

# The Law Officers' Departments Departmental Report

The Government's Expenditure Plans 1999-2000 to 2001-2002

Cm 4207

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

### The work of The Law Officers' Departments

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

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

The Treasury Solicitor's Department provides legal services to most Government Departments. The Treasury Solicitor is the Head of the Government Legal Service. The Legal Secretariat to the Law Officers, a small, separate Department which services the Attorney General and the Solicitor General, is also included in the report of the Treasury Solicitor's Department.

## Introduction

The Government was elected to modernise the country and build a fairer and more decent society. In everything from welfare reform to raising standards in education, the Government believes that rights and responsibilities need to go hand in hand, and that only through the modernisation of the way the country is governed can social justice be achieved.

Nowhere is this more clear than in the criminal justice system. The Government has made a major investment in tackling crime. This needs to be matched by continuing and progressive efforts by the Departments in the Criminal Justice System, including the Crown Prosecution Service and the Serious Fraud Office, to deliver an efficient, effective service of crime prosecution, which retains, and deserves, public confidence.

The Treasury Solicitor's Department deals with a wide range of important issues which can cut across the whole of Government. It is therefore important that it keeps step with advances in the conduct of Government business as a whole.

In both these contexts, recent, ongoing and planned initiatives towards modernisation and partnership reflect the Law Officers' Departments' commitment to achieve these aims.

## **Modernisation**

Crime, and especially fraud, continues to grow in complexity, and law enforcement agencies need to keep up with advances in new technology. They also need to ensure that they are working together as efficiently as possible.

All of the Law Officers' Departments are planning to join the Government Secure Intranet in 1999-2000. This will facilitate faster, more efficient communications with the rest of Government and also contribute to the achievement of the Prime Minister's 25% target for Government electronic dealings with the public. Together with the other Departments, this will be an important contribution to joined-up Government.

The SFO, in the form of the DOCMAN project, is utilising Information Technology in the modernisation of the investigation and prosecution of fraud cases. By developing this through the Private Finance Initiative, with IBM, there has been the opportunity to utilise private sector investment and expertise, which has provided the flexibility for the SFO to develop options for modernising other related areas.

The CPS has launched a PFI project to acquire new IT services to improve the effectiveness and efficiency of the CPS and reduce delays in the casework process. It is intended that these goals will be achieved by the automatic capture of electronic files producing documentation automatically and by communicating electronically with others in the criminal justice system. This will reduce the paper-chase in offices, provide management information automatically and generally improve the quality and speed of communication

in the criminal justice system.

### **Working in Partnership**

In September 1998, the Home Secretary, the Lord Chancellor and I endorsed a 'joined-up' government approach to strategic planning and performance arrangement across the criminal justice system. We established a Ministerial Steering Group to oversee this development. These new joint planning arrangements provide, for the first time, a clear strategic direction for the criminal justice system and the opportunity for the constituent departments, agencies and services to work closely together at national and local level to reduce crime and deliver justice.

Both the CPS and the SFO will be working in partnership with the Home Office and the Lord Chancellor's Department to meet the overarching aims of the Criminal Justice System and the supporting objectives and performance measures related to improvements in service delivery within the Criminal Justice System. They will also be developing co-operation through partnership with the other prosecution authorities under the terms of the Prosecutors Convention launched in February 1998. By April 1999, the CPS aims to have in place the core of a decentralised national service, which will more closely match the local police authorities with which it works as an integral part of the criminal justice system.

### **Key Results**

The Treasury Solicitor's Department has set itself additional and more challenging targets in relation to its provision of legal services and advice to Government Departments for 1999- 2000, which underpins much of the wider work of Government.

In the 12 months to December 1998, the SFO has prosecuted 43 defendants in 20 trials. A total of 38 defendants (88%) were convicted.

The CPS worked with the police and the courts to launch the six Narey pilots aimed at reducing delays in the criminal justice system. This is a good example of what can be achieved when all the criminal justice agencies are working positively together.

As I announced to the House of Commons on 30 November 1998, good progress has been made in taking forward the recommendations of the Glidewell Review of the CPS published in June 1998.

John Morris  
**Attorney General**

# The Crown Prosecution Service

## Introduction

- 1 The Crown Prosecution Service (CPS) was set up in 1986. It is a national prosecution service dealing with criminal cases investigated by the police in England and Wales. It is headed by the Director of Public Prosecutions and employs over 5,800 staff.
- 2 The role of the CPS is to prosecute criminal cases fairly and effectively by:
  - advising police on cases for possible prosecution
  - reviewing cases submitted by the police
  - preparing cases for the magistrates' courts and the Crown Court
  - presenting cases at court and instructing private sector advocates where appointed and
  - working with others to improve the effectiveness and efficiency of the criminal justice system.
- 3 Before proceeding with a prosecution, Crown Prosecutors must first review each case against the Code for Crown Prosecutors. The Code is designed to make sure everyone knows the principles the CPS applies when carrying out its work. These tests are:
  - whether there is enough evidence to provide a realistic prospect of conviction against each defendant on each charge and, if so,
  - whether a prosecution is needed in the public interest.
- 4 The Director is under a statutory duty to publish the Code for Crown Prosecutors. The third edition of the Code was published in June 1994. A revised explanatory memorandum was published in June 1996.

## Recent developments

### **The Glidewell Review**

5 In May 1997, the Government announced that the CPS would reorganise its prosecution work so that there would be 42 new CPS Areas to match local police force boundaries and that there would be an independent review (the Glidewell Review) of the CPS. The Glidewell Review was published in June 1998 (The Review of the Crown Prosecution Service, Cm 3960) and it made 75 recommendations. The recommendations included a new decentralised national structure for the CPS as part of the restructuring to 42 new Areas; far reaching changes in how the CPS manages and organises its work; greater priority to be given to the more serious cases; and improvements in the CPS's relationships with the police and the courts.

