



The Supreme Court
Annual Report and Accounts
2014–2015

The Supreme Court Annual Report and Accounts 2014–2015

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foreword

BY THE PRESIDENT OF THE SUPREME COURT
LORD NEUBERGER



On 1 October 2014 the Supreme Court celebrated its fifth anniversary. We held a seminar here which was attended by a range of academics and users as well as court staff and Justices. Those five years seem to have passed very quickly, both for those involved in the planning and opening of the Supreme Court and those who have been working here since. The seminar provided an opportunity both to reflect on past developments, as well as to look to the future. This annual report highlights many of the achievements of the last year.

For the first time since the Court opened, there were no changes amongst the Justices. This brought a welcome period of stability and meant that we enjoyed a full complement of Justices throughout the year. We have had an unusual number of particularly demanding cases, which is reflected in the fact that the average time between hearing and judgment has increased from last year, and the number of decisions is lower than last year (although the number of decisions of the Judicial Committee is greater than last year).

Individual Justices continue to undertake extra-judicial work both here and overseas (the latter are covered in Section Five of this report). In addition, I was pleased to sit as a non-permanent judge of the Final Court of Appeal of Hong Kong in August 2014 and expect to do so again in the next year.

Over the year we have continued to look at the way the Justices work to see if there are any changes we need to make; and we have engaged with our users on this and other matters. We are very grateful to all of those who attend User Group meetings, who take time out of their busy schedules for no personal benefit, and raise issues themselves, as well as responding on topics which we ask them to consider.

The degree of interest in our work from the public in the United Kingdom, and from overseas visitors, continues to grow, as is evidenced by the many requests for tours, visits and mooted competitions which we received and accommodated. This is a very positive development, although of course it does place demands upon Justices and staff in responding to requests for information and providing tours and other briefings.

The independence of the judiciary is a crucial element of the rule of law, and of our constitutional system, and it is of particular importance in relation to the highest court in the United Kingdom. We are, however, determined that independence does not equate to isolation from the other branches of government, and so we have continued to seek appropriate ways of developing relationships with both the executive and the legislature. I have regular, but not frequent, meetings with the Lord Chancellor, and with the Law Officers; and, in addition to my annual appearance with Lady Hale before the Constitution Committee of the House of Lords, we have welcomed visits from members of relevant House of Commons committees.

The courts and tribunals, as well as the legal services, throughout the United Kingdom continue to experience significant challenges and changes brought about by legislation or other reforms. Inevitably it takes a while for some of these changes to work their way through the system and we are not yet clear how some will impact on the nature and quantity of the workload of the Supreme Court. As I noted last year, however, the increase in the number of litigants in persons applying for permission to appeal to the Supreme Court has been maintained.

The cases which come before the Judicial Committee of the Privy Council (JCPC) remain an important element of our work. Although we said farewell to Dominica during this year we remain proud to serve those jurisdictions which continue to use the JCPC as their highest appellate court. We were particularly pleased to host a visit by the Attorneys General of a number of countries who were participating in the Global Law Summit which took place in February.

I would like to record my thanks to the Lord Chief Justices of England and Wales and Northern Ireland, and the Lord President of the Court of Session, for their willingness to make serving judges available from time to time to sit in the Judicial Committee of the Privy Council; and to the Lord Chief Justice of England and Wales, the Master of the Rolls, and the Lord President for each agreeing to sit as an Acting Judge of the Supreme Court on occasion and to the Lord President for agreeing to sit in the Judicial Committee of the Privy Council.

I would like to end by expressing the appreciation which I and my eleven fellow Justices have for the demanding and important work done by members of the court staff behind the scenes during the past year to help to ensure that the Supreme Court of the United Kingdom maintains its high reputation.

I would particularly like to express my appreciation to Jenny Rowe, who has indicated her intention to retire later this year and whose last Annual Report this will therefore be. She has given outstanding service to the Court over the last seven years since her appointment as Chief Executive designate in 2008. It is in very large measure thanks to her that the vision of a UK Supreme Court became such a success in reality and that the Court has subsequently achieved such an outstanding reputation among all who have visited us. We shall all miss her greatly and wish her the long, happy and fulfilling retirement which she so richly deserves.

introduction

BY THE CHIEF EXECUTIVE
JENNY ROWE



I have pleasure in presenting the Annual Report and Accounts for the UKSC and JCPC for the financial year 2014–15. This will be the last of these reports I shall present as I am retiring from this job, and from the civil service, in October 2015.

This report covers the fifth full year of the Court's existence and the fourth full year since we assumed responsibility for the administration of the JCPC. Our core function has continued to be the processing of casework, and the providing of support to the Justices. This work has become increasingly complex and demanding, and we have seen an increase in the number of litigants in person seeking permission to appeal to the Supreme Court.

Last year I reported on the fact that we had completed our review of external contracts. In that context this has been a year of consolidation and of endeavouring to ensure that we have been able to take the best advantage of those new contracts. In particular, our new IT system, and in-house support facilities, have been very well received by Justices and staff alike; and, we have, for example, been able to provide free Wi-Fi to users throughout the building.

There have been some further changes to the statutory framework within which the UKSC operates. The Criminal Justice and Courts Act 2015 amended section 5 of the Constitutional Reform Act 2005 so that the President of the Supreme Court may lay before Parliament written representations on matters that appear to him to be matters of importance relating to the Supreme Court or to the jurisdiction it exercises. In addition, section 39(4) of the Constitutional Reform Act 2005 has been amended so that a Judge of the Supreme Court, or a senior territorial Judge, can be nominated to become a member of the Supplementary Panel within two years of ceasing to hold their previous judicial office. We hope the latter provision will give us some flexibility in the event, for example, that a case coming before the Supreme Court would benefit from a specialist Judge on the panel, and the most appropriate Judge has recently retired.

We have continued to develop our education and outreach activities and have highlighted elsewhere in the report the increase in numbers visiting. We have seen the departure of a number of staff over the year: one of the consequences of being a small department is that we cannot offer a comprehensive career structure. Staff from the Judicial Support Unit, one of the Information Officers, and a member of Finance have all moved on to new posts and we wish them well. Very sadly, a serving member of staff, Jackie Lindsay, died in September 2014 after a long illness which she dealt with courageously. She is greatly missed

by all who knew her and I am very grateful for the contribution she made. We have also welcomed Kenneth Ludlam as one of our Non-Executive Directors to replace Philip Robinson who stood down in July 2014.

I am pleased to say that this year has seen no turnover amongst the Justices – for the first time since the Supreme Court opened.

The constitutional context in which the Supreme Court operates has changed significantly over the past year, most notably with the independence referendum in Scotland, followed by the work of the Smith Commission; and the St David's Day process in Wales. Work in both these areas is on-going and we will be keeping in touch with developments.

It has been an enormous privilege to be the first Chief Executive of the Supreme Court of the United Kingdom, and to be instrumental in shaping the form of an institution at the heart of our constitutional arrangements. I am grateful to everyone who has worked with me since 2008, and to all of the Justices. The success of any organisation depends on the commitment and ability of its staff. I pay tribute to all permanent members of staff, as well as to those who provide essential services, such as security, cleaning and catering under outsourced contracts, for everything they have done to ensure the UKSC and the JCPC work smoothly. I know that you will continue to offer that commitment and ability to my successor, and to all users of the Court.



section one

setting direction: our objectives and operating context

Our Mission

The mission of the administration of the Supreme Court of the United Kingdom (UKSC) and the Judicial Committee of the Privy Council (JCPC) is to ensure that the President, Deputy President and Justices of the two Courts can deliver just and effective determination of appeals heard by the Court, in ways which also best develop the Rule of Law and the administration of justice.

Our Strategic Objectives

- 1 The administration of the UKSC will create an environment, which effectively maintains the independence of the Justices, in which they can carry out their work protected from external pressures and which empowers them to develop the Rule of Law.
- 2 The administration of the UKSC will maintain and increase confidence in the delivery of justice throughout the United Kingdom. It will promote transparency in, accessibility to and knowledge of the ways in which justice should be rightly administered. It will thereby promote knowledge of the importance of the Rule of Law, not least as a guarantee of democratic freedom.
- 3 The administration of the UKSC will provide efficient and effective support, which enables both the UKSC and the JCPC to secure the effective determination of justice, while demonstrating the best possible value for the resources with which they are provided. In particular it will operate case management systems, which provide appropriate measurable monitoring of the throughput of applications and cases, thereby enabling the most effective support of the Justices in their work.
- 4 The administration of the UKSC will promote good relations with all the individual jurisdictions, legislatures and governments in the different parts of the United Kingdom.
- 5 The administration of the UKSC will support the Justices in developing appropriate relationships with courts in Europe, throughout the Commonwealth and in other countries, especially those which share their common law heritage.
- 6 The administration of the UKSC will demonstrate appropriate corporate social responsibility. In particular it will promote diversity amongst its staff, ensuring they are also representative of all the jurisdictions of the United Kingdom. It will also both source its supplies and consume its resources in ways which contribute as much as possible to sustainable development and the conservation of the world's natural resources.
- 7 The administration of the UKSC, as the statutory custodian of its own records, will provide the most appropriate environment it can for the organisation, preservation and future inspection of those records.
- 8 The administration of the UKSC, as occupant of the former Middlesex Guildhall, will promote knowledge of, and interest in, this historic building, the works of art it houses, especially the Middlesex Art Collection, and more generally the history of the County of Middlesex.

These objectives informed the business plan for 2014–15.

Our Values

Although the mission and strategic objectives on the preceding pages inform both our business plan and the objectives of individual members of staff, the way we go about these tasks is also important. All staff, including those with us on a temporary basis, for example, Judicial Assistants, are expected to follow the core values and behaviours set down in the Civil Service Code. In addition, we have developed our own set of values more specific to the organisation. In 2014–15 we consulted staff about these values as part of our annual staff engagement survey. This was the first formal consultation we had undertaken since 2011–12 and we wanted to ensure they remained fit for purpose. I am pleased to report that there was 100% agreement with the values of clarity and openness, accountability, efficiency and accessibility; and 97% agreement with the values of influence and professionalism.

Each member of staff is expected to understand and demonstrate the following values. We hope they are evident in all we do.

1. Impartiality

We will respect judicial independence and deal with all casework fairly and objectively.

2. Clarity and Openness

We will undertake our work without prejudice in an open and transparent manner.

3. Professionalism

We will seek to understand other people's pressures and give support to each other. We will treat our colleagues, court users and visitors with respect, and work professionally and co-operatively with outside organisations.

4. Accountability

We will be responsible for delivering a high quality service to Justices, court users and to the public.

5. Efficiency

We will use our time, finances and resources effectively and efficiently. We will invite and listen to feedback and continuously look to improve our processes and the services we provide.

6. Accessibility

We will provide a service that meets the reasonable needs and expectations of users. We will positively promote awareness and understanding of the Supreme Court and interest in the history of the building and the works of art.

7. Influence

We will be ambassadors for the court, and we will maintain good relations, and share our knowledge and experience, with individual jurisdictions and governments in the UK, and with other courts around the world.

Maintaining Effective Relationships with all Jurisdictions in the United Kingdom

Although we are located in London, we are responsible for two courts, one of which serves the whole of the United Kingdom, and the other of which serves 31 countries, territories and jurisdictions around the world. It is one of our strategic priorities to maintain effective relationships with the judges, devolved administrations and other organisations throughout the United Kingdom, and with those in the jurisdictions which use the JCPC.

The United Kingdom

The context within which the Court operates, particularly in relation to the developing devolution settlements in Scotland, Wales and Northern Ireland, means that the UKSC's role has continued to be one of some prominence. In the period covered by this report the referendum on independence for Scotland highlighted the role of the Union and the role of United Kingdom-wide institutions. This context underlines the importance of building and maintaining relationships with judges, lawyers, the devolved administrations, and other bodies throughout the United Kingdom. This aspect of our work involves both Justices and staff. It is an expectation that Justices who originate from either Scotland or Northern Ireland will keep in touch with judges and lawyers in those jurisdictions. Lord Reed and Lord Hodge have done this for Scotland; and Lord Kerr plays a similar role in relation to Northern Ireland.

Scotland

The Chief Executive visited Scotland in March 2015 when she had meetings with:

- Neil Rennick and Kay McCorquodale (Scottish Government)
- James Wolff QC (Dean of the Faculty of Advocates)
- Eric McQueen (Chief Executive, Scottish Courts and Tribunal Service)
- Lady Smith
- Frank Mulholland QC (Lord Advocate) and his Legal Secretary
- Steve Humphreys (Executive Director, Judicial Office)
- Michael Clancy (The Law Society of Scotland)

Most of the Justices visited Edinburgh in October 2014 for a meeting with the judges of the Court of Session. Lord Reed attended meetings of the Judicial Council for Scotland in Edinburgh in May and November 2014. He also gave a lecture on 26 January 2015 at a conference organised jointly by Glasgow University and Strathclyde University to mark the 30th anniversary of the introduction of Judicial Review in Scotland, on 26 February 2015 attended the installation of the new Sheriff Principal of South Strathclyde, Dumfries and Galloway at Hamilton Sheriff Court, and in March 2015 presided over the finals of the Scottish Primary School Mock Court Case Project in Edinburgh.

Lord Hodge gave a lecture to Scottish Government lawyers on the work of and pleading in the Supreme Court in April 2014, a lecture in Edinburgh to the British German Jurists Association in May 2014, a lecture to the Centre for Commercial Law in Edinburgh in November 2014, a lecture to the Trust Bar

of Parliament House, Edinburgh in February 2015, and in the same month a lecture to the Law Society of Scotland on advocacy in the Supreme Court. In addition, with Lord Reed, he judged a moot by Glasgow University students in the Supreme Court and has also met students from St Andrew's University in the Supreme Court. He was made an Honorary Doctor of Law at Glasgow University in December 2014, and has attended a Judicial Institute course in Edinburgh.

Additionally, Lady Hale gave the inaugural Lord Rodger Memorial Lecture in Glasgow in October 2014, organised by the Royal Faculty of Procurators.

The regular series of "keeping in touch" meetings with the Advocate General for Scotland and the Lord Advocate continued during the year.

Northern Ireland

The President and Chief Executive of the Law Society of Northern Ireland visited the Court on 29 April 2014, David Ford MLA, the Minister of Justice, visited on 1 May 2014, and the Senior Coroner, John Leckey visited in July 2014. The Chief Executive visited Northern Ireland on 4–5 September 2014. In addition to attending the ceremonies at the Royal Courts of Justice in Belfast for the Call to the Bar, and to mark the opening of the legal year, she had meetings with:

- Sir Declan Morgan, The Lord Chief Justice
- Lord Justice Coghlin
- David Ford MLA (Minister for Justice)
- Paul Andrews (Chief Executive, Northern Ireland Legal Services Commission)
- Jacqui Durkin and Ronnie Armour (outgoing and incoming Chief Executives, Northern Ireland Courts and Tribunals Service)
- David Mulholland (Chief Executive, The Bar Council of Northern Ireland)
- Mandy Kilpatrick (Chief Executive, Northern Ireland Judicial Appointments Commission)

Lord Kerr spoke at a Family Bar Conference in Northern Ireland in September 2014, and attended an event for distinguished alumni of Queen's University Belfast in October 2014 where guests were briefed on plans for a refurbished Law School (this event was also attended by Lord Neuberger). Lord Kerr also gave a talk to the Belfast Solicitors' Association on Magna Carta in February 2015.

Lord Neuberger gave a lecture on 'The Future of the Bar' at a joint conference of the Bar Councils of Northern Ireland and Ireland, in Belfast in June 2014.

We have also agreed to set up regular "keeping in touch" meetings with the Attorney General of Northern Ireland.

Wales

Both the President of the Court and the Chief Executive attended the Legal Wales Conference held in Bangor on 10 October. Lord Neuberger delivered a keynote address under the heading “The UK Constitutional Settlement and the Role of the UK Supreme Court”.

In November 2014, Lady Hale gave a lecture at Cardiff Law School on recent developments in the law concerning the human rights of children.

Lord Hughes has agreed to take on a new role of liaison Justice with Wales and an introductory meeting with the Counsel General is being arranged.

Other

We have continued to welcome a number of visitors to the Court from around the United Kingdom, including educational groups which are covered in Section Four.

The UKSC continues to provide a quarterly report on performance, casework and expenditure to representatives of the different jurisdictions and the senior judiciary around the United Kingdom. These reports contain information on key areas of activity – operational, customer service, finances and learning and development. They also include statistics on cases with details of devolution cases from Scotland, Northern Ireland and Wales, non-devolution appeals and performance against a number of targets.

Our Audit Committee includes one representative from Scotland and one from Northern Ireland: during the course of the year Ronnie Armour, the incoming Chief Executive of the Courts and Tribunal Service of Northern Ireland replaced Laurene McAlpine. There are representatives from Scotland and Northern Ireland on the User Group, as well as practitioners who practice in the courts of England and Wales.

We have also benefited from the contribution of judges drawn from across the United Kingdom sitting either as Acting Judges of the UKSC or in the JCPC. The following Judges have sat in this financial year: Lord Collins, the Lord Chief Justice (England and Wales), the Master of the Rolls, the Lord President of the Court of Session, the President of the Queen’s Bench Division, Lord Justice Girvan, the Chancellor of the High Court, Lord Justice Coghlin, Lord Justice Lewison, Lord Justice Kitchin, Lord Justice Davis and Lord Justice Lloyd-Jones. We are grateful to all of them for the contribution they have made.

Judicial Committee of the Privy Council

The JCPC has continued to sit regularly during the year, and has heard a range of interesting cases. As an administration, our focus has been on maintaining and enhancing the relationship with the jurisdictions which use the JCPC, and on ensuring that we identify swiftly any specifically JCPC related issues which need to be addressed.

A number of the Caribbean countries which use the JCPC have continued to debate the pros and cons of moving to the jurisdiction of the Caribbean Court of Justice. Dominica completed the process of disengagement from the JCPC on 6 March 2015. In Jamaica, the Government has introduced legislation which has been debated in Parliament, and, at the time of writing, was subject to a three month period for further consideration, which is a requirement of the Jamaican constitution. We have monitored both the debates, and the media comment on those debates, and it is clear that opinions are divided. We have always been clear that the decision is one for the Governments and Parliaments concerned. Our principal concern is to ensure that adequate provision is made for any cases which may be in progress at the time any change takes place and it is important for us to have as much advance notice as possible so that we can plan our resources accordingly.

In November 2014 the JCPC heard a further case from New Zealand under the transitional arrangements provided for in the New Zealand Supreme Court Act 2003. We were very pleased that, once again, Dame Sian Elias, the Chief Justice of New Zealand, was able to sit as a member of the Board hearing the case.

During this financial year we have instituted a twice yearly newsletter which goes by e-mail to all the JCPC jurisdictions, as well as to Privy Council agents and other court users. In that newsletter we aim to bring people up-to-date with key judgments which may have a wider significance, as well as with other developments of particular interest to JCPC users. We have so far received positive feedback on this development.

For the second time, the JCPC hosted an educational day to mark Commonwealth Week, this year involving sixth form students from Westminster Kingsway College. The event, held on 10 March 2015, involved the young people debating the issues raised in a previous JCPC case (*Bimini Blue Coalition Limited (Appellant) v The Prime Minister of The Bahamas and others (Respondents)*), and learning more about the court's jurisdiction. We were very pleased that Mr Michael Guy, the Second Secretary from the High Commission of the Bahamas was able to attend the debate.

