection Exercise Programme Board (SEPB) and impact assessments completed where appropriate.
A1.2 To ensure that the programme is delivered within the allocated budget.  By: March 2014 (annually)	Green	Programme was delivered within budget. Budgets monitored on a monthly basis and reviewed by senior leadership team.
A1.3 To ensure changes to the selection process are developed and their implementation managed effectively in combination with other change initiatives to minimise any negative impact on the candidate experience.  By: March 2015	Green	A pilot trialling the use of a reduced number of references has been evaluated and adopted for all non-salaried legal exercises. Pilots to trial revised approaches to shortlisting including the use of verbal reasoning tests, emailed test questions and the setting of case studies have been undertaken on Tribunals exercises and are due to be evaluated. Judicial appraisals were used in the District Judge (Civil) exercise in lieu of references.

<b>Strategic Objective A2.</b>		
<b>To deliver our diversity duty by encouraging a diverse range of eligible applicants, ensuring fair processes and working with others to identify and break down barriers to judicial appointment.</b>		
<b>Milestones</b>	<b>Status</b>	<b>Commentary and achievements</b>
<p>A2.1 To ensure fairness by monitoring the progression and diversity of candidates at key checkpoints.</p> <p>By: May 2014 (annually)</p>	Green	<p>60 checkpoints have occurred where we have analysed outcomes. In two instances further analysis was required to establish fall out on BAME applicants following qualifying tests, but no conclusive evidence was found. Further analysis has been requested on career history and educational background for fee-paid exercises to see if there is any trend. Due to the lack of suitable large fee-paid exercises, this has been delayed. The intention now is to analyse the one fee-paid post recently completed and compare to the previous report by June 2014</p>
<p>A2.2 To break down barriers to judicial appointment by working with Judicial Diversity Taskforce and continuing to implement the recommendations of the Report of the Advisory Panel on Judicial Diversity (Neuberger Report).</p> <p>By: May 2014 (annually)</p>	Green	<p>13 of 15 JAC specific recommendations are complete with the Equal Merit Provision being introduced from 8 April 2014. The remaining two recommendations have been incorporated into the JAC Corporate Change Programme and Diversity Forum forward look to ensure ownership and progress is achieved.</p>
<p>A2.3 To work with diversity groups and other key groups to ensure we reach the widest range of potential candidates by developing new and innovative ways, including use of social media, of extending the reach of our outreach work.</p> <p>By: July 2014 (annually)</p>	Green	<p>Barriers research completed and shared with Diversity Forum. A working group has been established and action plan developed with regular meetings held. Progress is monitored through the Diversity Forum. Further update due June 2014.</p> <p>June 2013 meeting held with CILEx to discuss joint outreach. Similar meetings held with Law Society and Bar Council in July 2013. Meeting arranged with Mrs Justice Davies to discuss judicial outreach. Meetings held with Society of Asian Lawyers, Black Solicitors Network, Legal Services Board (LSB) and Stonewall.</p> <p>Provided speaker (Noel Lloyd) and guidance for event with legal academics in October 2013.</p> <p>Regular engagement and messaging via Twitter.</p>
<p>A2.4 Ensure fairness by promoting our equality objectives and ensure transparency by publishing details of our performance in achieving these.</p> <p>By: March 2014</p>	Green	<p>2012-16 equality objectives have been reviewed and published on the JAC website. Future updates will occur in June and December 2014 to tie in with publication of Official Statistics. Next update due in June 2014.</p>