6 The CPS is planning to have the core requirements of a new 42 Area structure, as part of a decentralised national service, in place by April 1999. Further work thereafter will be required to implement the restructuring of the CPS suggested by the Glidewell Review and complete the transition to a new 42 Area structure. The Glidewell recommendations which affect the responsibilities of other departments and agencies are being considered in conjunction with those departments and agencies.

7 The Attorney General gave an interim Government response to the Glidewell Report on 30 November 1998. Of the 52 recommendations internal to the CPS, 39 have been accepted, in whole or in part, with 13 under consideration, considered or noted. Of the 23 inter-agency recommendations, 7 have been accepted wholly or in part, with 16 remaining under consideration. A further Government response will be given in the first half of 1999.

### **Senior staff changes**

8 In November 1998 David Calvert-Smith QC was appointed as Director of Public Prosecutions in succession to Dame Barbara Mills Q.C.. One of the Glidewell recommendations was the appointment of a Chief Executive. Mark Addison was appointed Chief Executive at the beginning of June 1998.

9 In the first quarter of 1999, there was an open competition for the appointment of Chief Crown Prosecutors for each of the new 42 Areas and an internal competition for the new Area Business Manager posts. During this period, there were separate competitions for senior legal and administrative posts in CPS HQ.

### **Public Service Agreements (PSAs)**

10 The Public Service Agreement for the Law Officers' departments which includes the CPS was published on 17 December 1997. The Public Service Agreement brings together the CPS's new aims and objectives, its expenditure plans for the period 1999-2000 to 2001- 2002, and the main performance measures and targets to be achieved over that period.

11 Improving the performance of the CPS will enhance public confidence in criminal justice and contribute towards a more effective criminal justice system. Cutting crime will help to reduce the fear of crime and enhance opportunities and, by reducing the costs to others, contribute to improving productivity.

12 Together with the Home Office and the LCD, the CPS has agreed to adopt overarching aims and objectives for the criminal justice system (CJS) as a whole. They have also agreed common performance measures which reflect the Government's commitments to improve the operation of the criminal justice system. The CPS also has additional measures to support its new aims and objectives (see below).

13 The CPS will work with the other criminal justice agencies to deliver the following measures which are included in the Criminal Justice, the Home

Office and Lord Chancellor's Departments' PSAs:

- i. to halve the time taken from arrest to sentence for persistent young offenders from 142 days to 71 days by 31 March 2002;
- ii. to reduce the time taken from arrest to sentence or other disposal;
- iii. an improvement in the satisfaction level of victims, witnesses and jurors with their treatment in the criminal justice system.

14 In addition the CPS will set targets:

- iv. to reduce the proportion of cases dismissed on a submission of no case to answer which are attributable to failures in the review process;
- v. to reduce the proportion of cases resulting in a non-jury acquittal in the Crown Court which are attributable to failures in the review process;
- vi. to increase the proportion of advocacy which meets the CPS's advocacy standards.

### **Future performance targets to improve productivity**

15 As part of the Comprehensive Spending Review, the CPS is committed to delivering significant efficiency savings over the period from 1999-2000 to 2001-2002. The CPS will also develop an aggregate efficiency measure by March 2000.

16 The CPS, by 31 March 2002, will:

- i. reduce unit costs per case in real terms by 1.3 per cent;
- ii. reduce accommodation cost per head in real terms by 10 per cent;
- iii. increase from 93 per cent to 100 per cent the proportion of prosecution witness expenses sent not later than 10 working days from receipt of a correctly completed claim form;
- iv. increase from 88 per cent to 97 per cent the proportion of complaints replied to within 10 working days of receipt;
- v. increase the proportion of undisputed invoices paid within terms or 30 days from 95 per cent to 100 per cent.

### **Better quality initiative**

17 The CPS will review services and activities over a five-year period in line with the stated government policy as set out in the handbook, Better Quality Services. A future work programme will be developed by September 1999 with the intention to review at least 60 per cent of services by March 2003.

Aims and objectives

18 The aims and objectives published in July with the Comprehensive Spending Review White Paper have been reassessed in the light of the Glidewell Review. The new aims and objectives are consistent with the wider aims and objectives for the whole criminal justice system and reflect the new approach suggested in the Glidewell Review.

19 The CPS's overall aim is to contribute to the reduction both of crime and the fear of crime and to increased public confidence in the criminal justice system by firm, fair and effective prosecution at court.

20 Its main objectives are: Dealing with prosecution cases in a timely and efficient manner in partnership with other agencies:

- **to ensure that the charges proceeded with are appropriate to the evidence and to the seriousness of the offending**

by the consistent, fair and independent review of cases in accordance with the Code for Crown Prosecutors;

- **to enable the courts to reach just decisions**

by fairly, thoroughly and firmly presenting prosecution cases; rigorously testing defence cases and scrupulously complying with duties of disclosure;

- **to meet the needs of victims and witnesses within the criminal justice system, in co-operation with other criminal justice agencies.**