We took advantage of the fact that a number of representatives of JCPC jurisdictions attended the Global Law Summit, held in London in February 2015, to invite people to visit the building. We gave a tour to representatives from eight countries, followed by tea with some of the Justices.

The Chief Executive and Registrar have continued to offer to brief incoming Governors of the British Overseas Territories before they take up their posts, and this year met with the Governor-Designate of the British Virgin Islands, John Duncan, before his posting.

Our summer exhibition focused on the historic role of the JCPC in adjudicating disputes 'at the crossroads of Empire', and enabled many thousands of visitors to learn more about the various legacies of the Committee's work from the period when appeals could be heard from a quarter of the world. More details about the exhibition and associated public education work can be found in Section Four of this Report.

Policy developments

In our Business Plan for 2014–15 we highlighted a number of policy areas which we thought had the potential to impact on the work of the UKSC and/or the JCPC.

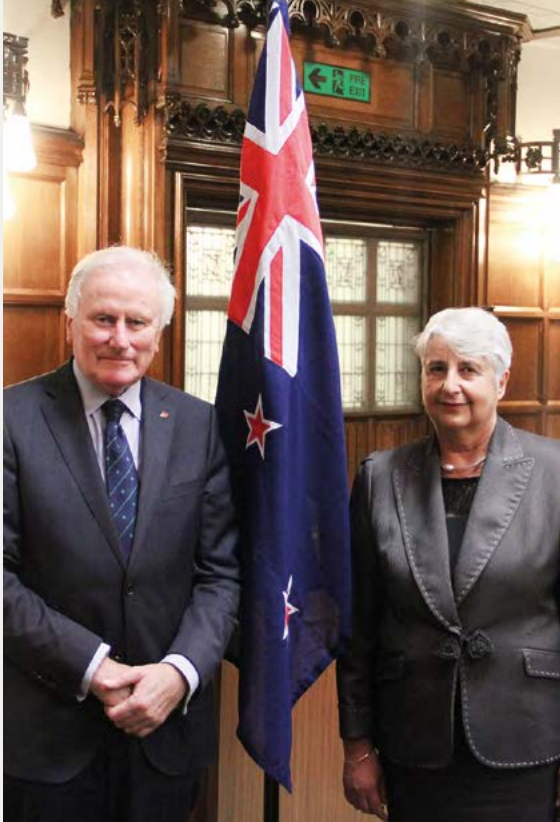
We have continued to keep in touch with Ministry of Justice officials, and with members of our User Group, about the continuing implementation of reforms to the provision of legal aid in England and Wales. Although these changes have involved some reductions in the scope of legal aid there has, as yet, been no significant impact on the number and type of cases where permission is sought to appeal to the Supreme Court. There has been a variety of approach to legal aid reform around the United Kingdom, and we have continued to keep in touch with the devolved jurisdictions about their thinking in this area. One development which has continued is the increase in the number of litigants in person applying for permission to appeal to the Supreme Court. The numbers for the 2014–15 financial year are 24 out of a total of 231 permission applications.

During this year the government introduced changes to judicial review and the leapfrog appeals procedure which were approved by Parliament, and given effect to, in the Criminal Justice and Courts Act 2015. We were consulted by Ministry of Justice officials on those provisions which affected the Supreme Court. The final provisions are expected to come into force during 2015/16 and, of significance to us, will enable a greater range of cases to “leapfrog” to the Supreme Court.

We have continued to monitor the impact of changes in the regimes governing civil costs, particularly in England and Wales, as a result of Lord Justice Jackson’s report. The Scottish Government’s Response to Sheriff Principal Taylor’s review of civil costs was published in June 2014; and we are grateful to the Faculty of Advocates for assisting us with advice on any changes which might need to be made to the UKSC costs practice direction to take account of specific Scottish provisions. During 2014–15 we worked on a new JCPC costs practice direction after consultation with the JCPC Users, which we expect to introduce early in the next financial year.

In Scotland we have kept in touch with progress on the Courts Reform (Scotland) Bill which received Royal Assent at the turn of the year. The Act includes provision to introduce a permission to appeal regime for civil cases from Scotland to the Supreme Court. We hope to see those provisions implemented during 2015–16 so that the same approach will apply throughout the United Kingdom. Also in relation to Scotland we noted the work of the Smith Commission established after the independence referendum in Scotland, and submitted factual evidence to the Commission on the role of the Supreme Court in relation to cases from Scotland.

We also kept in touch with the work of the Silk Commission (part two) in order to assess any potential implications for the UKSC; and have noted the content of framework for devolution published by the UK Government as the St David’s Day agreement on 27 February.



Above: Lord Kerr pictured with Dame Sian Elias after the hearing in what is expected to be one of the last appeals from New Zealand to the JCPC, November 2014.

Right: Lord Hodge prepares to receive an honorary doctorate from the University of Glasgow, December 2014





Above: Lady Hale gives a lecture at Cardiff Law School on the human rights of children, November 2014. Photo Nick Treharne.

Above right: Lord Kerr (second left) with the Vice-Chancellor and other distinguished alumni of Queen's University Belfast, October 2014.

Right: Lord Neuberger (centre) talks to Mark Mulholland QC, Chairman of the Bar Council of Northern Ireland (left) and David Nolan SC, Chairman of the Bar of Ireland (right), June 2014. Photo Press Eye.





section two

the Supreme Court Justices

There are twelve Justices of the Supreme Court, including the President and Deputy President. Two of the Justices are from Scotland, and one from Northern Ireland. As well as sitting in the UKSC, the Justices sit in the JCPC.

I am delighted to report that no vacancies arose during the 2014–15 financial year. This period of stability was very welcome after a significant number of changes since the Court opened in 2009. There are now only four Justices who were previously members of the Appellate Committee of the House of Lords. We do not expect a further vacancy until late 2016 when Lord Toulson reaches his statutory retirement age.

Changes to the selection process

In last year's Annual Report I referred to the fact that the Crime and Courts Act 2013 had introduced a number of changes to the judicial appointments process. The primary legislation was supplemented by the Supreme Court (Judicial Appointments) Regulations 2013 which came into force on 1 October 2013. These Regulations require that a selection commission must have an odd number of members not less than five and for those commissions recommending candidates for appointment as Justices (not President or Deputy President) the selection commission must consist of:

The President (Chairman); a member of each of the Judicial Appointments bodies in England and Wales, Scotland and Northern Ireland; and a senior UK Judge nominated by the President, and having due regard to the territorial composition of the selection commission. Those with responsibility for nominating a person to be a member of a selection commission must have regard to the fact "that it is desirable that the members of the selection commission should include –

- (a) Both women and men; and
- (b) Members drawn from a range of different racial groups (within the meaning of Section 9(3) of the Equality Act 2000).

The Regulations also require that at least two members of the selection commission should be non-legally qualified.

In my capacity as Secretary to selection commissions I have alerted the Chairs of the Judicial Appointments bodies around the UK of these requirements.

Review of the Process

In the summer of 2014 I agreed with Lord Neuberger that, as we did not expect any vacancies to arise until 2016 when Lord Toulson reaches his statutory retirement age, it would be a good opportunity to review the process followed by selection commissions. (I undertook this project in my role as secretary to selection commissions, and not as Chief Executive of the UKSC.)

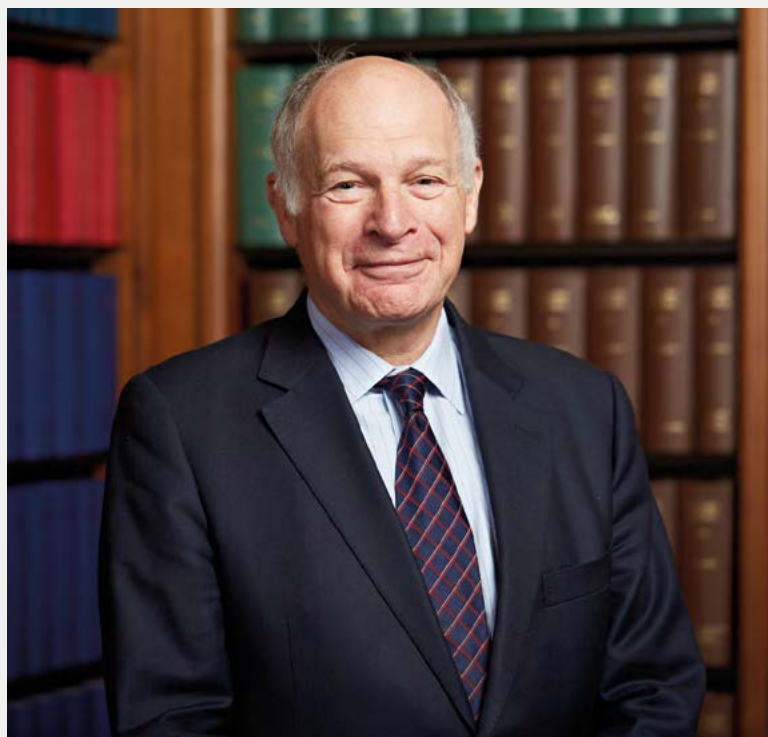
In late August I wrote to:

- all the statutory consultees
- all who had sat on selection commissions
- officials responsible for advising Ministers etc on appointments issues
- academics with an interest in the subject

I invited those to whom I wrote to consider 19 questions. Whilst not everyone responded to every question I received a reasonable spread of views which I considered under the following themes:

- Nature and scope of the role
- Merit
- The needs of the Court
- Wales
- Attracting the widest range of candidates
- Diversity
- Comments/references
- The decision-making process
- President/Deputy President

My final report will be published before the summer of 2015, with recommendations.



Lord Neuberger photographed by Kevin Leighton as one of a series of updated portraits of the Justices, December 2014



The Justices process to Westminster Abbey for the Service at the Opening of the Legal Year, October 2014



Left: The Justices of the Supreme Court pictured in December 2013



section three

serving the UK and beyond: Jurisdiction and casework

(A) The UKSC: Jurisdiction and casework

The UKSC is the UK's highest court of appeal. It hears appeals on arguable points of law of general public importance, concentrating on cases of the greatest significance. The UKSC is the final court of appeal for all United Kingdom civil cases, and criminal cases from England, Wales and Northern Ireland and (in certain cases) Scotland.

The Court plays an important role in the development of United Kingdom law. The impact of UKSC decisions extends far beyond the parties involved in any given case, helping to shape our society. Its judgments directly affect everyday lives.

The UKSC hears appeals from the following courts in each jurisdiction:

England and Wales

- The Court of Appeal, Civil Division
- The Court of Appeal, Criminal Division
- (in some limited cases) the High Court

Scotland

- The Court of Session
- The High Court of Judiciary (in certain cases)

Northern Ireland

- The Court of Appeal in Northern Ireland
- (in some limited cases) the High Court

The devolution jurisdiction of the JCPC transferred to the UKSC on its establishment. The UKSC can be asked to give judgments on questions which relate to whether the acts of the devolved administrations in Scotland, Wales and Northern Ireland are within the powers given to them by the UK Parliament.

These administrations were established by the Scotland Act 1998, the Government of Wales Act 2006 and the Northern Ireland Act 1998.

The UKSC can also be asked to scrutinise Bills of the Scottish Parliament (under section 33 of the Scotland Act 1998), Bills of the Northern Ireland Assembly (under section 11 of the Northern Ireland Act 1998) and proposed Assembly Bills under section 112 of the Government of Wales Act 2006.

Devolution cases can reach the UKSC in four ways:

- A question is referred by a court
- An appeal is made against a judgment by certain courts in England and Wales, Scotland and Northern Ireland
- A devolution issue is referred by certain appellate courts
- A devolution issue is directly referred whether or not the issue is the subject of litigation

The UKSC has to consider and rule on the compatibility of United Kingdom legislation with the law of the European Union and the European Convention on Human Rights. In these and some other respects it represents a constitutional court.

Rules and Practice Directions

The underlying procedure of the UKSC is in many respects the same as that of the Appellate Committee of the House of Lords, but section 45 of the Constitutional Reform Act 2005 imposes upon the President a specific duty in relation to the rule-making power bestowed upon him under section 45(3).

The Constitutional Reform Act 2005 requires that the Rules are ‘simple and simply expressed’ and that the Court is ‘accessible, fair and efficient’ and many of the rigid and detailed requirements in the House of Lords Practice Directions have been dispensed with. The Court must interpret and apply the Rules with a view to securing that the Court is ‘accessible, fair and efficient and that unnecessary disputes over procedural matters are discouraged’. Rule 9(6) provides that, if any procedural question is not dealt with by the Rules, the Court or the Registrar ‘may adopt any procedure that is consistent with the overriding objective, the Act and these Rules’. These words are very important in underpinning the approach adopted by the Court.

The Rules are kept under review and feedback from users is welcomed – both formally through our User Group, or informally in other ways. The Rules and Practice Directions have generally worked well during the Court’s first five years of operation: a number of revisions have been made to the Practice Directions to reflect suggestions made by practitioners and to effect a number of improvements.

The procedure for appealing: permission to appeal (PTA) applications

In nearly all cases (except for Scotland) an appellant requires permission to appeal before he or she can bring a case to the UKSC. The court appealed from may grant permission, but where that court refuses permission, the appellant can then apply to the UKSC which has to rule on whether permission should be granted. Such applications are generally decided on paper by a panel of three Justices, without an oral hearing. There has been one oral permission hearing during the year.

Once the required papers have been filed, an application for permission will normally be determined within eight sitting weeks. In urgent cases, a request for expedition may be made and an expedited application can be determined within 14 days or even less (see Table 2).

Applications by third parties to intervene in appeals may also be made, usually after permission to appeal has been granted. Over the course of the year, 31 such applications have been made and all have been granted.

TABLE 1 – PTAs (1 April 2014 – 31 March 2015)

Applications Received	231
Applications Granted	88
Applications Refused	179
Applications with other result	2

Appeals

Once permission to appeal has been granted, a hearing date is fixed using the time estimate provided by the parties, and the views of the panel considering the application. Hearings last for an average of two days.

Between 1 April 2014 and 31 March 2015:

- 89 appeals were heard, and
- 81 judgments were given.

Sitting Days

Over the year, the UKSC sat for 136 days out of a maximum of 144 possible sitting days (the Court does not sit on Fridays, which are reserved for case preparation and judgment writing, and some other days are unavailable for hearings owing to judicial engagements affecting a number of Justices).

The Court's target remains for all appeals to be heard within nine months of the grant of permission. The Court, however, seeks to arrange hearings according to the availability of parties' legal representatives. In practice it is this factor alone which can prolong the 'life' of an appeal as instructing new advocates if their advocate of choice is not available within the target period involves the parties in considerable extra expense.

The UKSC can and has arranged hearings within weeks of the grant of permission in a number of urgent cases (for example, family cases). The Court deliberately allows some gaps in its listing to enable such cases to be heard. The following table indicates urgent cases determined by the UKSC during the year, and the timescales within which they were handled.

TABLE 2 – Urgent appeal cases

Name	Permission to Appeal Application Filed	Permission to Appeal decision made, where applicable	Appeal hearing	Judgment
Moohan and another v The Lord Advocate	10 July 2014	-	24 July 2014	24 July 2014 (reasons followed 17 December 2014)
R (on the application of Lumsdon and others) v Legal Services Board	4 December 2014	12 February 2015	16 March 2015	-
Nzolameso v City of Westminster	15 December 2014	3 February 2015	17 March 2015	2 April 2015

section three

serving the UK and beyond: Jurisdiction and casework

TABLE 3 – Total UKSC statistics, including all jurisdictions: 1 April 2014 – 31 March 2015

	Total
PTA applications received	231
PTA applications referred to Justices	230
PTA applications not yet referred to Justices	28
PTA applications granted	88
PTA applications refused	179
PTA applications other result	2
PTA fee remissions	27
PTA fee deferred	2
Appeals filed as of right	54
Number of Appeals heard	89
Number of Appeals allowed	37
Number of Appeals dismissed	40
Number of Appeals other result	6
Number of Appeals referred to ECJ	0
Number of sitting days	136
Number of possible sitting days	144
Number of Judgments given	81

TABLE 4 – PTAs from Scotland and Northern Ireland: 1 April 2014 – 31 March 2015

	Total
Permission to Appeal applications received	
Scotland	5
Northern Ireland	21
Permission to Appeal applications granted (not all filed during period)	
Scotland	1
Northern Ireland	4
Permission to Appeal applications refused (not all filed during period)	
Scotland	4
Northern Ireland	17
Appeals/references lodged as of right	
Scotland	10
Northern Ireland	0

	Number Granted	Number Refused	Number Other	Total
Arbitration				
Banking	1	1		2
Company		1		1
Competition		1		1
Conflict of laws	3	1		4
Contract law	5	11		16
Copyright		3		3
Costs				
Crime	9	10		19
Defamation		3		3
Devolution	1	3		4
Discrimination	2	1		3
Education	1			1
Employment	2	13		15
EU law	2	4		6
Evidence	1	4		5
Extradition				
Family	3	11		14
Financial Services		1		1
Highways		1		1
Housing	7	4		11
Human Rights	3	3		6
Immigration	6	23		29
Insolvency	1	3		4
Insurance	2			2
Judicial Review	14	23		37
Land		3		3
Landlord and Tenant	2	5		7
Mental Health		2		2
Mortgage	1	1		2
Negligence		4		4
Partnership		1		1
Patent	1	5	1	7
Personal Injury	1	3		4
Planning	2	5		7
Procedure	8	13	1	22
Shipping	1	2		3
Taxation	6	7		13
Tort	1	3		4
Trade Mark	1			1
Trusts	1			1
Total	88	179	2	269

TABLE 6 – UKSC appeals, disposed of by judgment, by subject matter 1 April 2014 – 31 March 2015

	Total number of judgments
Commons	2
Children	1
Competition	2
Conflict of laws	1
Consumer credit	1
Contract	5
Costs	3
Crime	2
Detention	5
Devolution	2
Discrimination	1
Employment	2
Extradition	5
EU law	2
Family	1
Freedom of Information	1
Highways	1
Housing	3
Human rights	10
Immigration	4
Insolvency	1
Judicial review	4
Land	1
Landlord and Tenant	1
Limitation	1
Negligence	5
Nuisance	1
Patent	1
Procedure	2
Social security	1
Statutory Interpretation	3
Tax	2
Tort	1
Trusts	3
Total	81

References to the Court of Justice of the European Union

Like other courts, the UKSC is able (under Article 267 of the Treaty on the Functioning of the European Union) to ask the Court of Justice of the European Union (the CJEU) to give preliminary rulings concerning:

- a) the interpretation of the Treaties; and
- b) the validity and interpretation of acts of the institutions, bodies, offices or agencies of the Union;

where such a question is raised in proceedings before it and it considers that a decision on the question is necessary to enable it to give judgment.

In permission applications in cases said to raise a question of European law, the Supreme Court does not, when considering whether in the light of that question to grant permission or to make a reference to the CJEU, apply a test of whether it or any other issue in the case is of general public importance.