<b>Strategic Objective B1.</b>		
<b>To deliver change in the form of faster, more economical and more candidate-focused processes.</b>		
<b>Milestones</b>	<b>Status</b>	<b>Commentary and achievements</b>
<p>B1.1 Provide greater rigour and accountability in our selection processes by drawing on external expertise and introducing agreed and globally validated selection techniques.</p> <p>By: March 2014</p>	Green	<p>Work Psychology Group (WPG) presented their final report to the Commission in December 2013 with recommendations to increase the validity and reliability of our selection process. Commissioners endorsed key recommendations and a small group of Commissioners are taking forward proposals for job analysis pilots on two to three exercises in 2014/15. We have agreement from the Senior President of Tribunals to proceed with job analysis pilots in the Health, Education and Social Care (HESC) Chamber, and are in talks with the Senior Presiding Judge to seek his approval for a similar scheme in the courts.</p> <p>We have agreed a start date of 6 May 2014 with our permanent Occupation Psychologist. We also have approval to use the services of WPG up to the end of June 2014 (30 days' work) to support our work.</p>
<p>B1.2 Promote the implementation of judicial appraisal systems and consider the scope for use of appraisal in selection as part of our process review.</p> <p>By: March 2015</p> <p>[timeline to be determined by Judicial Office in implementation of appraisal system]</p>	Green	<p>The Commission has agreed to support the use of the Judicial Integrated Competencies, and will consider implementing them in its processes over the coming year. Integrated competencies are being used for the Recorder Appraisal Pilot.</p> <p>Appraisals have been used as an evidence source in the recent District Judge (Civil) selection exercise.</p> <p>The use of appraisals in the selection process was discussed at the March Commissioner event, and a proposal will be made to the May 2014 board based on that discussion.</p>
<p>B1.3 Implement structured system for receiving and publishing regular feedback from partners on their perceptions of the JAC and continue collection of feedback from candidates on their experience in the selection process.</p> <p>By: March 2014</p>	Green	<p>Draft report discussed by senior leadership team on 21 May 2013. Implementation proposals agreed. Revised candidate feedback questionnaires introduced with effect from June 2013. Available data at March 2014 indicates 85% of candidates are more than satisfied with the selection process they experienced.</p>

<b>Strategic Objective B1 continued.</b> <b>To deliver change in the form of faster, more economical and more candidate-focused processes.</b>		
<p>B1.4 Work with partners in MoJ, HMCTS, the judiciary and judicial office to reduce the end to end appointment time including a review of forecasting and planning for vacancies, the JAC selection process, and the judicial office post recommendation activities.</p> <p>By: April 2014</p>	<p>Green</p>	<p>Average time from launch of JAC exercise to offer letter is 21 weeks.</p> <p>Streamlined process signed off by Steering Group.</p> <p>Key messages to achieve support for new process shared with senior judiciary and Commission Board. Other judges received information between Nov 2013 and Jan 2014. Key Interested Parties received information by end Jan 2014.</p> <p>Q1 and Q2 2014/15 exercises have now been signed off. Q3 and Q4 remain indicative. The changes made as part of the 'end to end' project will be reviewed in 2014/15.</p>
<p>B1.5 Work with partners to develop a qualities and abilities framework for future use in the selection process.</p> <p>By: March 2015</p>	<p>Green</p>	<p>The Commission agreed to support the use of Judicial Integrated Competencies, and will consider implementing them into its processes in the coming year. Work Psychology Group recommended that job analysis and behavioural indicators should be developed before adopting the competency framework for selection purposes.</p>
<p>B1.6 Work with the Ministry of Justice to ensure that legislative changes enable more flexible and efficient operation of our selection processes.</p> <p>By: March 2015</p>	<p>Green</p>	<p>Regular workshops and consultation have helped to develop processes for transfer of appointments, statutory consultation, deputy High Court judges, Circuit Judges sitting in the Court of Appeal Criminal Division and the Equal Merit Provision (EMP). The Board considered responses to the EMP consultation in Sept 2013 and it agreed to seek independent legal advice. Counsel attended the Board to advise and discuss in Dec 2013 (final advice received Jan 2014).</p> <p>Board agreed policy Feb 2014 and sent to LCJ/LC for final comment. EMP policy published April 2014. Will apply to exercises launching Q2, 2014/15. Aim to implement all elements of legislative change by end Q4, 2014/15.</p>

**Strategic Objective B2.**

To deliver an effective operating model for the JAC with a structure adapted to provide value for money.

Milestones	Status	Commentary and achievements
<p>B2.1 Develop an optimal staffing structure to support the migration from existing to new selection processes without harming our statutory objectives or other priorities.</p> <p>By: March 2014</p>	Green	<p>New organisational structure implemented on 3 June 2013 to reflect reduction in SCS headcount. Structure was reviewed September 2013, and a revised structure implemented from 1 October 2013. This reallocates senior staff support to selection exercise delivery. New structure well received by staff, as shown in Staff Survey responses. A review of the revised structure due to take place in March/April 2014.</p>
<p>B2.2 Reduce SCS headcount by one and ensure new structure provides greater flexibility, efficiency and effectiveness without compromising governance.</p> <p>By: July 2013</p>	Green	<p>New organisational structure implemented on 3 June 2013 to reflect reduction in SCS headcount. Reviewed in September 2013 and changes implemented from 1 October 2013 to ensure governance arrangements are maintained.</p>
<p>B2.3 Review outcome of organisational change to ensure it meets our objectives.</p> <p>By: March 2014</p>	Green	<p>Reviewed in September and changes implemented from 1 October 2013 to ensure governance arrangements are maintained. Further review due to take place in March/April 2014.</p>