## Cash plans

21 The expenditure plan is shown in Table 1.

**Table 1: Cash Plans (Class V Vote 4)**

|   | 1993-94    | 1994-95    | 1995-96    | 1996-97    | 1997-98    | 1998-99<br>estimated | 1999-00<br>plans | 2000-01<br>plans | 2001-02<br>plans |
|---|------------|------------|------------|------------|------------|----------------------|------------------|------------------|------------------|
|   | £million   |            |            |            |            |                      |                  |                  |                  |
| Voted in Estimates                      |            |            |            |            |            |                      |                  |                  |                  |
| A Administration                        | 221        | 229        | 230        | 225        | 224        | 230                  | 230              | 230              | 225              |
| B Crown prosecutions and legal services | 62         | 63         | 66         | 74         | 75         | 78                   | 78               | 81               | 82               |
| Other (non-voted) <sup>(1)</sup>        |            |            |            |            |            |                      | 4                | 5                | 6                |
| <b>Departmental Expenditure Limits</b>  | <b>283</b> | <b>292</b> | <b>296</b> | <b>299</b> | <b>300</b> | <b>308</b>           | <b>311</b>       | <b>316</b>       | <b>313</b>       |



(1) As a consequence of the Comprehensive Spending Review from 1999-2000 all Departments have an unallocated provision which provides a reserve on which they may call during the year. The reserve may be taken up by means of a supplementary estimate.

**Table 2 : Reconciliation of Cash Plans and Estimates**

|   | £ million              |                                 |                      |
|---|------------------------|---------------------------------|----------------------|
|   | 1997-<br>98<br>outturn | 1998-99<br>estimated<br>outturn | 1999-<br>00<br>plans |
| <b>Total voted expenditure within Departmental Expenditure Limits</b> |                        |                                 |                      |
| Administration  | 224                    | 230                             | 230                  |
| Crown prosecutions and legal services                                 | 75                     | 78                              | 78                   |
| <b>Total voted Expenditure</b>  | <b>300</b>             | <b>308</b>                      | <b>308</b>           |

22 Expenditure on administration includes running costs as well as capital spending. Crown prosecutions and legal services cover expenditure on Counsel fees, witness expenses and other prosecution costs which are demand led costs over which the Department does not have full control and they are not cash limited. The total planned expenditure for 1998-99 shown in last year's Departmental report was £282 million. The allocation of budgets in 1998-99 maintained operational spending by CPS Branches at previous levels and the budget reductions were found from within CPS HQ.

23 The cash plans for 1998-99 published in last year's report have been increased. The increase in administrative expenditure comprises £6,600,000 to fund the early transitional costs of the reforms set out in the Glidewell Report; £1,800,000 to take forward rationalisation of the Department's estate and £1,153,000 to implement a number of criminal justice initiatives including those arising from the Crime and Disorder Act 1998. The increases were financed by a charge on the Reserve of £6,600,000, the take up of £1,800,000 of the Department's end year flexibility entitlement and a transfer of £1,153,000 from the Home Office. These charges did not add to the planned total of public expenditure.

24 A continuing upward trend in the level of court sittings, an increase in the number of indictable cases and significantly lengthier and more complex cases have increased the pressures for additional prosecution expenditure. Subject to Parliamentary approval, the Treasury has agreed an increase in the Department's prosecution costs provision of £17.0 million.

25 The outcome of the Comprehensive Spending Review resulted in an additional £95 million for the CPS over the period 1999-2000 to 2001-2002, when compared to the original provision for 1998-99. The cash plans for 1999-2000 show an increase of £30.3 million on those for 1998-99 as published in last year's report. Most of this increase, £18.4 million is earmarked for additional expenditure on prosecution costs. The plans also provide for the

implementation of a number of criminal justice reforms including those which result from the work on reducing delays in the criminal justice system; increased rights of audience for employed advocates; and the Crime and Disorder Act 1998. Funding has also been made available to help implement the recommendations set out in the Glidewell Report. The 1999-00 running cost budget has been reduced by £1.3 million as this amount was brought forward to 1998-99 to offset part of the Glidewell transitional costs (see above). 26 In setting budgets for 1999-2000, the Department has taken full account of the Government's overarching aims for the criminal justice system and the need for the new CPS Areas to have the resources necessary to meet their operational requirements. The Department remains committed to improving value for money by achieving a better match of staff resources to workload.

**Table 3: Running costs**

|                                      | £million   |            |            |            |            |                   |               |               |               |
|--------------------------------------|------------|------------|------------|------------|------------|-------------------|---------------|---------------|---------------|
|                                      | 1993-94    | 1994-95    | 1995-96    | 1996-97    | 1997-98    | 1998-99 estimated | 1999-00 plans | 2000-01 plans | 2001-02 plans |
| Gross Running Costs <sup>(1)</sup>   |            |            |            |            |            |                   |               |               |               |
| Civil Service Paybill <sup>(2)</sup> | 152        | 157        | 160        | 160        | 157        | 159               |               |               |               |
| Other                                | 63         | 66         | 64         | 62         | 64         | 64                |               |               |               |
| <b>Total</b>                         | <b>215</b> | <b>223</b> | <b>224</b> | <b>222</b> | <b>221</b> | <b>223</b>        | <b>226</b>    | <b>227</b>    | <b>222</b>    |

(1) The gross figures are net of any VAT refunds on contracted out services.