When the Court refuses permission to appeal in a case where the application includes a contention that a question of Community law is involved, the Court gives additional reasons for its decision not to grant permission to appeal which reflect the decision of the CJEU in *CILFIT v. Ministry of Health* (Case C-283/81). That case laid down the categories of case where the European Court considered that no reference should be made to it, namely:

- a) where the question raised is irrelevant;
- b) where the Community provision in question has already been interpreted by the Court of Justice;
- c) where the question raised is materially identical with a question which has already been the subject of a preliminary ruling in a similar case; and
- d) where the correct application of Community law is so obvious as to permit no scope for any reasonable doubt.

The Court may order a reference to the CJEU before determining whether to grant permission to appeal. In such circumstances proceedings on the application for permission to appeal are stayed until the answer is received. Between 1 April 2014 and 31 March 2015, the UKSC made no such references.

Over the same year, the UKSC has, when refusing permission to appeal, refused to make references in 13 cases.

Size of panels hearing cases

The Supreme Court Justices usually sit in panels of five, but sometimes in panels of seven or nine. When a panel decides to grant permission to appeal, a recommendation is made if the panel considers more than five Justices should sit. The criteria for making such a recommendation are available on our website, and a notable feature of the UKSC's short history so far is the increasing propensity of panels to recommend larger panel constitutions.

Easter term

(29 April to 23 May 2014):

No panels of larger than five sat this term.

Trinity term

(6 June to 31 July 2014):

Seven Justices sat on the following appeals:

- HR European Ventures LLP and others (Respondents) v Cedar Capital Partners LLC (Appellant)
- R (on the application of ZH and CN) (Appellants) v London Borough of Newham and London Borough of Lewisham (Respondents); Sims (Appellant) v Dacorum Borough Council (Respondent)
- Montgomery (Appellant) v Lanarkshire Health Board (Respondent) (Scotland)
- Moohan and another (Appellants) v The Lord Advocate (Respondent) (Scotland)
- Michael and others (Appellants) v the Chief Constable of South Wales Police and another (Respondents)

Michaelmas term (1 October to 19 December 2014): Seven Justices sat on the following appeals:

- Jetivia SA and Another (Appellants) v Bilta (UK) Limited and Others (Respondents)
- R (on the application of Rotherham Borough Council and others) (Appellants) v Secretary of State for Business, Innovations and Skills (Respondent)
- Secretary for State of the Home Department (Respondent) v B2 (Appellant)
- R (on the application of Evans) (Respondent) v Her Majesty's Attorney General (Appellant)

Hilary term (12 January to 1 April 2015):

- International Energy Group Ltd (Appellant) v Zurich Insurance Plc UK Branch (Respondent)
- Coventry and others (Respondents) v Lawrence and another (Appellants)

Cases and judgments

Although every appeal heard by the UKSC is of legal importance, many also attract considerable public interest owing to their impact on wider society. Some of the particularly high profile cases determined by the Court this year include:

R (on the application of Nicklinson and another) v Ministry of Justice [2014] UKSC 38

Nine justices sat on this appeal, which brought back before the court the question of the 'right to die'. It was argued that the general prohibition against assisted suicide was incompatible with the rights of persons who are physically unable to commit suicide without help, but who have formed a free, informed and settled wish to die, forming

part of the right to private life guaranteed by Article 8 of the European Convention on Human Rights. The Government maintained its position that a general ban on assisting suicide was considered necessary by Parliament to protect against the risk to vulnerable individuals of pressure to commit suicide.

AIB Group (UK) plc v Mark Redler & Co [2014] UKSC 58

In an important trusts case, the Supreme Court examined the principles of equitable compensation and its relationship with common law damages. The case arose from a breach of trust by solicitors acting for a bank in a property transaction. The question was whether the bank was entitled to compensation for the loss suffered rather than to have the whole sum paid away restored to it. The court confirmed that the liability of a trustee for breach of trust is not generally the same as liability in damages for tort or breach of contract. The rationale of the monetary remedy was to entitle a beneficiary to recover losses suffered by reason of the breach of duty. The loss in this case was found to be the proportion of the bank's loan over which the solicitors had failed to obtain security. The measure of the solicitors' liability was not fixed at the date of the breach of trust, and depended on a causal link between breach of trust and loss.

R (on the application of Lord Carlile of Berriew QC and others) v Secretary of State for the Home Department [2014] UKSC 60

The Supreme Court by a majority upheld the decision of the Home Secretary to exclude a prominent dissident Iranian politician from the UK on the ground that her presence would not be conducive to the public good. The challenge

was brought by members of the House of Lords who wished to invite Maryam Rajavi to address meetings in the Palace of Westminster. The challenge required the court to consider whether this restriction on the right to give and receive information was disproportionate and amounted to a breach of Article 10 of the European Convention on Human Rights. The Home Secretary's decision reflected her view that the exclusion protected the UK's interests in relation to Iran and prevented British people and property in Iran being put at risk.

The majority held that a predictive judgment of the executive about the likely reaction of a foreign country to a decision of the UK government is ordinarily entitled to a large measure of respect from the court when deciding for itself whether the interference with the Article 10 rights was justifiable. This was because the constitutional separation of powers assigned such judgments to the executive, which had greater institutional competence by reason of its specialised experience and access to a wide range of advice. Lord Kerr, dissenting, would have held that the direct and immediate interference with the Article 10 rights was not justified by the unpredictable risk of a retaliation by Iran rooted in anti-democratic beliefs.

Michael and others v The Chief Constable of South Wales Police and another [2015] UKSC 2

The Supreme Court was asked to reconsider previous decisions on the liability of the police for negligence. In this case, the police had failed to respond to an emergency call in time to prevent a woman from being murdered by her former boyfriend. In general under the common law a defendant will not be liable for harm to a claimant caused by the conduct of a third party. By a majority of 5 to 2, the court maintained the

refusal to impose a duty of care on the police to protect victims from potential future crimes, even where they were aware of a threat to harm an identifiable person, because of concerns that it was not in the public interest for police priorities to be affected by the risk of being sued, and that it would be hard to ascertain the scope of this limited duty.

A parallel claim against the police alleging that their failures in this case had breached the woman's right to life protected by Article 2 of the European Convention on Human Rights was however allowed to proceed to trial.

Recovery of Medical Costs for Asbestos Diseases (Wales) Bill: Reference by the Counsel General for Wales and the Association of British Insurers [2015] UKSC 3

This was the most recent reference to the Supreme Court on whether a proposed Act of the Welsh Assembly is within the assembly's legislative competence and the first time that the Supreme Court has concluded that a Bill in the form proposed is not.

The Bill sought to make those liable to pay compensation to victims of asbestos-related diseases additionally liable to Welsh Ministers for the cost of NHS services provided to such victims. It also extended the scope of the compensators' liability insurance policies to cover this additional sum. Under the Government of Wales Act 2006 the Bill would fall outside the legislative competence of the Welsh Assembly if these provisions did not relate to 'the organisation and funding of the national health service' or were incompatible with the property rights of the insurers protected by Article 1 of Protocol 1 (A1P1) of the European Convention on Human Rights.

The majority of the Supreme Court considered that the Bill was not sufficiently related to the provision of Welsh NHS services to fall within the relevant competence but rather sought to impose new tortious or statutory duties on third parties to pay for NHS treatment. All the justices considered that the retrospective nature of the Bill on the liabilities of insurers required special justification, which was absent here, and so interfered with the insurers' A1P1 rights.

Pham v Secretary of State for the Home Department [2015] UKSC 19

The Supreme Court upheld the right of the Secretary of State to deprive Mr Pham of his British citizenship under s 40 (2) British Nationality Act 1981 because she suspected that he was involved in terrorist activities. She could not have done so if it would have rendered him stateless. Mr Pham was born in Vietnam but had lived in the UK since he was a young child. He did not renounce his Vietnamese citizenship when he became a British citizen but argued that he had in fact lost it because Vietnamese officials have since declined to acknowledge him as a Vietnamese national. On a preliminary hearing on this issue, the Supreme Court rejected Mr Pham's contention that he was stateless as a result, because there was no evidence that the officials had taken this decision before the Home Secretary's order and executive decisions could not take effect retrospectively.

Mr Pham further argued that his loss of EU citizenship as a result of the loss of his British citizenship was disproportionate under EU law principles. The Supreme Court's judgment reflects on various important issues that will arise in determining what approach to reviewing such a decision is required by EU law. However the point must first be the subject of proper

consideration by the courts below, which would be required before any question of a reference to the Court of Justice of the European Union could be determined.

R (on the application of Evans and another) v Her Majesty's Attorney General [2015] UKSC 21

The final judgment of the financial year concerned the challenge to the Attorney General's statutory power to intervene to prevent disclosure of material which is the subject of a request under the Freedom of Information Act 2000 (FOIA) and/or the Environmental Information Regulations 2004. In April 2005 Mr Evans, a journalist, requested disclosure of communications passing between a number of government departments and HRH the Prince of Wales. His right to receive the information was upheld by the Upper Tribunal after a lengthy hearing. The Attorney General did not appeal against this ruling but instead within 28 days issued a certificate under s 53(2) FOIA stating that he had on reasonable grounds formed the opinion that the departments had been entitled to refuse disclosure of the letters.

The Supreme Court by a majority (5 to 2) agreed with the Court of Appeal that the certificate should be quashed and the letters disclosed, either on the basis that the Attorney General was not entitled simply to take a different view from that taken by the tribunal or court, or that he had not shown the clearest possible justification for doing so in this case. Insofar as the letters contained environmental information the power to refuse disclosure was also found by six of the justices to be incompatible with EU law, which required the final decision regarding disclosure of such information to be made by a court, not the executive.

(B) The JCPC: Jurisdiction and casework

The JCPC is the court of final appeal for the UK Overseas Territories and Crown Dependencies and for those Commonwealth countries that have retained the appeal to Her Majesty in Council or, in the case of republics, to the Judicial Committee. A list of the relevant countries is at Annex A. Although the Judicial Committee was instituted by a United Kingdom Act, the substantive law which it applies is the law of the country or territory from which the appeal comes. The Judicial Committee therefore plays an important role in the development of law in the various constituent jurisdictions and the impact of its decisions extends far beyond the parties involved in any given case, and often involves questions arising out of the relevant constitution and/or the fundamental rights and freedoms of the inhabitants of the country or territory.

The JCPC hears a wide variety of cases and deals with complex commercial or wide-reaching matters – often in a short timeframe – e.g. *Cukurova*, *Bimini Blue*.

The JCPC also has jurisdiction in a number of miscellaneous areas such as appeals from the Disciplinary Committee of the Royal College for Veterinary Surgeons, certain maritime disputes and non-doctrinal ecclesiastical matters.

Rules and Practice Directions

The underlying procedure of the JCPC is in many respects the same as that of the UKSC. The Rules are kept under review and feedback from users, whether formally through the User Group or informally in other ways, is welcomed.

The Rules, Practice Directions and forms for the JCPC can be accessed on the JCPC website at: www.jcpc.uk

The Procedure for Appealing

Unlike in the UKSC where, in most cases, an Appellant requires permission to appeal before he can bring an appeal, the Judicial Committee hears a number of appeals ‘as of right’. The right of appeal to the JCPC is largely regulated by the constitution and legislation of the relevant individual jurisdiction or by Order in Council. In broad terms, provision for leave ‘as of right’ is made where the value of the dispute is more than a specified amount or where the appeal raises questions as to the interpretation of the constitution of the country concerned. In other civil cases, leave may be granted by the court appealed from or, on application, by the JCPC itself.

The JCPC receives a number of applications for permission to appeal in criminal cases including ‘death row cases’. Permission to appeal is granted in criminal cases for applications where, in the opinion of the Board, there is a risk that a serious miscarriage of justice may have occurred.

The timescale for dealing with applications for permission to appeal in the JCPC is often dependent on the actions of local attorneys or of the relevant court from which the appeal is brought. Although the JCPC can, and has, dealt with applications for permission to appeal quickly, an application for permission would normally be determined within 12 sitting weeks.

TABLE 1 – PTAs (1 April 2014 – 31 March 2015)

Applications Received	60
Applications Granted	14
Applications Refused	42
Applications with other result	2

Appeals

As in the Supreme Court, the hearing date for an appeal is fixed using the time estimate provided by the parties or by the panel which granted permission to appeal, and appeals are almost invariably listed to the convenience of the parties involved, particularly if they are having to travel long distances.

Between 1 April 2014 and 31 March 2015:

- 60 appeals were heard, and
- 57 judgments were given.

TABLE 6 – Total JCPC statistics, including all jurisdictions: 1 April 2014 – 31 March 2015

	Total
PTA applications received	60
PTA applications referred to Justices	63
PTA applications not yet referred to Justices	62
PTA applications granted	14
PTA applications refused	42
PTA applications other result	2
PTA fee remissions	3
Appeals filed as of right	40
Number of Appeals heard	60
Number of Appeals allowed	24
Number of Appeals dismissed	26
Number of Appeals other result	9
Number of sitting days	56
Number of possible sitting days	144
Number of Judgments given	57

Sitting Days

Over the year, the JCPC sat for 56 out of a possible 144 sitting days. The JCPC usually sits as a Board of five.

Cases and judgments

A number of JCPC cases attracted particular public interest over the course of the year, including:

Dhooharika v Director of Public Prosecutions [2014] UKPC 11

The Privy Council had to decide in this case whether the ancient common law offence of scandalising the court, which has now been abolished by statute in England and Wales, still existed in Mauritius. Mr Dhooharika, a journalist, had been convicted of the offence after publishing an interview with a litigant who made extensive criticisms of the Chief Justice's conduct in the proceedings he had brought.

It was held that the offence did still exist, unless and until it was abolished by statute in Mauritius. However, it existed solely to protect the administration of justice rather than the feelings of judges. Mr Dhooharika had not intended to undermine public confidence in the administration of justice and he had not received a fair trial, as he had not been permitted to give evidence on his own advice. His article had called for an investigation and, while his comments were ill-judged, he had not acted in bad faith. His conviction was therefore quashed.

Pora v The Queen [2015] UKPC 9

The right to appeal to the Privy Council from decisions of New Zealand courts was abolished at the end of 2003, but appeals in respect of decisions made before that date may still be brought. This was an appeal against Teina Pora's conviction for the rape and murder of Susan Burdett in May 1994. The principal evidence against him was the confession he had volunteered to the police a year after the murder, before it was known that a serial and usually lone rapist, Malcolm Rewa had been present at the murder scene. Mr Rewa was later convicted of Ms Burdett's rape, and Mr Pora's original conviction was quashed. However he had been convicted again on his retrial in 2000, at which the prosecution had alleged that he was present with Mr Rewa on this occasion.

Mr Pora sought to challenge his conviction with the support of new evidence, including expert evidence that his confession was unreliable because he suffered from a neurodevelopmental disorder. The Privy Council allowed his appeal and the Crown is not asking for Mr Pora to face a further retrial. It held that the evidence of the likely effects of Mr Pora's Foetal Alcohol Spectrum Disorder on his behaviour in the police interviews could potentially have had a significant impact on the safety of his conviction by providing a possible explanation for his confession.



section four

increasing accessibility: communications and external relations

One of the UKSC's objectives is to help promote the rule of law by ensuring that the Court's proceedings are as accessible as possible, and that we communicate the work of the Court effectively to a wide range of audiences.

During 2014–15, we have seen yet another significant increase in number of visitors to the building, buoyed by a range of special events. We have developed the explanatory material available, both on and offline, to help people understand both the history and role of the Court, and the details of specific appeals being considered here.

Broadening our visitor base

During the year we received over 105,000 visitors – the highest annual total since the Court opened in 2009 and a significant increase of 32% on 2013–14. We have seen growth in both the number of tourists and in those with a more professional or personal interest in the Court's work. We encourage all visitors to observe proceedings even for a short while, when the court is sitting, and summaries of the facts and issues in each appeal are available from our Reception desk to aid understanding. In addition, visitor guides are available freely in a number of languages, including Braille.

Internal and external signage has been improved over the year to help encourage visitors to explore more of the building, particularly the exhibition area on the lower ground floor. This space has been developed over the year to house our growing collection of commemorative gifts from official international visitors, and the material updated to reflect some more recent appeals heard by the Court. Towards the end of the year we also began work on a trail for younger

visitors, to help explain some of the themes of the exhibition in more child-friendly language. We aim to launch this colourful trail before the end of the current legal year, to meet the growing number of families who visit particularly over the summer months.

We again participated in the 'Open House London' weekend in September 2014 (where 5,000 people visited over just two days) and in addition to four other dedicated 'open days' during the year we also opened on a Saturday in May, to enable those usually unable to visit during the week to have the opportunity to see the building.

A highlight of the year was the Court's participation in the 'Museums at Night' festival. 'Twilight hours at the Supreme Court' saw 300 ticket holders enjoy an evening of illustrated talks, theatre and film loosely based on 'representing justice'. Architect Hugh Feilden spoke about his team's work on the building refurbishment, artist Isobel Williams presented a selection of her court drawings, students from Inner Temple Drama Society performed a sketch based on a criminal trial, and a jazz duo played in our pop-up cocktail bar. In addition to the very positive feedback received via the surveys and on Twitter, our participation in the programme also led to coverage in a number of listings magazines and websites.

2014–15 has also seen a record number of groups for pre-booked guided tours to see parts of the building not normally open to the public, such as the Library. These tend to be offered on Fridays during term-time and on occasional days during the recesses.

Educating and inspiring

We welcomed 365 educational groups for visits to the court over the year – slightly down on 2013/14's total of 373. The proportion of visits from UK schools and colleges grew this year to almost 90% of the total, and almost 80% of school visits were from the state sector.

The percentage of educational visits from Wales, Scotland and Northern Ireland has risen slightly to around 8% of the total, a figure we continue to work to increase. This year we have welcomed groups from Coleg Cambria in North East Wales, Bassaleg College in Newport (accompanied by Theodore Huckle QC, Counsel General for Wales), Cardiff and Vale School, Swansea University, New College in Lanarkshire, Graeme High School from Falkirk, Edinburgh Napier University, St Andrews University Mooting Society, Wallace High School in County Antrim, Loreto Grammar School in Omagh, and Down High Grammar School from Downpatrick, among others.

In addition to regular tours, each month we offer A/Higher Level groups the opportunity to participate in a one-day workshop where students prepare legal arguments on a case previously considered by the UKSC. These 'debate days' are supported by our Judicial Assistants and other volunteer lawyers. The mock appeal is staged in our main courtroom, judged by a group of the students' peers. On a number of occasions, Justices have been able to attend to offer their own feedback and take questions from students. These days remain extremely popular with both students and teachers, who value the chance to explore the role of appellate courts in a real-life setting.

We offered 12 universities the opportunity to hold the final of their mooted competition in a UKSC courtroom, judged by a Justice. The universities were selected based on published criteria, which gave priority to those institutions which had not taken advantage of such an opportunity here before. Students report finding this experience immensely rewarding – if at times a little nerve-wracking – and we are pleased to be able to welcome parents and other supporters, who might not otherwise have ever visited us.

In June, we also hosted the final of the Commonwealth Mooting competition, which Lord Kerr judged alongside judges from a number of international criminal courts. A number of representatives of High Commissions and other guests observed the advocacy of Bar students drawn from across Commonwealth countries.