<b>Strategic Objective B3.</b> To deliver, in collaboration with MoJ, a new IT system, which will enable and support new processes and structures		
Milestones	Status	Commentary and achievements
B3.1 Determine and validate our business requirements for a new IT system to support our revised selection processes and organisational structure, and prepare a fully developed specification in consultation with MoJ and suppliers.  By: May 2013	Green	An Outline Business Case has been produced in partnership with MoJ IT.  Business requirements reviewed and sent to Gcloud suppliers as part of request for proposals on 16 October 2013.
B3.2 Undertake an options analysis and due diligence in partnership with MoJ to identify preferred supplier and a suitable procurement route. This will also include contract negotiations and the letting of the contract.  By: June 2013	Green	MoJ Procurement Service gave advice to undertake an alternative procurement route via the Gcloud. This was agreed with MoJ IT, Digital Services Division and the IT Project Board. This impacted on the original timeline by about two months.  Decision made on preferred supplier by Evaluation Panel and approved by JAC Commission Board on 7 November 2013.  Contract formally signed with preferred supplier, Wunderroot.
B3.3 In conjunction with the supplier, design, test and build the new system in accordance with agreed specification, cost and timescale.  By September 2013	Amber	Will not meet original deadline. All revisions to future timelines were approved by IT Project Board and the project is on schedule.  The implementation project commenced on 21 January 2014 for 22 weeks.
B3.4 Undertake business change activities to integrate system into live service, ensuring staff and structure are fully aligned and trained to deliver system benefits and achieve our priorities.  By: January 2014	Amber	Will not meet original deadline. All revisions to future timelines were approved by IT Project Board and the project is on schedule.  First exercise to be managed on the new system is currently planned for September 2014.

## Complaints

The JAC's complaints procedure is set out in full on its website.

We responded to all complaints within 20 working days, with the exception of a single case where the response was provided on the 21st day, caused by a number of complaints coming in at one time. All complaints are investigated by a member of staff who has not been involved in the matter. Decisions are based on all the available evidence with the reasoning behind the decision clearly explained in the response.

During 2013/14 the JAC dealt with 66 complaints. This is greater than the 45 complaints received in 2012/13. However, a significant number (41) arose in respect of one exercise and in particular from a single IT incident which was outside our control but affected the online assessment (26 complaints). The overall ratio of complaints to applications remains constant at approximately 1%.

We upheld six complaints. Five of these related to online qualifying tests and one was on grounds of eligibility; all six of the candidates' applications were reinstated.

Thirteen complaints were partially upheld by the JAC. These complaints all related to the exercise where technical difficulties were experienced by candidates participating in an online assessment. Apologies were issued; however no redress was offered to candidates.

Anyone who remains dissatisfied following the investigation of their complaint by the JAC may ask the Judicial Appointments and Conduct Ombudsman to investigate further.