(2) This covers the pay costs, including superannuation and employers' ERNIC, of civil servants (as given in table 5)

**Table 4: Costs awarded against the CPS**

|                    | £million     |              |              |              |              |                   |               |               |               |
|--------------------|--------------|--------------|--------------|--------------|--------------|-------------------|---------------|---------------|---------------|
|                    | 1993-94      | 1994-95      | 1995-96      | 1996-97      | 1997-98      | 1998-99 estimated | 1999-00 plans | 2000-01 plans | 2001-02 plans |
| Voted in estimates |              |              |              |              |              |                   |               |               |               |
| Outturn            | 0.221        | 0.262        | 0.245        | 0.278        | 0.343        | 1.110             |               |               |               |
| Provision          | 0.410        | 0.410        | 0.400        | 0.396        | 0.348        | 0.312             |               |               |               |
| <b>Variance</b>    | <b>0.189</b> | <b>0.148</b> | <b>0.155</b> | <b>0.118</b> | <b>0.005</b> | <b>(0.798)</b>    |               |               |               |

The extraordinary increase in expenditure in 1998-99 arises from a single order against the

CPS to pay some £850,000 in defence costs in a substantial prosecution involving a number of separately represented defendants. No avenue of appeal is available to challenge an order for costs in a trial on indictment.

27 Costs can be awarded against the prosecution at the courts' discretion where there has been a wilful default or omission by, or on behalf of the prosecution. In these instances costs are awarded against the CPS, whether or not the fault lies with the CPS, because it is the only representative of the prosecution case in court. The figures for costs awarded are therefore not a reliable indicator of CPS's performance.

**Table 5: Staff numbers**

|                                     | 1993-94<br>outturn | 1994-95<br>outturn | 1995-96<br>outturn | 1996-97<br>outturn | 1997-98<br>outturn | 1998-99<br>estimated<br>outturn | 1999-00<br>plans | 2000-01<br>plans | 2001-02<br>plans |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------------|------------------|------------------|------------------|
| Civil Service full-time equivalents | 6,382              | 6,436              | 6,299              | 5,997              | 5,587              | 5,447                           | 5,648            | 5,700            | 5,633            |
| Casuals                             | 248                | 309                | 254                | 161                | 208                | 184                             | 193              | 195              | 192              |
| Overtime                            | 45                 | 50                 | 29                 | 32                 | 33                 | 48                              | 43               | 38               | 33               |
| <b>Total</b>                        | <b>6,675</b>       | <b>6,795</b>       | <b>6,582</b>       | <b>6,190</b>       | <b>5,828</b>       | <b>5,679</b>                    | <b>5,884</b>     | <b>5,933</b>     | <b>5,858</b>     |

**Table 6: Appropriations in aid**

|                                       | 1993-94<br>outturn | 1994-95<br>outturn | 1995-96<br>outturn | 1996-97<br>outturn | 1997-98<br>outturn | 1998-99<br>estimated<br>outturn | 1999-00<br>plans | 2000-01<br>plans | 2001-02<br>plans |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------------|------------------|------------------|------------------|
| Voted in estimates                    |                    |                    |                    |                    |                    |                                 |                  |                  |                  |
| Administration <sup>(1)</sup>         | 0.9                | 0.9                | 0.9                | 0.9                | 0.9                | 0.9                             |                  |                  |                  |
| Crown prosecutions and legal services | 18.0               | 19.0               | 19.0               | 19.5               | 20.0               | 20.0                            | 20.0             | 20.0             | 20.0             |
| <b>Total</b>                          | <b>18.0</b>        | <b>19.0</b>        | <b>19.0</b>        | <b>20.4</b>        | <b>20.9</b>        | <b>20.9</b>                     | <b>20.9</b>      | <b>20.9</b>      | <b>20.9</b>      |

(1) Appropriations in aid under the Administration heading are small enough to round to nil for 1993-94 to 1995-96 inclusive.

**Table 7: Consolidated Fund Extra Receipts**

|                | 1993-94<br>outturn | 1994-95<br>outturn | 1995-96<br>outturn | 1996-97<br>outturn | 1997-98<br>outturn |
|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Administration | 0.334              | 0.179              | 0.244              | 0.302              | 0.820              |

|                                       |              |              |              |              |              |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Crown prosecutions and legal services | 0.072        | 0.453        | 1.460        | 2.018        | 2.181        |
| <b>Total Voted Expenditure</b>        | <b>0.406</b> | <b>0.632</b> | <b>1.704</b> | <b>2.320</b> | <b>3.001</b> |

28 Appropriations in aid in 1999-00 comprise costs awarded to the CPS (£20.0 million), rents received from private tenants in CPS buildings (£0.8 million) and a small amount by way of contract car contributions. The CPS does not set a forecast for the level of Consolidated Fund Extra Receipts. The latest available figures relate to 1997-98 when £3.0 million was credited to the Consolidated Fund, of which £2.5 million resulted from the collection of cost award receipts in excess of the level set for appropriations in aid.

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

29 Under Section 9 of the Prosecution of Offences Act 1985, the Director of Public Prosecutions produces a report each year for the Attorney General detailing the performance and activities of the Service throughout the year.

### **Departmental investment strategy**

30 The CPS has a small capital base and the main assets are office furniture and computer equipment. The CPS occupies space in 96 buildings, of which 92 are owned by private landlords. The department owns Crown Freeholds on 4 properties which have a total value of £3.5 million.

31 The CPS seeks to make the best use of its capital and current assets to modernise the CPS and deliver its agreed performance targets. All business cases for capital expenditure consider the running cost implications of additional capital. The options include an assessment of the costs and benefits, a benefits realisation plan and the arguments for capital purchase compared with obtaining the services in alternative ways. Capital expenditure is allocated on the basis of bids which are assessed in terms of the strength of the business case and the extent to which the expenditure promotes the CPS's aims and objectives and contributes to the Government's wider objectives for the criminal justice system. Final decisions on capital allocations are agreed with the Director and Chief Executive.