The range of learning resources available freely from the Court's website was extended over the year to include lesson plans designed for AS/Higher Level students comparing the roles of the US and UK Supreme Courts, a topic which arises regularly during our tours.

Other educational projects included supporting the inaugural 'Magna Carta Constitutional Convention' held in April 2014 and led by Egham Museum, where 75 students from across the South East of England debated the clauses they would include in a modern-day charter of rights. Additionally, in July, the Court hosted a day conference for A Level Law teachers, run by the OCR examining board. This gave us an opportunity to show teachers from across the country the building as well as to explain what we can offer their students.



Left: Students from Westminster Kingsway College pictured during a 'debate day' to mark Commonwealth Week in March 2015, with Michael Guy, the Second Secretary from the High Commission of the Bahamas, and Jenny Rowe.

Below Left: Lady Hale cuts the ribbon to open the summer exhibition on the historic role of the JCPC.

Below: Students prepare to debate their proposed clauses for a modern day Magna Carta at the UKSC-supported Convention at Royal Holloway University, April 2014.

Bottom right: Victoria Derbyshire interviews Lord Neuberger in a makeshift studio in Court Two, May 2014.



Reaching out through special events

Our temporary exhibition over the summer recess looked at the history of the JCPC, from its modern formation in 1833 to the emergence of the Commonwealth in the 1950s. The exhibition used a range of case studies to explore how the JCPC served as an evolving hub of the British Empire - both shaping and shaped by a wide range of different cultures and communities – and how the judges serving on the JCPC applied the common law both to translate and to mediate at the crossroads of Britain's colonial interests. We worked closely with a team of academics led by Dr Charlotte L. Smith from the University of Reading's School of Law and Dr Nandini Chatterjee and Dr Stacey Hynd from the University of Exeter's Department of History, who together provided much of the research content.

Two public lectures were organised as part of the project: Prof David Anderson (University of Warwick) marked the official opening of the exhibition by speaking on the role of lawyers and the courts in the administration of Empire through the lens of the Mau Mau Uprising of the 1950s; and Prof John McLaren (University of Victoria) closed the exhibition at the end of September with a talk on the history of disciplining colonial judges. Four school 'debate days', run in conjunction with the University of Reading's Law School, were also arranged, using a Victorian-era case from India as a basis for lively discussion between students.

Feedback from our visitor survey suggests the exhibition was well received, with 84% of respondents giving a favourable score for overall impact, and a similar proportion responding that they felt much better informed about the work of the JCPC following their time reading the material.

We have also taken opportunities to make available the UKSC's facilities for events which support the promotion of the rule of law, including our annual hosting (in October) of the High Sheriff of Greater London's award ceremony for members of the public credited by trial judges with assisting the detection or apprehension of criminals. In November we hosted an evening tour and panel discussion chaired by Lord Carnwath on the 'personhood of judges', organised in conjunction with the Institute of Advanced Legal Studies as part of the inaugural 'Being Human' festival. And in July we helped host the launch of the Lord Edmund-Davies Legal Education Trust, for aspiring young lawyers from Wales.

Assisting the media

The communications team seeks to enable and support accurate coverage of the Court's decisions, primarily through communicating judgments in a timely and accessible manner. We also continue to develop positive working relationships with a range of journalists interested in our work.

We have continued to issue press summaries for every UKSC judgment (and JCPC judgments of particular significance), a list of highlights of each term's forthcoming hearings and a list of determinations of permission to appeal applications which are likely to be of wider public interest. We have issued occasional updates on the most high profile of cases, and also continued to distribute the Justices' extra-judicial lectures to our media contacts.

Over the year, the following hearings and judgments attracted particularly extensive media attention:

- The judgment in *Nicklinson, Lamb and Martin*, on the compatibility of the law on assisted suicide with the ECHR;
- The decision in *Moohan v The Lord Advocate*, concerning the provisions prohibiting prisoners voting in the Scottish Independence Referendum;
- *Michael v Chief Constable of South Wales Police and Others*, which confirmed that the police could not be sued for negligence over their response to a 999 call from a woman who was later murdered;
- The Judgment in *Wyatt v Vince*, on whether a former wife's application for financial relief should be struck out given it had been brought thirty years after the couple's separation;
- The Court's decision in the case involving letters written by Prince Charles to Government Ministers (*R (on the application of Evans) v Attorney General*).

Permission to appeal decisions also increasingly generate interest. This year particular media attention was paid to the Supreme Court's decision to refuse airlines Jet2 and Thomson permission to appeal the Court of Appeal of England and Wales' decision in cases involving compensation for delayed passengers.

In the JCPC, there was substantial coverage for the hearing and subsequent decision in *Pora v The Queen* (an appeal against a murder conviction in light of new evidence), with a number of representatives of New Zealand media outlets attending. A number of media briefings were provided and footage from court was carried by a number of NZ broadcasters.

There was also huge local interest in the JCPC's consideration of an appeal regarding the adoption of new electoral boundaries in St Christopher and Nevis ahead of a general election in the country in February 2015. More than 6,000 people visited the JCPC website on the day of the decision, with a total of 3,000 users watching the live stream of proceedings (the total population of the two islands is less than 55,000).

Beyond reporting of its caseload, the Supreme Court hosted what is thought to be the first ever radio programme produced live from a British courtroom when BBC Radio 5 Live's Victoria Derbyshire show was broadcast from UKSC on 1 May. Victoria and her team set up a makeshift production gallery and the Justices' bench was used as a studio desk to bring some of 5 Live's 6.7 million weekly audience an insight into the work of the Court. The programme began with a 20 minute interview with Lord Neuberger, covering the judicial decision-making process, the Court's relationship with Parliament and with the European Courts, and judicial diversity. The programme also featured interviews with some of those involved in past UKSC cases. The programme resulted in increased activity on our website and twitter feed, and some very positive comments from listeners.

In October, the communications team secured feature articles marking the Supreme Court's fifth anniversary. The Independent on Sunday ran a double page feature covering Lord Neuberger's reflections on five particularly significant judgments by the Court. The story inspired the paper's lead editorial comment, headed 'we need to see justice being done' which carried the line "the success of the Supreme Court in its first five years ought to

inspire us". The Times' legal editor also spent a day at the Court meeting some Justices and staff, and wrote several articles, including one on judicial diversity and a longer feature article on the Court's openness and accessibility.

Various other interviews with Justices have been arranged over the course of the year, including a podcast interview conducted in April by the Daily Telegraph's deputy women's editor with Lady Hale, focusing on her life and career.

A user-focused online presence

We invest considerable effort to ensure our websites remain as up-to-date as possible, serving as the first port of call for those looking to find out more information about court decisions, listings or procedures, alongside Justices' extra-judicial lectures or other news. Online visitors have fallen back to an average of 33,000 each month (figures in the first half of the year were constrained by coding issues linked to the domain move in early 2014), and in the final quarter of the year an average of approximately 3,500 people visited one of our websites on any given day during the working week.

The Court's official Twitter profile now has more than 125,000 followers, providing legal professionals, students and others with real-time alerts on judgments and other Court news.

A major development in October was the launch of live video streaming from all courtrooms via the UKSC/JCPC websites, replacing the service formerly offered by the kind agreement of Sky News via their channel's website. This service attracts somewhere in the region of 1,500 viewers

every day the court is sitting. We also continue to upload footage of the lead Justice's judgment summary in each UKSC appeal (and more high-profile JCPC appeals) to our YouTube channel, and these videos have received well over 100,000 views over the course of 2014–15.

We continually seek to improve the usefulness of our websites for both court users and more general visitors. Enhancements over the year include an improved search facility, and more detailed case summary information, including links to an HTML version of the judgment being appealed. Much work has been undertaken behind the scenes to expand these case profiles further still for users' benefit in the near future. Prominent information was also published to support operational changes, such as the new meeting room booking system, introduction of free Wi-Fi for court users, and the e-bundle pilot (mentioned in Section Six).

Maintaining links with Middlesex

We value greatly the historical relationship with Middlesex, evident throughout the Court building – from the position of the Middlesex Regiment Memorial to the left of the entrance hall, to the Middlesex County emblem which can be found on light fittings and carvings, and Middlesex memorabilia in the exhibition area.

The building houses the majority of the Middlesex Guildhall art collection. This is managed by a set of Trustees entirely separately from the Court, who hold their quarterly meetings in the building. We continue to make available additional information about the range of portraits of Middlesex figures during our Open Days.

An audio guide to the outside of the building, focusing on the original architecture and the building's original role as the home of Middlesex County Council, has been downloaded approximately 4,000 times since its launch during the centenary year of 2013.

The annual Middlesex Regimental Association Service of Remembrance was held in the building on 8 November. Wreaths were laid by Lord Kerr, Colonel Rex Cain, the President of the Middlesex Regimental Association, and Brigadier Douglas Chalmers DSO OBE, who laid a wreath on behalf of the Princess of Wales's Royal Regiment. Jenny Rowe read one of the lessons. This year's service had added poignancy, marking one hundred years since the start of the First World War – a conflict during which 12,694 men died during active service from the county of Middlesex alone.

Listening to our users

The joint User Group, covering both the UKSC and the JCPC, has continued to meet twice a year, in June and in January. Lord Kerr chaired the meeting which took place on 27 June 2014, and Lord Neuberger chaired the meeting which took place on 23 January 2015 in Lord Kerr's absence. The Chief Executive and the Registrar attend all meetings, with other Justices and staff attending as necessary.

A variety of users are involved in these meetings, including barristers' clerks, solicitor and members of the Bars from around the United Kingdom. Agendas and papers are circulated to a wider range of users, with meetings typically attended by between 20 and 30 people. Once minutes of the meetings have been approved, they are placed on our website.

Over the past year we have discussed a range of issues at the User Group, some raised by Justices/staff and some by users. As in previous years we are particularly grateful to members of the Group who have commented on revisions to Practice Directions, and who have raised practical issues which have needed to be reflected in revised Practice Directions. These include issues such as the presentation and order of authorities, detailed matters in relation to costs, and time limits. We have updated the User Group on developments in IT, including our pilot on electronic filing, and have tried to respond to suggestions made by users for improvements which assist them in court, for example, the provision of free Wi-Fi. We briefed the User Group on changes in the arrangements for catering and booking rooms on days the Court is sitting and have kept those matters under review, in particular responding to practical points raised by users outside of meetings. We have also consulted the User Group on possible changes to our fees, and on issues around judicial shareholdings and recusal.

A number of members of the User Group, and their colleagues, continue to assist us with the educational work we do at the Supreme Court/JCPC. We are extremely grateful to them for both their commitment and their enthusiasm. Their contributions are much appreciated by the students who participate, along with their willingness to answer questions about what life is really like being a lawyer!



section five

sharing good practice: international relations

We have continued to experience a good deal of international interest in the UKSC – amongst judges, lawyers, administrators and other observers throughout the year. This is in addition to the long established interest of many countries in the role of the JCPC.

There are various levels at which the international relationships operate. These include the following:

- Links with the courts, the lawyers, and to a certain extent the governments, in the countries which use the JCPC as their highest court.
- Relationships with the European Supra National Courts.
- Relationships with senior courts in Europe, most notably the French Conseil d’Etat and the Bundesverfassungsgericht, the German Constitutional Court, with both of which we have regular judicial exchanges.
- Relationships with other European courts, such as the Italian Council of State and the Supreme Court of Ireland.
- Relationships with Common Law countries such as Australia, New Zealand, Canada and the USA.
- Relationships with other Supreme Courts/ Constitutional Courts.
- Visits from the judiciaries and countries where democratic arrangements are not well settled, where we can assist in developing understanding of the importance of the rule of law and of a high quality independent judiciary as a key component of good governance.

These visits, and the relationships which develop as a result, have a number of benefits. For the Justices there are opportunities to exchange views on how different courts have approached legal issues, the format of judgments, relationships with the Executive and with the legislature; and specifically discussions with other European Judges about the interpretation and implementation of CJEU and ECHR jurisprudence.

Other visits allow for exchanges of views about administrative and management matters. We have, for example, had a number of enquiries and requests for visits to look at what the administration of the UKSC has done in terms of openness and transparency, including televising court hearings and making good use of social media. Other delegations have been interested in case management and handling of records.

We also receive invitations to make outbound visits to help share our knowledge and experiences. William Arnold, Director of Corporate Services, visited Sydney in September to address two gatherings – the Australasian Courts Administrators’ Conference and a meeting of the International Association of Courts Administrators – to talk about the establishment and running of UKSC’s administration. In February, Ben Wilson, Head of Communications, travelled to Kiev to lead workshops on community and media relations for Ukrainian judges and court staff, at the invitation of the United States Agency for International Development’s FAIR Justice Project.

European Judicial Exchange Schemes

As in previous years we have participated in two judicial exchange schemes, one run by the Network of Presidents of Supreme Courts of the European Union, and one by the Association of the Councils of State and Supreme Administrative Courts of the European Union (ACA-Europe). Under these schemes we hosted the following judges:

24 November – 5 December 2014 Visit of Judge de Oliveira e Sá (Supreme Court of Portugal) and Judge di Stefano (Supreme Court of Italy) (Network of Presidents of Supreme Courts of the European Union Exchange Programme 2014)

1–12 December 2014 Visit of Judge Sieńczyło-Chłabicz from the Supreme Court of Poland (Association of the Councils of State and Supreme Administrative Courts of the European Union Exchange Programme 2014)

We have welcomed judges, lawyers and other visitors from a wide range of countries over the year, including the following:

Judicial visitors

DELEGATIONS (in addition to those set out below, under Justices' international links)

- The Chief Magistrate and Chief Registrar of the Supreme Court of Brunei, accompanied by two Senior Registrars
- A delegation of judges from the Supreme People's Court, Beijing, China
- A delegation of judges from the Supreme Court of Cyprus, accompanied by the Attorney General
- A delegation of judges and staff from the

Supreme Court of Nepal led by Justice Kalyan Shrestha

- A delegation of judges from the Supreme People's Court of Vietnam

INDIVIDUALS

- The Hon Mr Justice H L Dattu, Chief Justice of India
- Judge David Harvey, District Court, Auckland
- Justice Hayne, Federal High Court of Australia
- HE Ricardo Lewandowski, President of the Federal Supreme Court of Brazil
- The Rt Hon Beverley McLachlin, Chief Justice of Canada
- Miriam Naor, President of the Supreme Court of Israel
- Judge Jon Newman, Chief Judge of the United States Court of Appeal for the Second Circuit
- Justice Otani from the Supreme Court of Japan
- Justice Kalpana Rawal, Deputy Chief Justice of Kenya
- The Hon John G Roberts, Chief Justice of the US Supreme Court
- Justice Robert Sharpe, Canada
- Judge Christopher Vajda, UK judge to the European Court of Justice
- Prof Dr Xhezair Zaganjori, Chief Justice of the Supreme Court of Cassation, Serbia

Lawyers and Academics

- Mr Sotir Tsatsarov, the Prosecutor-General of Bulgaria
- A delegation from Renmin University Law School, China
- A delegation from the University of Copenhagen, Denmark
- A delegation of lawyers from the State Bar of California, United States



Top left: A delegation from the German Constitutional Court pictured with UK Supreme Court Justices, July 2014.

Top right: Lord Mance (left) and Lord Neuberger met with John G Roberts, Chief Justice of the Supreme Court of the United States, July 2014.

Above left: Lady Hale during discussions with the Italian Council of State hosted by the UK Supreme Court, November 2014.

Above right: Kalpana Rawal, Deputy Chief Justice of Kenya, pictured with Lord Neuberger and Lady Hale (centre), other members of the Kenyan delegation, and Jenny Rowe (far left), October 2014.

Diplomats, Ministers and other officials

- HE Dr Peter Ammon, the German Ambassador
- Mr Bekir Bozdağ, Turkish Minister for Justice
- Dr Liu Chih-Kung, the Taipei Representative Office in the UK
- HE Konstantin Dimitrov, the Bulgarian Ambassador
- Anna-Maja Henriksson, Finnish Minister of Justice
- Elisabeth Pelsez, French Liaison Magistrate
- HE Liu Xiaoming, the Chinese Ambassador
- Representatives of the China International Economic and Trade Arbitration Commission
- Officials from the Department of Justice of India
- A delegation of Japanese Members of Parliament
- A delegation of Ministers from Palestine, organised in conjunction with the Bingham Centre for the Rule of Law
- A delegation from the Parliament of Rwanda

Sharing good practice: Justices' international links

Lord Neuberger has continued the practice of authorising up to two Justices to sit as non-permanent judges on the Court of Final Appeal in Hong Kong for up to a month each. Lord Neuberger himself undertook this role in August 2014. The cost of these sittings are met by the Hong Kong authorities.

In July 2014 we hosted a delegation of judges and staff from the German Federal Constitutional Court, the Bundesverfassungsgericht. This was one of the regular exchanges we have with that Court and enabled judges, not just from the Supreme Court, but also from England and Wales and Scotland, to explore some contemporary challenges with their German colleagues.

In October 2014 we hosted a visit from Justices and staff of the Supreme Court of Kenya. This was the first time such an exchange had taken place and was at the request of the Kenyan Supreme Court who have been keen to learn from the experiences of other courts exercising similar responsibilities to their own. We will be maintaining contact with those judges and staff to see if there is anything further we can do to assist.

In November 2014, and in conjunction with the Bingham Centre for the Rule of Law, we hosted a day long meeting with judges from the Italian Council of State. This enabled the two courts to build on relationships established the previous year when four of our Justices visited Rome.

Visits by individual Justices of the UKSC

Lord Neuberger spoke at a joint meeting of the Bars of Ireland and Northern Ireland in Dublin in June 2014; and in August 2014 undertook a series of speaking engagements in Australia and New Zealand as well as sitting in Hong Kong as mentioned in the earlier section. In February 2015 he delivered the Harold Fox lecture in Toronto, and in March 2015 spoke at a conference in Hong Kong marking the centenary of the Chartered Institute of Arbitrators, and judged a moot.

Lady Hale visited Canada in April 2014 to take part in the 100th anniversary celebrations for the Court of Appeal of Alberta. She took with her a message of congratulations from Her Majesty The Queen. In May 2014 Lady Hale attended the biennial World Conference of the International Association of Women Judges in Arusha, Tanzania, and gave a keynote speech under the title “Dux Femina Facti: A Woman Leads the Action”; and also that month gave a lecture at the University of Cork, Ireland on “Whose Afraid of Children’s Rights?”. In June Lady Hale gave the Law Society of Ireland’s Annual Human Rights lecture in Dublin, on the subject of “Freedom of Religion and Belief”. In September she took part in the Global Constitutionalism seminar at Yale University, USA, and in February 2015 she spoke at a seminar of the European Court of Human Rights in Strasbourg in honour of Michael O’Boyle, Deputy Registrar of the Court, on the topic of the right to life. Throughout the year Lady Hale continued to participate in the working group established by the Hague Conference on Private International Law, developing a good practice guide to article 13(1)(b) of the Hague Convention on the Civil Aspects of International Child Abduction.