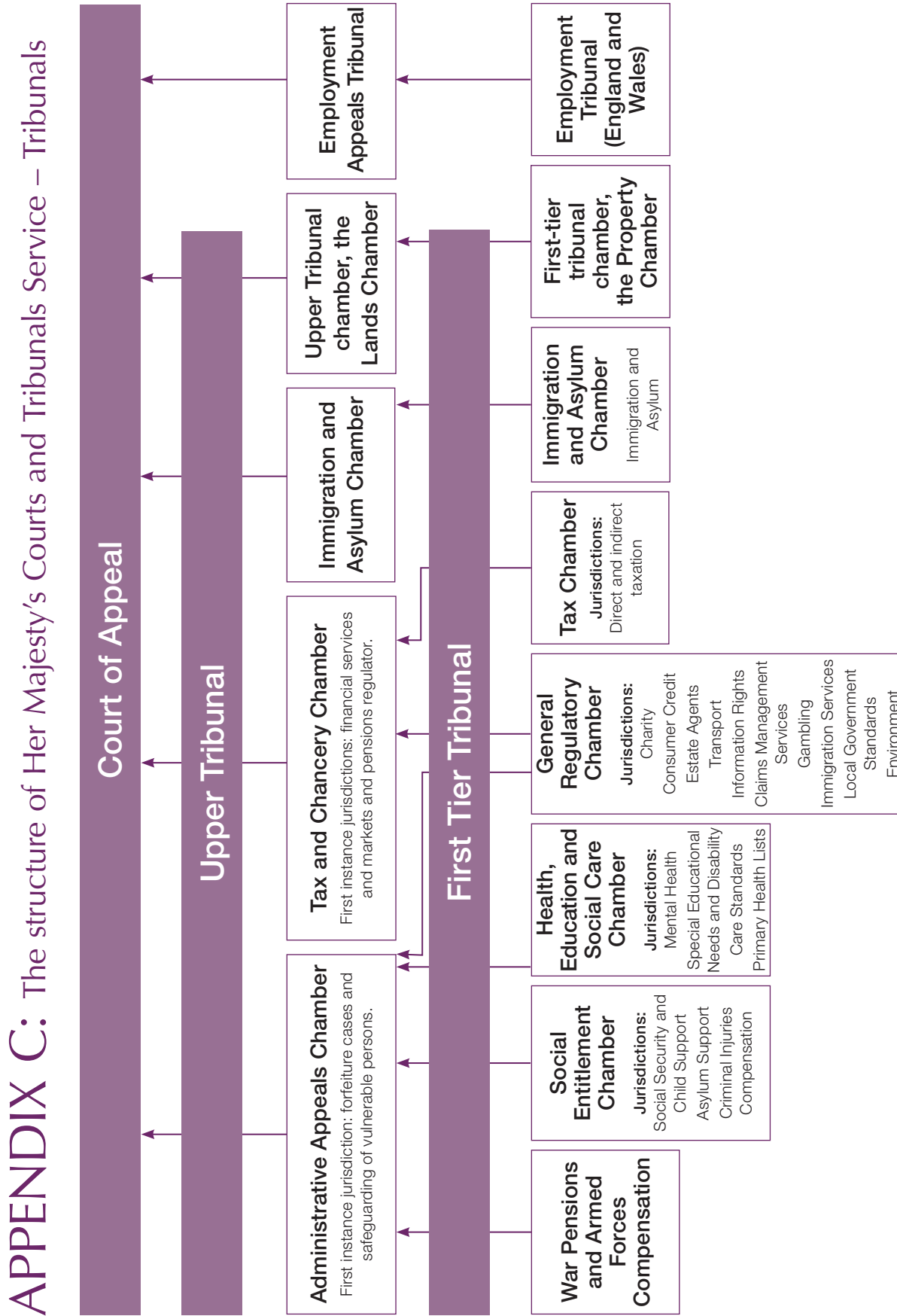
In 2013/14, six candidates pursued their complaint through the Ombudsman. A further six complaints were carried forward from the previous year. The Ombudsman has formally reported on 10 of these complaints, with two being upheld in part. In both cases, the Ombudsman did not consider that the issue complained of had any bearing on the outcome and did not recommend any redress.

In one instance, the Ombudsman felt the JAC should clarify guidance given to candidates regarding character requirements. This recommendation informed part of a wider update to candidate guidance that was implemented in July 2013.

## Feedback

In addition to complaints made to the JAC using the complaints procedure, the JAC receives feedback from stakeholders and special interest groups. The JAC takes all feedback seriously. This can highlight issues or questions about our processes which can be addressed as required. Where practical and judged to be of benefit to all candidates, the JAC will adapt its processes in response to feedback, for example through the publication of qualifying test feedback reports. The views put forward by all stakeholders and groups are balanced against the need to maintain selection processes which are cost-efficient for the public purse, independent, transparent and fair to all candidates, regardless of their background.

A review of the candidate feedback gathering process was conducted in 2013 and candidate feedback surveys were aligned to ensure a consistent approach across all exercises from summer 2013. Data collected from 11 exercises since then shows that 92% of candidates rated the customer service they received from the JAC during the overall selection process as good or excellent, with 85% rating their particular selection exercise as good or excellent.



# APPENDIX D: The structure of Her Majesty's Courts and Tribunals Service – Courts