32 Future spending plans for the next three years include capital provision of £4 million a year making a total of £12 million over the period 1999-2000 to 2001-02. Planned expenditure over the next three years will be directed to improving the CPS's IT capability, future rationalisation of the estate and providing capital budgets for each of the new 42 Areas. Future IT spending is designed to help achieve a successful PFI project for the CPS's future IS/IT needs including electronic links with the police and the courts. Some of the recommendations in the Glidewell Report could have significant implications for future capital spending, including, for example, the proposed creation of criminal justice units and trial units. These recommendations are still under consideration and their impact has not been included in current plans.

33 More detail on future spending plans and on the CPS's departmental investment strategy is available on the CPS's web site.

## Working practice initiatives

### **Trials Issues Group**

34 The Trials Issues Group (TIG) is a senior inter-agency committee which nationally co-ordinates the implementation of key Government policies across the criminal justice system.

35 Current initiatives include:-

- **Reducing Delay (Narey) Pilot**

The CPS has worked closely with the Home Office, Lord Chancellor's Department and key agencies in the criminal justice system to plan and implement the report: Review of Delay in the Criminal Justice System which was published by the Home Office in February 1997. Substantial changes in working practices are being piloted at six sites: Burnley, Croydon, Northampton, North Staffordshire, North Wales and Tyneside. The police are responsible for producing simple guilty plea case files within a few hours of the defendants being charged, and the magistrates' courts have a duty to arrange early first hearings of these cases and early administrative hearings of other cases. For its part, the CPS has staff in police administrative support units to review and prepare cases for these two types of hearings which will usually take place within 24 hours of the defendants being charged. Additionally, the CPS has trained caseworkers to review and present simple guilty plea cases and to prove summary road traffic cases where the defendants have failed to enter pleas through the post.

36 The CPS has agreed a national protocol with the Association of Chief Police Officers relating to Crown Prosecutors providing out of hours legal advice to the police. The contents of the protocol have been incorporated in local service level agreements between the CPS and the police. New procedures were implemented from January 1999 for the early listing of indictable only cases in the Crown Court.

37 All these changes are designed to reduce delays significantly. The impact of the pilot is being evaluated by independent consultants. The consultants will produce their final report in summer 1999, and this will inform decisions about future implementation.

38

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

A comprehensive inter-departmental report on witness care, Speaking up for Justice, was published in June 1998. It contains 78 recommendations to improve access to justice for vulnerable or intimidated witnesses, including children. Those measures which require legislation are now included in Part II of the Youth Justice and Criminal Evidence Bill, which was introduced in the House of Lords on 3 December 1998. An inter-departmental steering group has

been established to co-ordinate all implementation issues.

39 Planning the implementation of this important initiative has started recently with the groups' considering issues such as:-

- arrangements for escorting witnesses to court;
- providing pagers so that witnesses can wait at locations near the court until they are required to give evidence; and
- use of witness information packages.

40 The aim is for the various agencies involved to agree new standards of witness care by spring 1999.

41 The CPS participated in a multi-disciplinary group, comprising Government departments and children's organisations to produce guidance and advice for child witnesses and those who support them. The Young Witness Pack was launched on 19 June 1998 and will be freely available to all young witnesses.

## Joint performance management (JPM)

### **CPS and the Police**

42 By the end of 1997/98, all police forces and CPS Branches had introduced a system of JPM to measure and report the timeliness and quality of police file submissions, and as a practical tool with which to bring about improvements in the performance of both agencies.

43 During the year, a series of joint training seminars was held for all forces and their CPS counterparts, from which to share and develop good practice. A Good Practice Guide, summarising the findings has subsequently been distributed to practitioners throughout the CPS and the police service. The Guide is also being used to inform other JPM initiatives being developed at other interfaces in the criminal justice system.

### **CPS and the Court Service**

44 During 1997 a joint CPS/Court Service Working Group was set up to explore the potential of a JPM arrangement between the CPS and the Crown Court. A process was piloted at six Crown Court centres during October 1997 to March 1998 to establish jointly the reasons for cracked and ineffective trials, and work together to bring about improvement. An evaluation report on the project making recommendations for extended application of the arrangements has been endorsed by the management boards of both agencies. Wider implementation of JPM as a tool to drive up performance will be considered after the appointment of the Chief Crown Prosecutors (CCP) for the new Areas in April 1999.

### **Court Witness Attendance Project**

45 The CPS continues to participate in the development of this national project seeking to improve the service to witnesses which is gathering data from all magistrates' courts and Crown Courts twice yearly in June and November on the number of witnesses warned to attend court; the number who actually attend; the number who are required to give evidence; and the time spent in waiting before giving evidence. The data is passed to local Trials Issues Groups upon which the CPS are represented to identify and implement appropriate action revealed from the data.

## Legislative and other initiatives

### **Racially motivated crime**

46 The CPS worked with the Home Office and other CJS colleagues on the development of the Crime and Disorder Act 1998 which, creates specific racially aggravated offences and imposes a duty on courts to take account of racial aggravation at sentence. The Service provided guidance and training to law ye rs and caseworkers on the impact of these provisions which came into force on 30 September 1998. In October 1998 the CPS published its second annual report on its racial incident monitoring scheme. During the year, the Service discussed and agreed with the Association of Chief Police Officers (ACPO) changes to the monitoring scheme with the aim of improving police identification of racial incident cases and the quality of information given to the CPS by the police.

### **Inquiry into the Stephen Lawrence case**

47 In June and July 1998 present and former members of staff of the CPS gave written and oral evidence to the Inquiry on the Service' s handling of the case. The Service also submitted written evidence to Part II of the Inquiry on policy and practice developed since 1993. This written material was supported by oral evidence given to the Inquiry in September 1998.