Lord Mance continued to attend meetings of the Article 255 committee throughout the year. In April 2014 he attended the International Law Association’s joint conference with the American Society of International Law in Washington DC, and in May a conference of the British and Italian Lawyers Association in Rovigo, Italy. In October he attended the British German Jurists Association autumn conference in Leipzig, and in May spoke at the Association’s spring conference in Edinburgh on “Piercing the Corporate Veil”. At the end of October, Lord Mance attended the Konrad Adenauer Stiftung conference on European law in Mallorca. At the end of November, he took part in British-Turkish Tatlidil in Istanbul. In February 2015 he gave speeches to the French Branch of the International Law Association and in the Cour de Cassation, Paris; later in the month he gave a speech to the British-German Association in Münster. In March 2015 he visited the Cayman Islands and the Bahamas at the invitation of lawyers there.

In July 2014 **Lord Reed** was part of a delegation of British judges taking part in discussions with the European Court of Human Rights in Strasbourg. In September 2014 he took part in a conference of European judges held at the Supreme Court of Norway on the form of legal judgments; and in October 2014 gave a lecture at the University of Milan on the United Kingdom Supreme Court and its differences from the high courts in Italy.

In April 2014, taking advantage of a visit to China and Hong Kong for other reasons, **Lord Carnwath** participated in a moot court and workshop at the Faculty of Law, Beijing University, and in Hong Kong gave

the keynote address on Proportionality at a conference on “Judicial Review in a Changing Society”, held at the University of Hong Kong. In May 2014 he attended a seminar in Brussels organised by ACA Europe and in June attended an ACA meeting in Paris. In August Lord Carnwath visited Sri Lanka to attend the 3rd South Asia Judicial Roundtable on Environmental Justice for Sustainable Green Development, taking part in a panel discussion on “Taking Stock: Where we are on Environmental Justice”. In September 2014 Lord Carnwath represented the UKSC at the Commonwealth Magistrates’ and Judges’ Association Annual Conference in Zambia: the theme of the conference was “Judicial Independence: The Challenges in the Modern Era” and Lord Carnwath took part in a panel discussion on Judicial Independence: Security of Tenure – the Process of Removal of the Senior Judiciary”. In October Lord Carnwath visited Kuala Lumpur to give the Sultan Azlan Shad Lecture on “Environmental Law in a Global Society” and later in October attended the Annual Conference of the EU Forum of Judges for the Environment in Budapest. In November he visited Brazil to attend the annual meeting of the UNEP International Advisory Council for Environmental Justice. In December he attended a workshop in Brussels where he took part in a panel session on “The use of comparative law and foreign case law in legal practice”. In March 2015 he visited New Delhi to attend an international conference on “The Global Environmental Issues” and in March/April 2015 attended the Inter-American Congress on the Environmental Rule of Law and Extraordinary Meeting of the UNEP International Advisory Council for Environmental Justice in Jamaica.

In December 2014 **Lord Toulson** led a delegation from the UK to participate in a judicial roundtable with judges from the Supreme People’s Court in Beijing. The roundtable was organised by the Great Britain China Centre in conjunction with the Supreme People’s Court and it is hoped this will become an annual event, alternating between China and the UK.

Costs

As a general rule, all international travel and accommodation costs were paid for by the host country or institution. The net cost to the UKSC of international travel for Justices remained in line with last year’s expenditure, at approximately £10,000. We incurred costs in the region of £23,000 hosting the three exchanges referred to earlier in this chapter, two of which involved returning hospitality previously extended to our Justices by European counterparts.





section six

supporting the court: corporate services

Like any public organisation, the administration of the UKSC and the JCPC has in place structures and safeguards to ensure proper accountability and clear lines of responsibility. We are keen to develop a culture where these structures facilitate the efficiency and innovation that we need to display in order to deliver our objectives as set out in Section One.

We know that Justices and staff need to be properly supported and resourced and have the right IT infrastructure in order to carry out their work and for staff to meet the challenging goals we have set. We also need the right environment in which to do this. This year we have continued to invest prudently to create an infrastructure which represents value for money and is fit for the highest court in the land.

Our governance

The administration of the UKSC is a non-ministerial Department, established by the Constitutional Reform Act 2005 (CRA). The Court is supported by a Chief Executive, Jenny Rowe. She holds a statutory office created by s48 of the CRA; and she must carry out her functions in accordance with any directions given to her by the President of the Court, to whom she reports, although she may not act inconsistently with the standards of behaviour required of a civil servant, or with her responsibilities as Accounting Officer. The President of the Court may appoint officers and staff of the Court, but under s48(3) of the CRA the President of the Court may delegate to the Chief Executive this function and all other non-judicial functions of the Court; and the President, Lord Neuberger, has so delegated them.

The Chief Executive, officers and staff of the Court are all civil servants. Their pay, terms and conditions must be determined as such, although, subject to that constraint, the CRA (as amended by the Crime and Courts Act 2013) provides that the Chief Executive may determine the number of officers and staff of the Court and the terms on which they are appointed.

Under the CRA the Lord Chancellor must ensure the Court is provided with such accommodation and other resources as he thinks are appropriate for the Court to carry on its business. The Chief Executive is placed under a parallel statutory duty to ensure that the Court's resources are used to provide an efficient and effective system to support its business. This is why the administration of the Court is as a non-ministerial Department. It is not part of the Ministry of Justice and does not report to the Lord Chancellor.

The Justices regard maintaining tangible independence from both the Legislature and the Executive (in the shape of the Ministry of Justice) as a key constitutional objective. This is particularly important because the Government is in practice a party in slightly more than half the cases in which an application is made or a hearing takes place before the Court. The Chief Executive is therefore also an Accounting Officer in her own right, accountable directly to the House of Commons Public Accounts Committee.

In the interests of clarity, in January 2014 a formal concordat was concluded between the Court and the Ministry of Justice which identifies the respective responsibilities of the Lord Chancellor and the Court's President and its Chief Executive. Copies were sent to the devolved administrations in Scotland and Northern Ireland and deposited in the Libraries of both Houses of Parliament.

The Chief Executive has two immediate deputies, the Director of Corporate Services (William Arnold), responsible for the institutional and organisational side of the Court; and the Registrar (Louise di Mambro), who is the Court's senior lawyer and responsible for the progress of cases and the Court's business.

Corporate Services cover broadly:

- accommodation & health and safety
- finance
- human resources
- communications, publicity, events and educational outreach; and
- records, IT and library services.

The Registry functions cover:

- the listing and progress of applications for permission to appeal
- the actual hearing of appeals
- the issuing of judgments, and
- the resolution of disputed costs issues.

The Registrar has management responsibility for the Justices' personal support staff – their legally qualified Judicial Assistants and personal secretaries.

Who's who: Membership of Management Board and Committees

To support the Chief Executive in both her statutory responsibilities and her responsibilities as an Accounting Officer, an internal governance structure has been established which comprises a Management Board, an Audit Committee, a Remuneration Committee (established in July 2013) and a Health and Safety Committee. More details can be found in the Governance Statement in Section Eight.



Back row (left to right): Ben Wilson, Olufemi Oguntunde, Paul Brigland, Chris Maile
Front row (left to right): Alex Jablonowski, William Arnold, Jenny Rowe, Louise di Mambro, Kenneth Ludlam

Membership of Management Board and Committees	Maximum number of meetings possible to attend	Number of meetings attended
Management Board		
Jenny Rowe – Chief Executive	11	11
William Arnold – Director of Corporate Services	11	11
Louise di Mambro – Registrar	11	10
Olufemi Oguntunde – Director of Finance	11	11
Martin Thompson – Head of Accommodation/Health and Safety Manager	11	6
Ben Wilson – Head of Communications	11	11
Chris Maile – Head of Human Resources	11	11
Paul Brigland – Head of ICT Services and Departmental Records Officer	11	11
Alex Jablonowski – Non-Executive Director	11	10
Philip Robinson – Non-Executive Director (to 31 July 2014)	4	4
Kenneth Ludlam – Non-Executive Director (from 1 August 2014)	8	8
Audit and Risk Assurance Committee		
Alex Jablonowski – Non-Executive Director (Chairman from 1 August 2014)		
Philip Robinson – Non-Executive Director (Chairman to 31 July 2014)		
Kenneth Ludlam – Non-Executive Director (from 1 August 2014)		
Charles Winstanley – Representative from Scotland		
Laurene McAlpine – Representative from Northern Ireland (to 31 December 2014)		
Ronnie Armour – Representative from Northern Ireland (from 1 January 2015)		
Remuneration Committee		
Philip Robinson – Non-Executive Director (Chairman to 31 July 2014)		
Kenneth Ludlam – Non-Executive Director (Chairman from 1 August 2014)		
Alex Jablonowski – Non-Executive Director		
Jenny Rowe (or, in her absence, William Arnold)		
Health and Safety Committee		
William Arnold (Chairman)		
Martin Thompson – Head of Accommodation & Health and Safety Manager		
Toyin Soley – Deputy Head of Accommodation & Deputy H&S Manager		
Chris Maile – Head of Human Resources		
Ian Sewell – Trade Union H&S representative		
James Noone – Security Manager – Carlisle Security		
Clive Brown – Building Engineer – MJ Ferguson – Hard FM Contractors		
Caroline Hutchins – General Manager for Julius Rutherford – Cleaning Contractor		
David Winter – Director Zafferano’s Café Concessionaire		
Georgina Isaac – Head of Judicial Support (to 31 July 2014)		
Jackie Lindsay – JCPC Chief Clerk (to September 2014)		

Meetings of the Health and Safety Committee are open to staff to attend and raise issues or observe; and minutes of Management Board and Health and Safety Committee meetings are published on our website and staff intranet.

Our People

MANAGING A COMMITTED TEAM

On 31 March 2015 there were 49 UKSC and JCPC employees (48 full-time equivalents) paid by UKSC. This figure represents 42 permanent staff, and 7 fixed term Judicial Assistants. Approximately 45 further staff are employed through services provided under contracts. These contracts cover broadcasting, security, building maintenance, catering and cleaning.

Employees are on UKSC terms and conditions of service with pension benefits provided through the Civil Service pension arrangements and administered by MyCSP Liverpool.

The complete range of all HR services is now in-house with our small HR team and a contract for payroll services is in place with Liberata UK. Support is also provided from Civil Service Resourcing or external recruitment agencies when required.

We positively monitor and manage sick absence for staff and this year had an average absence rate of 2.2 days per member of staff. This is well below both the Civil Service target of less than 7.5 days and the private sector average of 6.4 days per employee. Sick absence and turnover are monitored by Management Board on a monthly basis and there have been no concerning trends to note during the year.

Staff turnover has been higher in the last 12 months than previous years and in some ways this was expected, as the Court reached its fifth anniversary in October. We had three staff transfer to other government

departments (partly owing to the limited opportunities for promotion within a relatively small organisation), one resignation and one retirement. All vacancies have been successfully filled and we continue to review business structures and roles to ensure we have suitable resilience in key areas.

The annual Judicial Assistant (JA) recruitment campaign was launched in January 2015 to recruit lawyers to work on fixed term contracts from September 2015 to July 2016. The JA role is unique in supporting the Justices by carrying out research in connection with appeals and summarising applications for permission to appeal. This year, we restricted the media advertising costs by focusing on legal blogs and promoting the opportunity via direct contact with legal groups, barristers chambers and law firms across the United Kingdom. We also advertised on a number of legal websites, including our own, to attract a wide and diverse pool of candidates. Promoting the JA opportunity to a diverse pool of suitably qualified lawyers is always our objective and we continue to seek innovative ways to promote this annual opportunity across the UK jurisdictions.

CREATING A GREAT PLACE TO WORK

To measure our staff engagement the annual staff survey was conducted in October 2014. As in previous years, we again received an excellent response achieving a 97% completion rate. The results gave an overall employee engagement score of 77% which is a slight decrease from the previous year but still a good indication of an engaged workforce. There were some very positive responses with almost everyone indicating that they cared about the future of the Court. The results confirm that staff understand the overall objectives of the Court

and how individual roles fit with the Business Plan. Staff are also clear on what they are expected to achieve and indicated that they have the necessary skills and knowledge to do their job well.

The established 'Results into Action' (RIA) team has been considering the results of the 2014 staff survey and working on identifying different opportunities to bring different sections of the Court together. There have been various initiatives that have proved very successful, such as the UKSC Book Club and weekly five-a-side football at a local youth club. Staff have again given generously of their time and talents to raise money for charity, including taking part in the London Legal Walk in aid of free legal advice centres.

We have continued to use our intranet to engage staff with key information, including the monthly 'People Matters' update to inform staff of changes and issues that may affect them. The staff survey results were discussed at the All Staff Meeting at the end of January and People Insight, the company that support us with the survey were invited in to present the results to staff. The response report is published on the intranet together with the 'Results Into Action Plan'. Progress with the action plan will be measured through the next staff survey responses when the exercise is repeated again in October 2015.

We have continued to invest in the development of staff and encourage each member of staff to have a training plan linked to their objectives and the required competencies. This assists in individual development and also future succession planning for the Court. Development

activities in 2014–15 included professional qualifications in Finance and Health and Safety and courses to support managers to improve their capability and awareness. We have worked with ACAS on performance management and ran an in-house employment law event for managers in March 2015. Staff have used the Civil Service Learning site and we continue to encourage a variety of different development opportunities from mentoring junior staff to improving and updating knowledge and skills to create a more versatile and agile organisation.

We employ professional leads in a number of specialist areas such as the library, communications, finance, human resources, ICT, and health and safety. We continue to support staff with professional membership in these areas.

VALUING EQUALITY AND DIVERSITY

We have made good progress with our Equality and Diversity strategy 2012–2015, which can be found on our website. Our aim is to create an organisation that fully reflects the diversity of the society it serves, valuing the contribution that is made by all staff, court users and the public. We signed the 'Time to Change' pledge in October 2014 on World Mental Health Day. The pledge demonstrates our commitment to reduce the stigma attached to mental health issues and to reduce discrimination in the workplace.

We continue to deliver services that are accessible and meet the needs of all court users and members of the public, including tactile tours and the use of portable hearing loops.

Some of the further actions we have taken to achieve this include:

- Training staff on diversity and equality issues to increase awareness and encourage respect for individual differences.
- Compulsory training for all managers on Unconscious Bias.
- Ensuring that our website conforms to all recommended accessibility requirements.
- Maintaining physical accessibility across the building and responding positively to any comments or suggestions for improvements.
- Pro-actively encouraging tours and visits from all sections of society.
- Actively encouraging diversity when considering all recruitment campaigns while continuing to appoint on the basis of merit.
- Ensuring our shared values reflect that all staff, court users, and visitors should be treated with respect at all times.

Our information and resources, and how we manage them

INFORMATION ASSURANCE, FREEDOM OF INFORMATION AND DATA PROTECTION

The Court holds an array of information, including case papers and financial and administrative records. Information assurance policies and procedures were followed throughout the year so that the information entrusted to the Court, or generated by it, was properly used, managed and protected.

All staff have personal responsibility for making sure they are aware of and understand the Court's information risk-related policies and procedures and handle information accordingly.

All new staff complete the Civil Service Learning e-learning package 'Protecting Information' shortly after their appointment, with refresher assessments taking place annually. This year refresher assessments were completed in April.

The annual Security Risk Management Overview assessment and accreditation identified no significant weaknesses in the systems we follow for handling our information. There were no recorded breaches concerning protected personal data reported either to the Information Commissioner or recorded centrally in the Court.

A total of thirty Freedom of Information (FOI) requests were received in addition to the many general enquiries which the Court receives daily about its work, rules and procedures and public access arrangements. All but two of the FOI requests were handled within their respective statutory deadlines. The FOI requests generated one request for internal review and two complaints to the Information Commissioner. Neither complaint was upheld.

USING INFORMATION TECHNOLOGY TO CREATE A MORE EFFICIENT COURT

With effect from 5 January 2014 the UKSC/JCPC began using its own IT network, moving from one provided by the Ministry of Justice. The new IT arrangements include new hardware and enhanced software provision based around Microsoft Office 365, including a new Case Management System. Data hosting was also moved to a combination of on-site server and cloud storage. There were initial set up and bedding in costs incurred during the 2014-15 reporting year, but it is expected that the new arrangements will lead to a significant

reduction in the annual running costs from 2015–16 onwards. However, the change to an in-house managed system was not just about reducing costs. Just as importantly, it has provided an IT system which better meets the needs of the Court and over which the organisation has more direct control.

The improved IT provision has resulted in a steady increase in the use of IT by the Justices in court, and while out of the building. Improved Wi-Fi provision has also enabled parties to make better use of IT during hearings.

In October 2014 a pilot was launched to test the use of an e-bundle system. This allows parties to prepare and submit bundles on-line and also allows the Justices better to view and use e-bundles. The pilot will be assessed and a decision taken during 2015 about next steps. In due course, it is envisaged such a system will form part of a framework that will allow parties to download, complete and submit application forms, pay fees and submit case papers, all on-line.

PROVIDING AN EFFECTIVE LIBRARY SERVICE

The Library has continued to support the information and research needs of the Court by providing the Justices, Judicial Assistants, and court staff, with publications, databases, information on legal topics, and current awareness services.

The Library manages a print collection of textbooks, law reports, journals, and legislation. The collection has been kept up-to-date by identifying and acquiring key works published during the year. The Library has also continued to expand and deepen certain areas of the collection – this year

contract law and tort in particular – as well as improving coverage of other common law jurisdictions such as Australia, Canada and New Zealand. We have continued to fill gaps in our serial holdings, either by purchasing volumes or through donations from other law libraries. This year we had an important donation of old editions of practitioner textbooks gifted by a law firm in Hong Kong; additionally, journals donated by other government libraries and from the House of Lords Library; and a number of books on constitutional law donated by a university professor.

The use of electronic resources is increasingly important in legal research. The Library has therefore continued to provide the Justices and Judicial Assistants with access to a number of online subscription databases. The Librarians have organised training sessions and produced supplementary material to guide and assist users with the databases.

In order to alert the Justices and the Court to relevant and interesting information the Library has continued to carry out a number of ‘current awareness’ activities. As such, it produces a monthly newsletter listing journal articles, books added to the collection, and summaries of judgments of a selection of supreme courts. In order to help keep the Justices and Judicial Assistants up-to-date on current legal thinking the Library has continued to distribute contents pages of key law journals, this year increasing the number of journals included and adding abstracts to each article. The Library has continued to research and produce information designed to assist the Justices and JAs with their research, for example regularly updating information

on the content of the electronic databases and on the holdings of other law libraries, as well as researching and writing new guidance: this year on search techniques for databases and on Northern Ireland legislation. The Library has also monitored publications released by key Parliamentary committees.

The Library has continued to engage actively with the wider law library community. The Librarian represented the Library at the annual conference of the British & Irish Law Librarians Association (BIALL) in Harrogate; she has also been a leading member of the Government Law Librarians Forum (GLLF) and has been driving its project to map serial holdings in government law libraries. The Library has continued to develop and maintain contacts with law libraries in both the UK and overseas, and has received visits from a number of law librarians throughout the year.

Our building, your building

HEALTH AND SAFETY

Like all employers, the UKSC has a legal duty to ensure the health, safety and welfare of employees. Our commitment goes further than this. In our health and safety policy we commit the Court to set and maintain exemplary standards of health and safety performance. The Management Board model their monitoring of standards in health and safety by reference to the IoD/HSE publication, Leadership Actions for Directors and Board Members.

In addition to our health and safety policy, we have maintained the practice that Justices and staff are given, upon appointment, a formal briefing on health and safety at the

Court. Contractors engaged by the Court, or on behalf of the Court, continue to have to sign up to an induction booklet of safety procedures developed in collaboration with the Facilities Management contractor, before commencing any maintenance work or building projects.

Every Health and Safety incident, including any “near miss”, is recorded and investigated, and any action considered necessary is taken to avoid a recurrence.

The intention throughout is to have a comprehensive health and safety management system, which engages Justices, staff and visitors and encourages them to observe sensible and proportionate precautions.

An independent audit of the Court’s and its contractors’ H&S systems was commissioned in 2013 and found that the UKSC was operating to a very high standard with regards to its own H&S requirements in terms of accommodation and working environment, and with regards its control over the four main service providers. Recommendations were made and these had all been implemented by the end of this year, including the preparation and distribution of H&S guidelines for staff and contractors in a clearer handbook format.

The Health and Safety Committee continued to monitor health and safety performance against measures set in a Health and Safety Corporate Plan (adopted originally in 2011–12 and updated for 2014–15), and has adopted an annual cycle of monitoring including annual reviews of the risk assessments and biennial reviews of the H&S

Policy. The Head of Accommodation, who is the Health and Safety Manager, also reports quarterly to the Management Board on health and safety.

BUILDING A SUSTAINABLE COURT

The public sector is directly responsible for around 3% of the UK's greenhouse gas emissions, and there is a central Government commitment to a 25% reduction in its emissions by 2014–15 on a 2009–10 baseline. The Court came into existence in October 2009, so we compare our current energy consumption against a benchmark of the data for 2010–11. Over the reporting year, there was a 17% decrease in consumption of electricity compared with 2010–11; and there was also a decrease of 8% in kWh of gas consumed.

An updated Display Energy Certificate was commissioned over the course of the year, which showed an energy efficiency rating of 'D' (our score was 92: 100 would be the expected score for this type of building).

MAINTAINING OUR ACCOMMODATION

Its Grade II* Listed status means that the architectural and historic fabric of the building is protected and alterations, either outside or inside, are carefully scrutinised. No essential maintenance was deferred during the year. An assessment of the feasibility of introducing enhanced leak warning systems

was initiated and work subsequently started. This will form part of an upgrade to the Building Management System due to be completed later in 2015.

2014–15 marked the first full year of operation with fully independent direct contracts for the facilities management services of guarding, catering, hard FM and cleaning; and the performance of each contractor has been satisfactory.

Dealing with Complaints

The UKSC has established procedures in place to deal with complaints. There are separate arrangements for complaints about members of staff exercising their administrative functions, and procedural complaints about the Justices and the Registrar in the performance of their judicial functions. A number of complaints received by the Court are in effect seeking to appeal judicial decisions and cannot therefore be dealt with under either procedure.

Full details of the Judicial and non-Judicial complaints procedures, including details of how a complaint will be handled, can be found on our websites. If a complainant is not happy with how a non-Judicial complaint has been handled by the Court, they can refer it via a Member of Parliament to the Parliamentary and Health Service Ombudsman (PHSO). No complaints received in the 2014–15 reporting year were subsequently referred to the PHSO.



Much of the challenge of maintaining our historic building lies in meeting the demands of increasing visitor footfall.



Left: The Treasury Singers, formed largely by serving and retired civil servants, perform Christmas Carols in the UKSC Entrance Hall in aid of Shelter, December 2014.

Below: William Arnold, UKSC Director of Corporate Services, signs the 'Time to Change' pledge committing the Supreme Court to tackling workplace stigma associated with mental health issues, watched by Libby Peppiatt, Organisational Engagement Manager at Time to Change.





section seven

management commentary

Financial Position and Results for the Year Ended 31 March 2015

Financial Position (Statement of Financial Position)

The Court's activities are financed mainly by Supply voted by Parliament, contributions from various jurisdictions and financing from the Consolidated Fund.

The Court's Statement of Financial Position consists primarily of assets transferred from the Ministry of Justice (MoJ) at the inception of the UK Supreme Court on 1 October 2009. These were Property, Plant & Equipment and Intangible Assets totaling £30m. Of this, £29m represents land and buildings with the remainder being Office Equipment, Furniture and Fittings, Robes and Software Licences.

A liability of £36m was also transferred from MoJ. This represents the minimum value of the lease payments for the UK Supreme Court building until March 2039.

There have been no substantial movements (apart from the revaluation of land and building) in the Gross Assets and Liabilities since the date of the transfer from MoJ.

Results for the Year (Statement of Comprehensive Net Expenditure)

The Statement of Comprehensive Net Expenditure represents the net total resources consumed during the year. The results for the year are set out in the Statement. These consist of:

- Net Operating Costs amounted to £4.5m (2013-14, £5.2m)
- Justices and Staff costs of £5.8m (2013-14, £5.7m)
- Other Administration Costs of £0.2m (2013-14, £0.2m)
- Other Programme Costs of £6.4m (2013-14, £6.8m), and
- Operating Income of £8.0m (2013-14, £7.6m)

The Court employed an average 46 (Full Time Equivalent) staff during the year ended 31 March 2015 (2013-14, 48 FTE). There were also 12 Justices (2013-14, 12 Justices) who served during the same period.

Accommodation costs and Finance Lease costs account for over 70% of non-pay costs (2013-14, 59%). Depreciation charges, IT charges, Library and Broadcasting costs were responsible for the majority of other non pay costs.

The Court had operating income of £7.98m which was used to support the administration of justice. Out of this, £6.63m was received by way of contribution from the various jurisdictions i.e. £5.91m from HMCTS, £0.48m from the Scottish Government and £0.24m from Northern Ireland Court Service.

UKSC Court fees during the year were £0.97m whilst £0.32m was generated as Court fees for JCPC. The court also had income of about £0.066m from Wider Market Initiatives such as Event Hire and Sales of Gift Items.

Comparison of Outturn against Estimate (Statement of Parliamentary Supply)

Supply Estimates are a request by the Court to Parliament for funds to meet expenditure. When approved by the House of Commons, they form the basis of the statutory authority for the appropriation of funds and for the Treasury to make issues from the Consolidated Fund. Statutory authority is provided annually by means of Consolidated Fund Acts and by an Appropriation Act. These arrangements are known as the "Supply Procedure" of the House of Commons.

The Supreme Court is accountable to Parliament for its expenditure. Parliamentary approval for its spending plans is sought through Supply Estimates presented to the House of Commons.

The Statement of Parliamentary Supply provides information on how the Court has performed against the Parliamentary and Treasury control totals against which it is

monitored. This information is supplemented by Note 2 which represents Resource Outturn in the same format as the Supply Estimate.

In the year ended 31 March 2015, the UK Supreme Court met all of its control totals. At £4.46m the net resource outturn was £1.48m less than the 2014–15 Estimate of £5.94m. £1m of this reported variance was due to non-utilization of £1m AME provision for diminution in the value of the building.

A reconciliation of resource expenditure between Estimates, Accounts and Budgets can be found below.

Statement of Cash Flows

The Statement of Cash Flow provides information on how the UK Supreme Court finances its ongoing activities. The main sources of funds are from the Consolidated Fund.

The Statement of Cash Flow shows a net cash outflow from operating activities of £3.86m.

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	2014-2015
	£'000
Net Resource Outturn (Estimates)	1,579
Adjustments to additionally include:	
Non-voted expenditure in the OCS	2,882
Net Operating Cost (Accounts)	4,461
Adjustments to additionally include:	
Resource consumption of non departmental public bodies	0
Resource Budget Outturn (Budget) Of which	4,461
Departmental Expenditure Limits (DEL)	4,461
Annually Managed Expenditure (AME)	0

Pensions Costs

Details about the Department's pensions costs policies are included in the notes to the accounts. Details of pension benefits and schemes for Management Board members are included in the remuneration report.

Sickness Absence

The average number of sick days per member of staff for 2014–15 was 2.2 days (2013–14, 6.06). The relatively high figure for 2013–14 was due to long term illnesses suffered by few members of staff.

Data Incidents

No recorded breaches concerning protected personal data were reported.

Principal risks and uncertainties

The key risks and uncertainties facing the Court are detailed in its Risk Register and on page 80 of the Governance Statement.

Payment within 10 working days

The Department seeks to comply with the "The Better Payments Practice Code" for achieving good payment performance in commercial transactions. Further details regarding this are available on the website www.payontime.co.uk.

Under this Code, the policy is to pay bills in accordance with the contractual conditions or, where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later.

However, in compliance with the guidance issued for Government Departments to pay suppliers within 10 working days, the UK Supreme Court achieved 100% prompt payment of invoices within 10 working days.

The average payment day of invoices from suppliers during the year was 3.0 days.

Auditors

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with the Government Resource and Accounts 2000. He is head of the National Audit Office. He and his staff are wholly independent of the UK Supreme Court, and he reports his findings to Parliament.

The audit of the financial statements for 2014–15, resulted in an audit fee of £38K. This fee is included in non staff programme costs, as disclosed in Note 4 to these accounts. The C&AG did not provide any non-audit services during the year.

Other elements of the Management Commentary

Information on the Management Board and committees, information assurance, data protection and sustainability is contained in the Corporate services section of this report.

Disclosure to Auditor

As far as I am aware, there is no relevant audit information of which the Department's auditors are unaware. I confirm that I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Department's auditors are aware of that information.

Jenny Rowe
Accounting Officer
1 June 2015



section eight

accounts

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Remuneration Report

Remuneration Policy

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, 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 has regard to the following considerations:

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

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

Further information about the work of the Review body can be found at:

www.ome.uk.com

Service Contracts

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

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at:

www.civilservicecommission.org.uk

Salary and Pension entitlements

Full details of the remuneration and pension interests of the Management Board are detailed below and are subject to audit:

a) Single Total figure of remuneration

Name and Title	Salary (£'000)		Bonus Payments (£'000)		Pension benefits (£'000)		Total (£'000)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Jenny Rowe Chief Executive	105-110	105-110	-	-	19	2	125-130	110-115
William Arnold Director for Corporate Services	80-85	80-85	0-5	-	16	0	100-105	80-85
Louise di Mambro Registrar	70-75	65-70	0-5	0-5	14	1	85-90	70-75
Olufemi Oguntunde Director of Finance	60-65	60-65	-	-	22	16	85-90	80-85
Martin Thompson Building Manager	60-65	60-65	-	0-5	13	2	70-75	60-65
Ben Wilson Head of communications	50-55	50-55	-	-	19	39	70-75	90-95
Paul Brigland Head of ICT Services & Departmental Records Officer	35-40	35-40	0-5	0-5	8	5	45-50	40-45
Chris Maile Head of Human Resources	35-40	35-40	0-5	0-5	8	6	45-50	40-45
Alex Jablonowski Non-Executive Director	5-10	5-10	-	-	-	-	5-10	5-10
Ken Ludlam Non-Executive Director (from 1 July 2014)	0-5	n/a	-	-	-	-	0-5	n/a
Philip Robinson Non-Executive Director (until 31 July 2014)	0-5	5-10	-	-	-	-	0-5	5-10

Salary

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

Philip Robinson, non-executive director, supplied his services under the terms of a contract, which commenced on 1 August 2009 until 31 July 2014. He is remunerated by the way of a daily attendance fee. As non-executive director, there are no entitlements to pension or other contributions from the Supreme Court.

Alex Jablonowski, non-executive director, supplies his services under the terms of a contract, which commenced on 1 August 2009. He is remunerated by the way of a daily attendance fee. As non-executive director, there are no entitlements to pension or other contributions from the Supreme Court.

Ken Ludlam, non-executive director, supplies his services under the terms of a contract, which commenced on 1 July 2014. He is remunerated by the way of a daily attendance fee. As non-executive director, there are no entitlements to pension or other contributions from the Supreme Court.

Benefits in kind

There were no benefits in kind.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2014–15 relate to performance in 2013–14 and the comparative bonuses reported for 2013–14 relate to the performance in 2012–13.

Pay Multiples

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

The banded remuneration of the highest-paid director in UK Supreme Court in 2014–15 was £105,000 to £110,000 (2013–14, £105,000 to £110,000). This was 3.57 times (2013-14, 3.55 times) the median remuneration of the workforce, which was £30,088 (2013–14, £29,463).

In 2014–15, 0 (2013–14, 0) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £18,409 to £83,453 (2013-14 £17,978 – £82,354).

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

b) – Pension Benefits (Audited)

Name and Title	Accrued Pension at age as at 31 March 2015 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2015	CETV at 31 March 2014	Real Increase/ (Decrease) in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Jenny Rowe Chief Executive	45-50 plus lump sum of 145-150	0-2.5 plus lump sum of 2.5 - 5	1,107	1,037	18	-
William Arnold Director of Corporate Services	40-45 plus lump sum of 130-135	0-2.5 plus lump sum of 2.5-5	992	975	16	-
Louise di Mambro Registrar	30-35 plus lump sum of 95-100	0 - 2.5 plus lump sum of 0-2.5	737	722	14	-
Olufemi Oguntunde Director of Finance	10-15 plus lump sum of 0-2.5	0-2.5 plus lump sum of 0-2.5	162	142	14	-
Ben Wilson Head of Communications	5-10 plus lump sum of 0-2.5	0-2.5 plus lump sum of 0-2.5	45	34	5	-
Martin Thompson Building Manager	25-30 plus lump sum of 85-90	0-2.5 plus lump sum of 2.5-5	670	623	12	-
Paul Brigland Head of ICT Services & Departmental Records Officer	5-10 plus lump sum of 25-30	0-2.5 plus lump sum of 0-2.5	165	152	6	-
Chris Maile Head of Human Resources	5-10 plus lump sum of 15-20	0-2.5 plus lump sum of 0-2.5	93	83	5	-

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefits 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 benefits arrangements or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 1.5% and 6.85% of pensionable earnings for classic and 3.5% and 8.85% for premium, classic plus and nuvos. 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 in respect of service from 01 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during 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 Pensions Increase legislation. In all cases members may opt to give up (commute) pension for 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 providers. The employee does not have to contribute but where they do they make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employers 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 Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

New Career Average pension arrangements will be introduced from 1st April 2015 and the majority of classic, premium, classic plus and nuvos members will join the new scheme. Further details of this new scheme are available at <http://www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/>

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 individual 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 Scheme (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 effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contribution 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.

Reporting of Civil Service and other compensation schemes – exit packages

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000			
£10,000 - £25,000		2	2
£25,000 - £50,000			
£50,000 - £100,000			
£100,000 - £150,000			
£150,000 - £200,000			
Total number of exit packages		2	2
Total cost /£		26,661	26,661

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

There were no voluntary exit costs in 2013.

Signed on behalf of the UKSC by



Jenny Rowe
Chief Executive
1 June 2015

Statement of Accounting Officer's Responsibilities

1. Under the Government Resources and Accounts Act 2000, the Supreme Court of the United Kingdom (the Department) is required to prepare resource accounts for each financial year detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year. The 2014–15 accounts are to be prepared in the form and on the basis set out in the Accounts Direction given by the Treasury dated 18 December 2014.
2. The resource accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of the Department, and of its the net resource outturn, resources applied to objectives, changes in taxpayers equity, and cash flows for the financial year.
3. HM Treasury has appointed the Chief Executive as Accounting Officer of the Department with overall responsibility for preparing the Department's accounts and for transmitting them to the Comptroller and Auditor General.
4. In preparing the accounts, the Accounting Officer is required to comply with the Financial Reporting Manual (FRoM) prepared by HM Treasury, and in particular to:
 - a. observe the accounts direction issued by Her Majesty Treasury including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
 - b. make judgement and estimates on a reasonable basis;
 - c. state whether applicable accounting standards, as set out in the FRoM, have been followed, and disclose and explain any material departures in the accounts; and
 - d. prepare the accounts on a going-concern basis.
5. 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 Department's assets) are set out in the Accounting Officers Memorandum issued by HM Treasury and published in Managing Public Money.

Governance Statement

Introduction

The UKSC is an independent non-Ministerial department established by the Constitutional Reform Act 2005 which came into existence on 1 October 2009. The role of the Court is to determine arguable points of law of general public importance arising from civil cases throughout the United Kingdom; and from criminal cases in England and Wales and Northern Ireland. The Court also hears cases to determine issues relating to the legislative competence of the devolved administrations, Parliaments and Assemblies.

The UKSC administration assumed responsibility for the administration of the Judicial Committee of the Privy Council (JCPC) on 1 April 2011. The JCPC hears appeals from a number of Commonwealth countries, Crown Dependencies and British Overseas Territories.

As an independent non-Ministerial Government department, the UKSC's governance structure differs from that of a conventional Ministerial Government Department, although it still complies with all the requirements of the Corporate Governance Code, where relevant.

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the delivery of the UKSC's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

I was appointed Accounting Officer by HM Treasury with effect from 1 October 2009 in accordance with section 5, subsection (6) of the Government Resources and Accounts Act 2000. I am responsible for the non-judicial functions of the Court which have all been delegated to me by the President, in accordance with the Constitutional Reform Act 2005, section 48 (3).

There have been no adverse comments from either internal or external audit sources on the way in which these responsibilities are being managed.

The governance framework of the organisation

The UKSC has a robust governance framework, appropriate for an organisation of its size. More details about this can be found in Section Six of the annual report.

The key elements in place are:

Management Board

The Management Board supports me in delivering the Court's strategic objectives and in ensuring effective corporate governance of the court.

- The Management Board is chaired by me and comprises two Non-Executive Directors & all Heads of Division.
- The Board normally meets monthly and considers as standing agenda items:
 - Dashboard report of key performance indicators
 - Risk Register
 - Finance and fees incorporating financial performance reports
 - Media and communications update
 - Human Resources update
 - Parliamentary Questions and Freedom of Information requests; and
 - Case Update (on appeals before the UKSC/ JPCPC)
- Minutes of the Management Board meetings are posted on the website and made available to staff on the intranet.
- The attendance records of individual board members are disclosed in Section Six of the annual report.

In putting this statement together I have considered the various management reports reviewed and deliberated upon by the Management Board through the year as well as seeking and making use of various sources of assurances relating to governance, risk and control within the administration.

I have considered the effectiveness of the Board against the NAO's compliance checklist for corporate governance in central government departments and no significant weaknesses in Board effectiveness were identified. Agendas for Board meetings comprise a mixture of standard items as listed above

and specific issues, some of which are dealt with quarterly, and others as the need arises. Individual members of the Board are held to account for decisions, and the Non-Executive Directors play a full role in challenging and supporting the Executive members of the Board.

The Board receives regular reports from sub-committees and has sight of the Risk Register at each of its meetings. Each quarter the Risk Register is subject to a formal review.

Board papers are generally distributed in good time, and minutes and matters arising are dealt with at each meeting. The Dashboard report which was developed during the last financial year has now fully bedded down. It sets out key performance information which comes to the Board monthly. The statistics are challenged where necessary. The Board plays a full part in developing Strategic and Business Plans and exercises a monitoring role throughout the year. At least once a year the Board has an "away day" which enables time to be devoted to considering the wider context in which the Court is operating.