### **Working with the Bar**

48 The CPS has continued to work closely with the Bar on improving service delivery. In February 1998 chambers began monitoring their performance against agreed standards on returned briefs and are providing regular reports to CPS Areas on their levels of returns. Performance is discussed at regular meetings between Branch Crown Prosecutors and Heads of Chambers. These meetings provide the opportunity to discuss other issues, thereby building upon and improving local liaison arrangements. The Department has accepted in principle the Glidewell recommendation that the results of monitoring returned briefs should be published. This together with other aspects of how the working relationship between the CPS and the Bar might be improved will be the subject of ongoing discussions between the two organisations.

### **Domestic violence**

49 The CPS Inspectorate published its report on cases involving domestic

violence in May 1998. The Service has taken action to implement the recommendations in the report to improve its handling of domestic violence cases.

50 The CPS is contributing to the Government's national strategy to tackle violence against women under the auspices of the Women's Unit. The CPS is represented at both Ministerial and official level on inter-departmental groups on domestic violence.

### **Relations with other prosecuting authorities**

51 In February 1998 the Attorney General launched the Prosecutors' Convention which promotes closer co-operation between the eleven leading prosecuting authorities. The convention provides for a co-ordinated approach to the decision making process and, wherever possible, joint public announcement of the prosecution decision.

52 In order to develop local relationships between the CPS and other prosecuting authorities, each of the designated 42 Areas nominated a Prosecution Co-ordinator whose role is to work with other local prosecuting authorities in order to promote compliance with the principles of the Prosecutors' Convention. They also act as an initial point of contact within the Area. The Prosecutors' Convention encourages prosecuting authorities to develop separate agreements or protocols to address identified overlaps in working practice. In April 1998 the CPS, Health and Safety Executive and ACPO announced the development of a protocol for liaison in incidents of work-related death.

53 The protocol extends the principles of the Prosecutors' Convention by developing a framework promoting closer co-operation between the three organisations from the investigation stage of an incident through to a prosecution before the courts. The protocol has already proved effective and the principles are now being applied to a number of on-going investigations.

54 The CPS is currently in discussion with the Army Prosecuting Authority with a view to developing closer links and improving communication/liaison both nationally and at a local level.

### **Child video evidence**

55 Since December 1997 the CPS has produced full transcripts of video recorded evidence from children in those cases where the recording is to be admitted as the primary evidence of the witness.

56 Following competitive tender, a contract was awarded to a private firm of court shorthand writers who employ 16 transcribers to perform this task. The unit is based in CPS HQ, United House, Piccadilly, York and the staff are all formally vetted before joining the unit.

57 In the first 12 months of operation the unit processed 5,057 full transcripts.



## **CPS Inspectorate**

58 During the year, the Inspectorate published 27 Branch inspection reports; three thematic reviews; and the Chief Inspector's first Annual Report.

59 The Inspectorate concentrates particularly on the quality of casework decisions and the decision-making process, and advises the Director where improvements might be made. It also seeks to identify and promote good practice throughout the CPS.

60 Thematic reviews have been published concerning cases involving child witnesses; cases of domestic violence; and the quality of pre-charge advice given by the CPS to the police. In respect of each topic, a series of recommendations has been published in order to help the CPS to maintain and, where appropriate, to improve its present performance.

61 During the year, the key messages have been:

- the standard of advocacy in the magistrates' courts is good;
- there are many examples of good inter-agency co-operation to help cases to progress through the system;
- there is room for improvement in the quality of decision-making in those cases that finish in an adverse case result, such as a judge directed acquittal;
- the timing of the decision-making process could be improved;
- greater care needs to be taken to ensure that the CPS discharges its responsibilities with regard to the disclosure of material that may assist the defence case.

62 Work has been undertaken in conjunction with Her Majesty's Magistrates' Courts Service Inspectorate and Her Majesty's Inspectorate of Constabulary to look at the length of time that youth cases take to progress through the courts. Our first joint report will be published in March 1999.

63 In the light of the Glidewell Review the Inspectorate will report, in future, directly to the Attorney General, through a Chief Inspector appointed by him. The Inspectorate's remit will be widened so that all aspects of performance that touch upon the quality of CPS casework and casework-decision making processes will be inspected. In future, the Inspectorate will include lay members.

64 In due course, the Inspectorate will inspect CPS Areas rather than Branches. Its published reports will be presented to the Director of Public Prosecutions, but the Chief Inspector's Annual Report will be presented to the Attorney General.

65 It is anticipated that the restructured Inspectorate's new inspection programme will be fully underway by 1 October 1999.

## **Service First**

66 The CPS continues to support the principles of the Citizen's Charter, which has been relaunched as Service First. A review of the existing six service standards for central government is underway. A Ministerial decision on the outcome of the review is awaited.

## **Complaints**

67 The results of a review of the CPS's complaints handling procedure was published in the 1996-1997 Annual Report. A new complaints system was introduced in November 1997 whereby a complainant should first write to the CPS Branch that dealt with the case. If the complainant remains dissatisfied, he or she may then write to the CCP in the Area office who will investigate the matter further. If still dissatisfied the issue can be referred to the Customer Service Unit at CPS HQ who will arrange for someone not involved with the original decision to look again at the circumstances of the complaint.

68 In April 1998 the CPS issued and widely distributed a leaflet explaining its complaints procedure. Information about the CPS complaints procedure is available on the Department's website (<http://www.cps.gov.uk>) which was launched in July 1997.

69 The CPS is working with other criminal justice bodies to simplify complaints procedures across the CJS through, for example, a single point at which complaints would be made.