Taking all the above factors into account I am satisfied that the governance structure complies with the Code of Practice for Corporate Governance in Central Government Departments, insofar as it is relevant to us. Areas of the Code which require the involvement of Ministers do not apply to us because we are a non-Ministerial department. The size of the UKSC means that we do not require a separate Nominations Committee.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee provides assurance that all aspects of the court's policies, procedures, internal controls and governance are effective and appropriate to deliver the court's statutory responsibilities and strategic objectives. It is also responsible for assuring the Management Board that all aspects of the court's risk management policies and procedures are effective and appropriate. It provides an independent challenge to the appropriateness, adequacy and value for money of the Department's governance, risk management and assurance processes; and offers independent advice to the Accounting Officer.

- The Audit and Risk Assurance Committee is constituted in line with HM Treasury's Audit Committee Handbook, to advise me as Accounting Officer. It is chaired by Alex Jablonowski who is one of the court's two Non-Executive Directors.
- The Audit and Risk Assurance Committee meets three times a year and includes representatives from Scotland and Northern Ireland.
- It considers regular reports by internal audit, to standards defined in the Public Sector Internal Audit Standards, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the UKSC's system of internal control together with recommendations for improvements
- It also reviews the adequacy of management responses to the external auditor's management letter.
- It plays a key role in developing a risk management framework, and in considering the Risk Register. The Chairman of the Audit and Risk Assurance Committee is one of the nominated officers (together with the other Non-Executive Director) for whistle-blowers.
- It reviews and challenges management on the Annual Report and Accounts.

The Chair of the Audit and Risk Assurance Committee has provided the following statement "We have a very effective Audit and Risk Assurance Committee commensurate with the size and complexity of the Supreme Court. The committee is well supported by management, the secretariat and both Internal and external audit. There is a range of skills and experience amongst the committee members who provide valuable insight and review".

The attendance details of the committee members for 2014–15 are as detailed below:

Audit and Risk Assurance Committee		
	Maximum number of meetings possible to attend	Number of meetings attended
Alex Jablonowski Non Executive Director (Chairman from 1 August 2014)	3	3
Philip Robinson Chairman & Non Executive Director (to 31 July 2014)	1	1
Charles Winstanley Representative from Scotland	3	3
Laurene McAlpine Representative from Northern Ireland (to 31 December 2014)	2	2
Ken Ludlam Non Executive Director (from 1 August 2014)	2	2
Ronnie Armour Representative from Northern Ireland (from 1 January 2015)	1	1

The Chief Executive, Director of Corporate Services and Director of Finance are regular attendees of the Audit Committee and they attended all the three meetings held in 2014–15.

Remuneration Committee

The Remuneration Committee is chaired by the Non-Executive Director not chairing the Audit Committee. The Chief Executive and the two Non-Executive Directors are the members of the committee, supported by the Director of Finance and the Head of HR who also attend the Committee's meetings. If for any reason the Chief Executive cannot be present at a meeting, she is replaced by the Director of Corporate Services, although the Chief Executive leaves any meeting without replacement, if and when issues relating to her own remuneration are being discussed.

Meetings are held approximately quarterly and the terms of reference cover all issues affecting pay and benefits for staff. All policy decisions relating to pay and bonuses for each reporting year are agreed at the committee meeting in June each year for implementation in August, in line with the UKSC Pay and Allowances Policy.

Health and Safety Committee

- The Health and Safety committee facilitates co-operation and co-ordination between management, employees and contractors so as to ensure everyone's health and safety in the court.
- The committee is chaired by the Director of Corporate Services.
- It meets four times a year and includes representatives of the Trade Unions, and of the Facilities Management and Security Guarding providers.

Members of the Health and Safety Committee are named in Section Six of the Annual Report.

UKSC Court User Group

The Court User Group is a standing body which provides a forum for practitioners and staff to review the operation of the Court and to make recommendations for changes to the Court's procedure and practice. More details are in Section Four (Listening to our users) of the Annual Report.

Performance against Business Plans

The UKSC publishes an annual Business Plan and the objectives of individual members of staff are derived from that Business Plan. The Business Plan is reviewed regularly and a formal review is conducted by the Management Board at the half-year point. The detailed account of performance against the preceding year's Business Plan is contained in the Annual Report for that year and quarterly reports are also provided to the jurisdictions, detailing performance over the reporting period.

Other elements of the Court's Corporate Governance arrangements include:

- provision of relevant Corporate Governance pages on the UKSC intranet linked to all available guidance and instructions. These are reviewed and updated regularly.
- business and financial planning processes which explicitly take into consideration business risk;
- formal letters of delegated financial authority supported by a system of central budgetary control;
- signed annual reports from divisional Heads on how they manage budgets within their delegated authority, in order to meet their objectives and comply with their corporate governance responsibilities.

Risk assessment

The UKSC is committed to high standards of corporate governance, including the need for an effective risk management system and internal control environment. The Management Board and the Audit and Risk Assurance Committee both play a full role in this, and members of the Management Board are responsible for owning, monitoring, and managing risks and controls within their areas of direct responsibility. The UKSC Management team, under my leadership, incorporates risk management as a monthly Management Board meeting agenda item. Risk owners formally review risks on a monthly basis and report back to the Management Board and Audit and Risk Assurance Committee.

The risk and control framework

A Risk Register that identifies, assesses, and sets out mitigating actions to significant risks is in place across the Court. Management and review of the risks identified is carried out at Board level during the Management Board monthly meetings.

The key elements of the UKSC's risk management strategy for identifying, evaluating and controlling risk include:

- The establishment of appropriate committees to maintain strategic oversight of the court's business and activities.
- Identification of new or emerging risks throughout the year. The Management Board always consider risks when decisions are taken or as the risk environment changes. Risks that have a high impact and high likelihood are given the highest priority.
- A Business Continuity Plans (BCP) to manage the risk of disruption to business.
- The role of the Senior Information Risk Owner (SIRO). An Information Security policy, information asset register and risk assessment procedure are in place alongside guidance on protective marking and handling documents. Information Asset Owners' roles have been delegated with appropriate guidance rolled out.
- Regular engagement with key stakeholders, particularly through the Users' group.
- Information assurance training for all staff by means of the Civil Service Learning's on-line e learning 'protecting information' package. This package is refreshed annually and is mandatory for all staff to complete. There were no 'loss of data' incidents during the year.
- The Departmental "Whistle Blowing" policy for confidential reporting of staff concerns.

Review of the effectiveness of risk management and internal control

In 2014–15 the Management Board held a session on 11 July 2014 to consider the strategic context in which the administration was operating and potential risks. The Risk Register was also comprehensively reviewed.

The UKSC makes stringent efforts to maintain and review the effectiveness of the system of internal control. Some of these processes are:

- periodic review by Internal Auditors;
- regular review of the Risk Register;
- signed assurance statements from Heads of Division on how they have discharged their corporate governance responsibilities;
- meetings three times a year of the Audit and Risk Assurance Committee; and
- monthly Management Board meetings with a financial planning report review as a standing item.

Any additional measures to strengthen controls will be incorporated if gaps are identified.

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors and the managers within the Court 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. I have been advised on the implications of the effectiveness of the system of internal control by the Board and the Audit and Risk Assurance Committee and where any weaknesses have been identified, plans have been put in place to rectify them.

Significant Issues

There were no significant internal control issues, and no significant findings from internal audits during the year. Notwithstanding that, the Management Board kept a particularly close eye on the following significant issues:

- **Staff resilience and continuity planning**
One of the issues identified during the annual Management Board “Awayday” was the heavy reliance placed on certain key individuals within the administration. A new risk was added to the Risk Register as a consequence of these discussions and steps have been taken to improve overall resilience and to ensure that deputies are effectively identified for key posts. In the latter part of the financial year a particular focus was placed on the Registry. As a result job descriptions have been re-examined and tightened up where necessary and training is being put in place to ensure there is adequate cover in the event of illness or other absence.
- **IT support**
Following the successful implementation of the replacement IT hardware, software and support arrangements, the Management Board has been monitoring carefully any post-implementation issues, levels of user satisfaction, and the speed with which the in-house team is able to respond to any problems. The overall picture remains good.
- **Devolution issues**
2014–15 saw both the referendum for independence in Scotland take place, and a good deal of work being undertaken on further devolution to Wales. The Management Board and the Executive Team have been keeping a close eye on these developments to assess any implications for the Supreme Court’s case load.

The Head of Internal Audit in his annual report for Internal Audit Activity for 2014–15 has given the UKSC a Substantial rating which is the highest level of assurance on the adequacy and effectiveness of the system of governance, risk management and internal control.

J. Rowe

Jenny Rowe
Chief Executive
1 June 2015

Audit Certificate

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

I certify that I have audited the financial statements of the United Kingdom Supreme Court for the year ended 31 March 2015 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. I have also audited the Statement of Parliamentary Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Department's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify

any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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

Opinion on Regularity

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2015 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on Financial Statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2015 and of its net operating cost for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in Management Commentary and the Supporting the Court: Corporate Services section of the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements..

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General

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

Date: 5 June 2015

Statement of Parliamentary Supply

SUMMARY OF OUTTURN 2014-2015

Request for Resources	Note	Estimate			Outturn			2014-2015	2013-2014
		Voted	Non-voted	Total	Voted	Non-voted	Total	Voted outturn compared with Estimate: saving/(excess)	Outturn Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Departmental Expenditure Limit									
- Resource	2.1	2,038	2,900	4,938	1,579	2,882	4,461	459	5,691
- Capital	2.2	359	-	359	332	-	332	27	331
Annually Managed Expenditure									
- Resource	2.1	1,000		1,000	-	-	-	1,000	(506)
Total Budget		3,397	2,900	6,297	1,911	2,882	4,793	1,486	5,516
Non Budget		-	-	-	-	-	-	-	-
Total		3,397			1,911		4,793	1,486	5,516
Total Resource		3,038	2,900	5,938	1,579	2,882	4,461	1,459	5,185
Total Capital		359	-	359	332	-	332	27	331
Total		3,397	2,900	6,297	1,911	2,882	4,793	1,486	5,516

NET CASH REQUIREMENT 2014-2015

		2014-2015			2013-2014
		Estimate	Outturn	Outturn compared with Estimate: saving/(excess)	Outturn
	SoPs Note	£'000	£'000	£'000	£'000
Net cash requirement	4	1,315	1,288	27	1,165

ADMINISTRATIVE COSTS 2014-2015

		2014-2015			2013-2014
		Estimate	Outturn	Outturn compared with Estimate: saving/(excess)	Outturn
	Note	£'000	£'000	£'000	£'000
	3.2	960	804	156	725

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

Explanations of variances between Estimate and Outturn

Explanations of variances between Estimates and outturn are given in Note 2 and in the Management Commentary.

The notes on pages 85 to 87 form part of these accounts.

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

SOPS 1 Statement of Accounting Policies

The Statement of Parliamentary Supply and supporting notes have been prepared in accordance with the 2014–15 Government Financial Reporting Manual (FReM) issued by HM Treasury. The Statement of Parliamentary Supply accounting policies contained in the FReM are consistent with the requirements set out in the 2014–15 Consolidated Budgeting Guidance and Supply Estimates Guidance Manual.

SOPS 1.1 Accounting Convention

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

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

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

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

SOPS 2. Net outturn

SOPS 2.1 Analysis of net resource outturn by section

							2014-15	2013-14		
							Outturn	Estimate	Outturn	
	Administration			Programme						
	Gross	Income	Net	Gross	Income	Net	Total	Net Total	Net total compared to Estimate:	Prior Year Outturn
£'000	£'000		£'000	£'000	£'000		£'000	£'000	£'000	
Spending in Departmental Expenditure limit										
Voted	870	(66)	804	8,688	(7,913)	775	1,579	2,038	459	2,895
Non Voted	0	0	0	2,882	0	2,882	2,882	2,900	18	2,796
Annually Managed Expenditure										
Voted	0	0	0	0	0	0	0	1,000	1,000	(506)
Total	870	(66)	804	11,570	(7,913)	3,657	4,461	5,938	1,477	5,185

SOPS 2.2 Analysis of net capital outturn by section

							2014-15	2013-14			
							Outturn	Estimate	Outturn		
							Gross	Income	Net	Net Total	Net total compared to Estimate:
							£'000	£'000	£'000	£'000	£'000
Spending in Departmental Expenditure Limit											
Voted						332	0	332	359	27	
										331	

SOPS 3. Reconciliation of outturn to net operating cost and against Administration Budget

SOPS 3.1 Reconciliation of net resource outturn to net operating cost

	2014-15		2013-14	
	Outturn		Outturn	
	SoPS Note	£'000	£'000	£'000
Total Resource Outturn in Statement of Parliamentary Supply	2.1	4,461	5,185	
Non Budget		0	0	
Less Income payable to the Consolidated Fund		0	0	
Net Operating Costs in Consolidated Statement of Comprehensive Net Expenditure		4,461	5,185	

SOPS 3.2 Outturn against final Administration Budget and Administration net operating cost

	2014-15	2013-14
	£'000	£'000
Estimate – Administration costs limit	960	1,159
Outturn – Gross Administration Costs	870	819
Outturn – Gross Income relating to administration costs	(66)	(94)
Outturn – Net administration costs	804	725
Administration Net Operating Costs	804	725

SOPS 4. Reconciliation of Net Resource Outturn to Net Cash Requirement

		2014-15	2013-14		
		Estimate	Outturn	Net total outturn compared with Estimate: Saving/(excess)	Outturn
	SoPS Note	£'000	£'000	£'000	£'000
Resource Outturn	2.1	5,938	4,461	1,477	5,185
Capital Outturn	2.2	359	332	27	331
Accruals to cash adjustments					
Adjustments to remove non-cash items:					
– Depreciation		(2,041)	(865)	(1,176)	(825)
– Other non-cash items		(41)	(38)	(3)	(38)
Adjustments to reflect movements in working balances:		-			
– Increase/(decrease) in inventories			(21)	21	(12)
– Increase/(decrease) in receivables			43	(43)	(382)
– Increase/(decrease) in payables			278	(278)	(225)
– Changes in payables falling due after more than one year		-	(20)	20	(73)
Removal of non-voted budget items:					
Non Voted Expenditure		(2,900)	(2,882)	(18)	(2,796)
Use of provision		-	-	-	-
Net cash requirement		1,315	1,288	27	1,165

SOPS 5. Income payable to the Consolidated Fund

SOPS 5.1 Analysis of income payable to the Consolidated Fund

During the financial period, there were no amount payable to the consolidated fund.

Statement of Comprehensive Net Expenditure

FOR THE YEAR ENDED 31 MARCH 2015

		2014-2015	2013-2014
	Note	£'000	£'000
Administration Costs			
Staff costs	2	643	607
Other administration costs	3	227	212
Income	5	(66)	(94)
Programme Expenditure			
Staff costs	2	5,204	5,134
Other programme costs	4	6,366	6,794
Income	5	(7,913)	(7,468)
Total Expenditure		12,440	12,747
Total Income		(7,979)	(7,562)
Net Operating Cost for the year ended 31 March		4,461	5,185
Other Comprehensive Expenditure			
Net (gain)/loss on revaluation of property, plant and equipment		(7,823)	(1,131)
Total Comprehensive Net Expenditure for the year ended 31 March		(3,362)	4,054

The notes on pages 92 to 103 form part of these accounts.

Statement of Financial Position

AS AT 31 MARCH 2015

	Note	As at 31 March 2015		As at 31 March 2014	
		£'000	£'000	£'000	£'000
Non-current assets:					
Property, Plant & Equipment	6	36,930		29,613	
Intangible assets	7	116		143	
Total non-current assets:			37,046		29,756
Current assets:					
Assets classified as held for sale					
Inventories	10	19		40	
Trade and other receivables	11	850		807	
Cash and cash equivalents	12	27		190	
Total current assets			896		1,037
Total assets			37,942		30,793
Current liabilities:					
Trade and other payables	13	(696)		(1,194)	
Finance Lease	13	(2,352)		(2,295)	
Total current liabilities			(3,048)		(3,489)
Non current assets plus/less net current assets/liabilities			34,894		27,304
Non current liabilities:					
Other payables	13	(34,279)		(34,259)	
Total non current liabilities			(34,279)		(34,259)
Total Assets less liabilities			615		(6,955)
Taxpayers' equity and other reserves					
General fund			(14,929)		(14,676)
Revaluation reserve			15,544		7,721
Total taxpayers' equity			615		(6,955)

J. Rowe

Jenny Rowe
Chief Executive and Accounting Officer
1 June 2015

The notes on pages 92 to 103 form part of these accounts.

Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2015

		2014-2015	2013-2014
	Note	£'000	£'000
Cash flows from operating activities			
Net operating cost		(4,461)	(5,185)
Adjustment for non-cash transactions	4	903	863
(Increase)/Decrease in trade and other receivables		(43)	382
(Increase)/Decrease in inventories		21	12
Increase/(Decrease) in trade payables		(498)	322
Increase/(Decrease) in Finance Lease		57	57
less movements in payables relating to items not passing through the SCNE		163	(154)
Net cash outflow from operating activities		(3,858)	(3,703)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(331)	(245)
Purchase of intangible assets	7	(1)	(86)
Net cash outflow from investing activities		(332)	(331)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		1,125	1,319
From the Consolidated Fund (non-Supply)		2,882	2,796
Capital increase in respect of finance leases		20	73
Net financing		4,027	4,188
Net increase /(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(163)	154
Receipts due from the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund			
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(163)	154
Cash and cash equivalents at the beginning of the period	12	190	36
Cash and cash equivalents at the end of the period	12	27	190

The notes on pages 92 to 103 form part of these accounts.

Statement of Changes in Taxpayers' Equity

FOR THE YEAR ENDED 31 MARCH 2015

		General Fund	Revaluation Reserve	Total Reserves
	Note	£'000	£'000	£'000
Restated balance as at 31 March 2013		(13,489)	6,590	(6,899)
Prior period adjustment		-	-	-
Restated balance at 1 April 2013		(13,489)	6,590	(6,899)
Net Parliamentary Funding – drawn down		1,319		1,319
Net Parliamentary Funding – deemed		36		36
Consolidated Fund Standing Services		2,795		2,795
Supply (payable)/receivable adjustment		(190)		(190)
Excess Vote – Prior Year		-		-
CFERs payable to the Consolidated Fund		-		-
Comprehensive Expenditure for the Year		(5,185)	-	(5,185)
Non-Cash Adjustments				
Non-cash charges – auditor's remuneration	4	38		38
Movement in Reserves				
Movement in Revaluation Reserve		-	1,131	1,131
		-	-	-
Transfer between reserves		-	-	-
Balance at 31 March 2014		(14,676)	7,721	(6,955)
Net Parliamentary Funding – drawn down		1,125		1,125
Net Parliamentary Funding – deemed		190		190
Consolidated Fund Standing Services		2,882		2,882
Supply (payable)/receivable adjustment		(27)		(27)
Comprehensive Expenditure for the Year		(4,461)		(4,461)
Non-Cash Adjustments				-
Non-cash charges – auditor's remuneration	4	38		38
Movement in Reserves				-
Movement in Revaluation Reserve	6		7,823	7,823
Transfer between reserves		-	-	-
Balance at 31 March 2015		(14,929)	15,544	615

The notes on pages 92 to 103 form part of these accounts.

Notes to the Departmental Resource Accounts

Statement of Accounting Policies

1.1 Basis of Preparation

The financial statements have been prepared in accordance with the 2014–15 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Supreme Court of the United Kingdom (UKSC) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Supreme Court of the United Kingdom (UKSC) are described below. They have been applied consistently in dealing with items which are considered material to the accounts.