## **Changes to the Manual of Guidance**

70 The Manual of Guidance contains guidance on the preparation, processing and submission of police files to the CPS. It has recently been updated to take into account the plea before venue provisions introduced by the Criminal Procedure and Investigations Act 1996 and the bail and security provisions of the Crime and Disorder Act 1998.

71 Further amendments and improvements have been made as a result of correspondence from police officers and CPS staff.

72 A special provisional amendment has been made to cater for the changed procedures in the Narey pilot areas. The alterations to file type and content will ensure that the balance is maintained between sufficient information for review and presentation in court, and the very much shorter time available for file preparation. These amendments will be reviewed at the end of the pilot period.

73 The manual of guidance editorial board is looking at the implications for the Manual of the transmission of data by electronic means between the police and CPS and in conjunction with the police and Integrating Business and Information Systems in the CJS (IBIS) are considering electronic transmission protocols.

## **Performance and achievements**

## **Performance measures**

74 Revised arrangements were introduced in November 1997 to collect data on the CPS's corporate performance measures and targets. Key results for the period from November 1997 to March 1998 were:

- 97.4% of advice cases assessed met the quality standard for casework decisions, compared to a target of 97.5%;
- 92.7% of prosecution cases assessed met the quality standard for casework decisions, compared to a target of 97.5%;
- 99.3% of advocacy assessments met the national quality standard, compared to a target of 99%;
- briefs were delivered to Counsel within agreed timescales in 66% of cases, compared with a target of 80%;
- committal papers were despatched to the defence within agreed timescales in 51% of cases, compared with a target of 60%.

## **Payment of witness expenses**

75 The CPS paid 68% of witness expenses within five working days and 93% within 10 working days of receipt of a properly completed claim form. Comparative figures in 1996-97 were 86% and 95%. Teething problems with the CPS's new accounting system resulted in incomplete data for the period April to September 1997. The figures reported for 1997-98 are based on the period October 1997 to March 1998.

## **Payment performance**

76 The CPS has adopted the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890) and remains committed to paying bills in accordance with agreed contractual conditions, or where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later. 77 During the period 1 April 1997 to 31 March the CPS settled 95% (193,690 out of 203,957) of undisputed invoices within 30 days of receipt.

## **Case outcomes**

78 Convictions have remained at a high level since the inception of the CPS. 98.1% of hearings in magistrates' courts resulted in a conviction in 1997-98, inclusive of guilty pleas. This compared with 98% for the previous year, and 97.6% for 1992-93. In the Crown Court, 90.6% of hearings resulted in conviction in 1997-98, compared with 90.8% during 1996-97 and 91.6% in 1992-93.

79 Convictions following pleas of not guilty in the Crown Court are almost unchanged. 59.8% of contested hearings resulted in conviction in 1997-98,

compared with 59.9% in 1996-97. Convictions in contests have risen from 55.2% in 1992-93.

80 During 1997-98, 11% of completed cases in the Crown Court resulted in non jury acquittals (comprising prosecutions dropped and judge directed acquittals) or bind overs, compared with 10% in 1996-97 and a target of 9%. However, judge directed acquittals as a proportion of all Crown Court finalisations fell in 1997-98 to 1.4%, from 1.7% in 1996-97. This represented the fourth successive annual reduction, from 2.3% in 1993-94. Directed acquittals fell from 26.1% of all acquittals in 1992-93 to 20.6% in 1996-97, and to 20.4% in 1997/98.

81 The discontinuance rate was almost unchanged during the year : 12.1% of completed magistrates' courts cases were discontinued in 1997-98 the same as the previous year. However, discontinuance is not determined solely by the standards of case review applied by the prosecution. Circumstances often leave the CPS with no choice but to discontinue : for example when witnesses fail to attend court or change their evidence; when defendants wait until the day of the trial before producing documents proving their innocence; or the police are unable to fill gaps in the evidence.

82 The number of cases referred to and completed by the Service rose markedly during 1997- 98. In magistrates' courts, receipts from the police totalled 1,415,232, a rise of 5.3% compared with the previous year. Finalisations rose 6.7% to 1,418,801. In the Crown Court, receipts rose by 8% to 130,328 and finalisations rose by 11.8% to 128,064.

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

83 While the number of cases dealt with overall by the CPS rose markedly, the case mix in the magistrates' courts remained virtually the same.

- Stationary motoring cases, comprising minor matters such as parking offences and offences involving driving documents fell numerically again for the third successive year. In 1996-97 the fall amounted to 16.9% but in 1997-98 the fall was less at 4%.
- The largest increase was in moving motoring cases which rose by 11% from 305,223 in 1996-97 to 339,843 in 1997-98.
- Proportionately, all motoring cases represented 37.8% in 1997-98 compared to 38.3% in 1996-97.
- Non motoring summary only cases increased by 8% from 238,887 in 1996-97 to 258,410 in 1997-98 but in proportional terms was almost identical at 18.2% compared to 18% in 1996-97.
- Indictable and either way cases rose by 6.9% from 523,643 in 1996-97 to 559,749 in 1997-98 but proportionately remained virtually the same at 39.5% compared to 39.3% in 1996-97.

84 In the Crown Court, the cases at the heavier end of the scale increased.

- Indictable only cases rose by 14.5% from 23,872 in 1996-97 to 27,341 in 1997-98. In proportional terms the rise was from 20.8% in 1996-97 to 21.3% in 1997-98 and was the fourth successive yearly rise from 17.1% in 1993-94. These figures suggest that the number of more serious offences has increased. Home Office figures show that the number of offenders cautioned by the police for indictable offences fell during 1997, and this may have contributed to the growth in the number of these cases proceeding to the Crown Court.
- Although cases where the defendant elects trial increased slightly in 1997-98, they fell proportionately for the fourth successive year from 22% in 1993-94 to 16.9% in 1997-98.
- Committals for sentence rose sharply by 64.9% from 5,563 in 1996-97 to 9,171 in 1997-98. The introduction of the Plea Before Venue procedure with effect from October 1997 had a direct impact on the number of committals for sentence, and in periods after March 1998 contributed both to further increases in these cases and to a fall in the number of cases committed to the Crown Court.
- Agent usage rose from 7% of all magistrates' courts sessions in 1996-97 to 11.3% in 1997-98.