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

1.2 Accounting Convention

These accounts have been prepared on the going concern basis under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories. Also, there are no reconciling items.

1.3 Property Plant and Equipment

The Minimum level for the capitalisation of Property, Plant & Equipment is £5,000.

i. Land & Building

The UKSC Land & Building were deemed to be specialised operational properties and fair value was arrived at using DRC methodology. This was based on the assumption that the property could be sold as part of the continuing enterprise in occupation. On the basis of the above assumption, Fair Value under IAS is identical to Existing Use Value under UK GAAP. The year end valuation was carried out by the Westminster Valuation Office (VOA), using professionally qualified valuers, who are also members of the Royal Institution of Chartered Surveyor; using 31st March 2015 and 31st March 2014 as valuation dates. The VOA and its staffs are independent of the UK Supreme Court. The Revaluation Surplus balance at yearend was £15.5M, with an increase of £7.8M within the financial year.

ii. Other Plant & Equipment

These are valued at cost. The Department has decided not to apply Modified Historic Costs Accounting for other plant and equipment as the adjustments would be immaterial.

1.4 Intangible Fixed Assets

Computer software licences with a purchased cost in excess of £5,000 (including irrecoverable VAT and delivery) are capitalised at cost.

1.5 Depreciation and Amortisation

Freehold land and assets in the course of construction are not depreciated. All other assets are depreciated from the month following the date of acquisition. Depreciation and amortisation is applied using the straight line method to write-off assets over their estimated useful lives as follows:

Property, Plant & Equipment:

Building	40 years
Office Equipment	7 years
Furniture and fittings	4–7 years
Robes	50 years

Intangible assets:

Computer Software and software licences	7 Years
---	---------

1.6 Inventory

Closing stocks of gift items for re-sale are held at the lower of cost and net realisable value. Cost of consumables stores held by the Department are not considered material and are written off in the operating cost statement as they are purchased.

1.7 Operating Income

Operating income is income which relates directly to the operating activities of the UKSC. Operating Income includes court fees, sale of gift items, hire of court facilities for corporate events and contributions from the Jurisdictions (Her Majesty's Courts and Tribunal Service, Northern Ireland Court Service and Scottish Parliament). Court fees are payable at stages that fairly reflect the status of the cases. UKSC recognises all fees received in each reporting period as income.

1.8 Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme costs. The classification of expenditure and income as administration or as programme follows the definition of administration costs set out in Managing Public Money by HM Treasury.

1.9 Pensions

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

The contributions to PCSPS are set out in note 2.

1.10 Leases

Where substantially all risks & rewards of ownership are borne by the UKSC, the asset is recorded as a tangible asset and the debt is recorded to the lessor over the minimum lease payment discounted by the interest rate implicit in the lease. The finance cost of the finance lease is charged to the operating cost statement over the lease period at a constant rate in relation to the balance outstanding and a liability is recognised equal to the minimum lease payments discounted by an annual rate of 6.88%.

1.11 Audit Costs

A charge reflecting the cost of the audit is included in the operating costs. The UKSC is audited by the Comptroller and Audit General. No charge by the C&AG is made for this service but a non cash charge representing the cost of the audit is included in the accounts.

1.12 Value Added Tax

The net amount of Value Added Tax (VAT) due to or from Her Majesty's Revenue and Customs is shown as a receivable or payable in the Statement of Financial Position. Irrecoverable VAT is charged to the Operating Cost Statement, or if it is incurred on the purchase of a fixed asset it is capitalised in the cost of the asset.

1.13 Provisions

The Department provides for legal or constructive obligations which are of uncertain timing or amount on the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Provisions are recognised in the accounts where:

- a) there is a present obligation as a result of a past event;
- b) it is probable that a transfer of economic benefits will be required to settle the obligation, and;
- c) a reliable estimate can be made of the amount.

There are no provisions recognized in the accounts.

1.14 Contingent Liabilities

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

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

Contingencies are disclosed in the notes to the accounts unless the possibility of transfer in settlement is remote.

1.15 Significant Accounting Estimates and Assumption

The land and building valuation at the end of the reporting year represents a significant estimate. Further details regarding the revaluation is set out in note 1.3 (i).

1.16 Changes in Accounting Policies

There are no changes to accounting policies arising from new IFRSs and any new or amended standards announced but not yet adopted. There are also no voluntary changes to accounting policies that have had an impact in these accounts.

2. Staff/Justices numbers and related costs

A – STAFF/JUSTICES COSTS COMPRISE					2014–2015	2013–2014
	Permanent			Others	Total	Total
	Justices	Front line staff	Administrative staff	Judicial assistants		
	£'000	£'000	£'000	£'000	£'000	£'000
Wages & Salaries	2,546	924	507	213	4,191	4,154
Social security costs	336	79	44	19	478	474
Supplementary Judges & Special Advisers	0	0	0	0	0	6
Other pension costs	818	164	92	27	1,100	1,077
Sub Total	3,700	1,167	643	259	5,769	5,711
Inward secondments	0	12	0	0	12	0
Agency Staff	0	39	0	0	39	30
Voluntary Exit Costs	0	27	0	0	27	0
Total Net Costs	3,700	1,245	643	259	5,847	5,741

No salary costs have been capitalised. Judicial Salaries and Social Security costs are paid directly from the Consolidated Fund while the Pension costs are paid for by the UKSC.

B. PRINCIPAL CIVIL SERVICE PENSION SCHEME

The Principal Civil Service Pension Schemes (PCSPS) is an unfunded multi-employer defined benefit scheme, therefore, the UK Supreme Court is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk)

For 2014–15, employer's contributions totalling £282,715 were payable to the PCSPS, (2013–14, £282,414) at one of four rates in the range of 16.7 to 24.3 per cent of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates were last revised in 2008–09 but the salary bands were revised from 1st April 2010.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £6,455 (2013–14 £7,065) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3.0 to 12.5 per cent (2013–14, 3.0 to 12.5 per cent) of pensionable pay. Employers also match employee's contributions up to 3 per cent of pensionable pay. In addition, employer contributions of NIL, (2013–14: £NIL) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £603, (2013–14, £572).

There were no early retirements on ill health grounds in 2014–15. (2013–14, None)

C. JUDICIAL PENSION SCHEME

The JPS is an unfunded multi-employer defined benefit scheme which prepares its own Accounts, but for which The UK Supreme Court is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2009. Details can be found in the resource Accounts of the Judicial Pension Scheme at www.official-documents.co.uk.

Judicial pensions are paid out of the Consolidated Fund where the judicial office holder's salary was paid from that fund, or the JPS where the salary has been paid from the department's supply estimate. Contributions to the JPS have been made at a rate of 32.15% (2013–14: 32.15%). The amount of these contributions is included in the table in note 2 shown opposite.

The benefits payable are governed by the provisions of either the Judicial Pensions Act 1981 for those judicial office holders appointed before 31 March 1995, or the Judicial Pensions and Retirement Act 1993 for those newly appointed or appointed to a different judicial office on or after that date.

Although the JPS is a defined benefit scheme, in accordance with FReM Table 6.2, The UK Supreme Court accounts for the scheme as a defined contribution scheme and recognises employer contributions payable as an expense in the year they are incurred.

D. AVERAGE NUMBER OF PERSONS EMPLOYED AND JUSTICES THAT SERVED

The average number of whole-time equivalent persons employed and Justices that served during the year is shown in the table below. These figures include those working in the UKSC (including senior management) as included within the departmental resource account.

THE SUPREME COURT OF THE UNITED KINGDOM					2014–2015	2013–2014
	PERMANENT			OTHER	Total	Total
	Justices	Frontline Staff	Administrative Staff	Judicial Assistants		
	12	30	9	7	58	62
Total	12	30	9	7	58	62

3. Other Administration Costs

	2014–2015		2013–2014	
	£'000	£'000	£'000	£'000
Catering Costs	9		15	
Other Staff Costs	35		46	
Staff Travel	13		3	
Hospitality & Events	20		22	
Printing, Postage, Stationery & Publications	131		110	
Internal Audit & Governance Expenses	19		16	
Total Administration Costs		227		212

4. Programme costs

Notes	2014-2015		2013-2014	
	£'000	£'000	£'000	£'000
Accommodation Costs	1,903		1,812	
Finance Costs	2,528		2,516	
Library Costs	241		221	
IT Costs	142		493	
Publicity & Communications	99		107	
Broadcasting Costs	163		163	
Repairs & Maintenance	237		512	
Recruitment & Judicial Appointment Costs	38		27	
Transportation Costs	101		71	
International Judicial Travel	11		9	
		5,463		5,931
Non-cash items				
Depreciation	6	837	800	
Amortisation	7	28	126	
Recognized gain from building		-	(506)	
Impairment	7	-	405	
Auditors' Remuneration & Expenses		38	38	
Total Non Cash		903		863
Total Programme Costs		6,366		6,794

5. Income

OPERATING INCOME, ANALYSED BY CLASSIFICATION AND ACTIVITY, IS AS FOLLOWS:

	2014-2015		2013-2014	
	£'000	£'000	£'000	£'000
Contribution from HMCTS	(5,914)		(5,723)	
Contribution from Scottish Government	(478)		(478)	
Contribution from Northern Ireland Courts and Tribunals Service	(239)		(239)	
Total Contributions		(6,631)		(6,440)
Court Fees – UKSC		(966)		(849)
Court Fees – JCPC		(316)		(179)
Wider Market Initiatives		(66)		(94)
Total Income		(7,979)		(7,562)

	2014-2015			2013-2014		
	Income	Full Cost	Surplus/ (Deficit)	Income	Full Cost	Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Total Court Fees	(1,282)	12,374	(11,092)	(1,028)	12,653	(11,625)
Wider Market Initiatives	(66)	66	0	(94)	94	0
	(1,348)	12,440	(11,092)	(1,122)	12,747	(11,625)

These are provided for fees' & charges' purposes & not for IFRS 8.

The UK Supreme Court does not recover its full cost of operations from Court fees as this might impede access to Justice.

The UK Supreme Court has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

6. Property, Plant and Equipment

	Land	Building	Office Equipment	Furniture and Fittings	Robes	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 April 2014	14,000	15,963	1,232	1,927	154	33,276
Additions	-	-	167	164	-	331
Revaluations	6,600	1,223	-	-	-	7,823
At 31 March 2015	20,600	17,186	1,399	2,091	154	41,430
Depreciation						
At 1 April 2014	-	(1,769)	(629)	(1,250)	(15)	(3,663)
Charged in year	-	(399)	(179)	(257)	(2)	(837)
At 31 March 2015	-	(2,168)	(808)	(1,507)	(17)	(4,500)
Carrying amount at 31 March 2015	20,600	15,018	591	584	137	36,930
Asset Financing						
Owned	1,312					
Finance Leased	35,618					
On-balance sheet	36,930					

	Land	Building	Office Equipment	Furniture and Fittings	Robes	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 Apr 2013	13,000	15,327	1,010	1,904	154	31,395
Additions	-	-	222	23	-	245
Revaluations	1,000	636	-	-	-	1,636
At 31 March 2014	14,000	15,963	1,232	1,927	154	33,276
Depreciation						
At 1 Apr 2013	-	(1,387)	(483)	(981)	(12)	(2,863)
Charged in year	-	(382)	(146)	(269)	(3)	(800)
At 31 March 2014	-	(1,769)	(629)	(1,250)	(15)	(3,663)
Restated carrying value at 31 March 2014	14,000	14,194	603	677	139	29,613
Asset Financing						
Owned	1,419					
Finance Leased	28,194					
On-balance sheet	29,613					

7. Intangible non-current assets

Intangible fixed assets comprise software licences

	£'000
Cost or valuation	
At 1 April 2014	203
Additions	1
Impairment	-
Donations	-
At 31 March 2015	204
Amortisation	
At 1 April 2014	(60)
Charged in year	(28)
Impairment	-
At 31 March 2015	(88)
Net book value at 31 March 2015	116

	£'000
Cost or valuation	
At 1 April 2013	1,133
Additions	86
Revaluations	-
Impairment	(1,016)
Donations	-
At 31 March 2014	203
Amortisation	
At 1 April 2013	(545)
Charged in year	(126)
Revaluations	-
Disposals	611
At 31 March 2014	(60)
Net book value at 31 March 2014	143

8. Financial Instruments

As the Cash requirements of the department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Department's expected purchase and usage requirements and the Department is therefore exposed to little credit, liquidity or market risk.

9. Impairments

		2014-2015	2013-2014
	Note	£'000	£'000
The total impairment charge for the year is analysed below:			
Amount charged direct to Operating Cost Statement	4	-	405
Amount taken through the revaluation reserve	6	-	-
Total		-	405

10. Inventories

		2014-2015	2013-2014
		£'000	£'000
Opening balances		40	52
In year movement		(21)	(12)
Total		19	40

11. Trade Receivables and other current assets

A – ANALYSIS BY TYPE		2014-2015	2013-2014
		£'000	£'000
Amounts falling due within one year			
Trade Receivables		2	1
VAT Recoverable		140	128
Staff Receivables		17	18
Prepayment & Accrued Income		691	660
Total		850	807

B – INTRA-GOVERNMENT BALANCES		2014-2015	2013-2014
		£'000	£'000
Balances with other central government bodies		140	128
Balances with local authorities		-	-
Subtotal: intra-government balances		140	128
Balances with bodies external to government		710	679
Total receivables at 31 March		850	807

12. Cash and Cash Equivalents

		2014-2015	2013-2014
		£'000	£'000
Balance at 1 April		190	36
Net changes in cash and cash equivalent balances		(163)	154
Balance at 31 March		27	190
The following balances at 31 March were held at:			
Government Banking Service (RBS & Citibank)		27	190
Balance at 31 March		27	190

13. Trade Payables and other current liabilities

A – ANALYSIS BY TYPE	2014–2015	2013–2014
	£'000	£'000
Amounts falling due within one year		
Other taxation and social security	(76)	(120)
Trade payables	(190)	(1)
Amounts issued from the Consolidated Fund for supply but not spent at year end.	(27)	(190)
Accruals and Deferred Income	(403)	(883)
Finance leases	(2,352)	(2,295)
Total	(3,048)	(3,489)
Amounts falling due after more than one year		
Finance leases	(34,279)	(34,259)
	(37,327)	(37,748)

B – INTRA-GOVERNMENT BALANCES	2014–2015	2013–2014
	£'000	£'000
Balances with other central government bodies	(103)	(310)
Subtotal: intra-government balances	(103)	(310)
Balances with bodies external to government	(37,224)	(37,438)
Total payables at 31 March	(37,327)	(37,748)

14. Provisions for Liabilities and Charges

There were no provisions or claims during the year and in 2013–14.

15. Capital Commitments

There were no capital commitments.

16. Commitments under leases

16.1 – FINANCE LEASES	2014–2015	2013–2014
Total future minimum lease payments under finance leases are given in the table below for each of the following periods		
	£'000	£'000
Obligations under finance leases comprise:		
Land		
Not later than 1 year	1,452	1,216
Later than 1 year and not later than 5 years	6,181	5,177
Later than 5 years	39,077	34,925
	46,710	41,318
Less: Interest Element	(25,525)	(23,168)
Net total	21,185	18,150
Building		
Not later than 1 year	1,059	1,234
Later than 1 year and not later than 5 years	4,506	5,250
Later than 5 years	28,489	35,412
	34,054	41,896
Less: Interest Element	(18,608)	(23,492)
Net Total	15,446	18,404
Grand total	36,631	36,554

	2014–2015	2013–2014
	£'000	£'000
Present Value of Obligations under finance lease for the following periods comprise:		
Land		
Not later than 1 year	1,360	1,139
Later than 1 year and not later than 5 years	4,919	4,118
Later than 5 years	14,906	12,893
	21,185	18,150
Building		
Not later than 1 year	992	1,156
Later than 1 year and not later than 5 years	3,586	4,175
Later than 5 years	10,868	13,073
	15,446	18,404
Grand total	36,631	36,554

17. Commitments under Private Finance Initiative (PFI) contracts

There were no commitments under Private Finance Initiative contracts.

18. Other financial commitments

UKSC has not entered into any non-cancellable contracts (which are not operating leases or PFI contracts).

19. Contingent liabilities disclosed under IAS 37

UKSC has entered into a loan agreement with the Middlesex Guildhall Collection Trust in respect of Works of Arts located in the building. The department agreed to indemnify the Trust against loss or damage occasioned to the items and has put an insurance policy in place to cover any incidental financial loss.

None of these is a contingent liability within the meaning of IAS 37 since the possibility of a transfer of economic benefit in settlement is too remote.

20. Losses and Special Payments

No exceptional kinds of expenditure such as losses and special payments, that require separate disclosure because of their nature or amount, have been incurred.

21. Related-Party Transactions

None of the Non Executive Board Members, Key managerial staff or related parties have undertaken any material transactions with UKSC during the year.

UKSC had a number of significant transactions with other government departments and other central government bodies.

22. Third Party Assets

In all civil cases where an Appeal lay to the House of Lords under the provisions of the Appellate Jurisdiction Act 1876, Appellants must provide security for the costs of such Appeals. This payment was made to the House of Lords Security Fund Account which recorded the receipt, payment and disposition of the lodgements for each financial year. The balance on this Security Fund Account was transferred to The Supreme Court on 1st October 2009 and is now operated as The Supreme Court Security Fund Account. No interest is paid on the lodgements, nor are any fees deducted. Security Fund monies are payable to the relevant party, usually on the issue of the Final Judgement or Taxation of the Bill of Costs.

Securities held on behalf of third parties are not included in UKSC's Statement of Financial Position.

	2014-2015	2013-2014
	£'000	£'000
Balance as at 01 April	320	345
Add; receipts – Lodgements by Appellants	243	25
Less: Repayments to Appellants/ Respondents	(45)	(50)
Balance as at 31 March	518	320

23. Events after the reporting period date

The Accounting Officer authorised these financial statements for issue on 1 June 2015. There were no disclosable post balance sheet events.

annex

Jurisdictions where the Privy Council is the final Court of Appeal

Overseas jurisdictions

Anguilla
 Antigua and Barbuda
 Ascension
 Bahamas
 Bermuda
 British Indian Ocean Territory
 British Virgin Islands
 Cayman Islands
 Cook Islands and Niue
 Dominica*
 Falkland Islands
 Gibraltar
 Grenada
 Guernsey
 Isle of Man
 Jamaica
 Jersey
 Kiribati
 Mauritius
 Montserrat
 Pitcairn Islands
 Saint Christopher and Nevis
 St Helena
 St Lucia
 St Vincent and the Grenadines
 Sovereign Base of Akrotiri and Dhekelia
 Trinidad and Tobago
 Tristan da Cunha
 Turks and Caicos Islands
 Tuvalu

Brunei
 Civil Appeals from the Court of Appeal to the Sultan and Yang di-Perchian for advice to the Sultan.

Power also exists for the Sovereign to refer any matter to the Judicial Committee under section 4 of the Judicial Committee Act 1833.

* Until 6 March 2015

UK jurisdictions

Royal College of Veterinary Surgeons
 Church Commissioners
 Arches Court of Canterbury
 Chancery Court of York
 Prize Courts
 Court of the Admiralty of the Cinque Ports

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