### **Advocates' fees**

85 We contained expenditure on advocates' fees within the Department's revised provision, despite an increase in the number of cases finalised in the higher courts, and an increase in the proportion of more complex indictable-only cases, arising mainly from the impact of the plea before venue provisions.

86 The number of payments to counsel for these finalised cases increased by 11.8% from 114,540 to 128,064, whilst expenditure increased by only 1.7% from £78.5m to £79.9m. Thus the average unit cost for employing an external advocate fell from £686 to £624.

87 We have been building on the controls to contain expenditure on those high cost cases, often involving leading and junior counsel, which attract a disproportionate share of expenditure. In 1998-99 we introduced new key performance indicators, supported by management reports to assist our Areas in monitoring these cases.

88 We are working with the Lord Chancellor's Department to identify possible solutions to the lack of parity between prosecution and defence fees, which was the subject of a recommendation in the Glidewell Review.

### **Area management plans**

89 Each Area produced an Area Management Plan for 1998-99. These plans included details of the Area's timeliness targets for payments to Counsel and witnesses as well as other performance indicators, budget allocations, staff levels and accommodation plans. Area performance is currently reviewed

quarterly . Work is in hand to determine the scope and nature of Area plans and the new monitoring regime that will be required when the new Area structure becomes operational in April 1999.

**Table 8: Crown Prosecution Service output**

|  | 1995-96<br>outturn | 1996-97<br>outturn | 1997-98<br>outturn | 1998-99<br>estimated<br>outturn | 1999-00<br>plans | 2000-01<br>plans | 2001-02<br>plans |
|--|--------------------|--------------------|--------------------|---------------------------------|------------------|------------------|------------------|
| Magistrates' courts defendants finalised (000's) | 1,352              | 1,330              | 1,418              | 1,423                           | 1,430            | 1,430            | 1,430            |
| Crown Court defendants finalised (000's)         | 121                | 115                | 128                | 124                             | 122              | 122              | 122              |

**Table 9: Unit Costs**

|                      | 1995-96<br>outturn | 1996-97<br>outturn | 1997-98<br>outturn | 1998-99<br>estimated<br>outturn | 1999-00<br>plans | 2000-01<br>plans | 2001-02<br>plans |
|----------------------|--------------------|--------------------|--------------------|---------------------------------|------------------|------------------|------------------|
| Magistrates' courts* | 121.18             | 121.86             | 113.08             | 109.78                          | 109.58           | 108.39           | 105.71           |
| Crown Court*         | 902.65             | 939.56             | 835.16             | 839.87                          | 856.31           | 846.98           | 826.07           |

\* In real terms using the GDP deflator based at 1997-98 prices

90 The CPS is working on a new system of unit costs which seeks more directly to link expenditure to the weight of workload in its caseload. The system calculates a weighting relative to the outcome of a case. This will help establish a clearer relationship between annual expenditure in CPS workload rather than caseload.

### Unit costs

91 The CPS produces unit costs that are designed to show the pattern of expenditure in relation to the volume of case outcomes on a financial year basis. The Corporate Information System (CIS) has the ability to calculate unit costs for all the organisational units within the CPS from individual account codes to total expenditure blocks.

### Analysis of activity costs

92 The Service continues to use activity costs analyses to inform Area budget allocations. The CPS will continue to benchmark Area performance to help Areas improve their performance and reduce costs. The Glidewell Review recommended a new costing system and as a result the CPS is reviewing its future systems.

## Procurement

### **Public private partnership**

93 An independent study by an independent consultant has confirmed that a Departmental proposal to acquire future Information Systems (IS) services under the Private Finance Initiative approach should be pursued without delay.

94 The project has been re-launched and the intention is to procure a new IS service to support prosecution casework and link closely with other criminal justice computer systems. The IS service will automate the prosecution case file to improve the quality and timeliness of casework decisions, processes and management and provide information on resources and performance.

### **Procurement plan**

95 The CPS will introduce the use of the Government Procurement Card during 1999 and will pay all invoices by BACS, where suppliers agree and this secures value for money, by December 2000.

### **Electronic business transactions**

96 The Department currently handles 15% of transactions electronically (phone and fax). These comprise complaints and more general enquiries on a national basis. The CPS has recently introduced Internet access in some offices and therefore anticipates an increase in electronic access from the general public. Access to the Government Secure Intranet service together with a number of inter-agency initiatives within the criminal justice system (see below) will increase the level of electronic transactions undertaken. These increases will contribute towards the Prime Minister's target that, by 2002, 25% of services provided to the public should be undertaken by electronic means.

### **Telephony**

97 Following a competitive tender exercise the CPS awarded a contract to provide a managed national telephony service. The terms of the contract will result in a reduction in the overall cost of telephony, improve services, and modernise the Department's telephony infrastructure. The business goals are to eliminate reliance on obsolescent equipment, to improve cost control and management, to improve value for money over the term of the contract and to transfer risk to the private sector for the capital acquisition of telephony components, their design, development and delivery.

### **Fraud**

98 The CPS maintains and develops appropriate controls to prevent fraud and to ensure that, if perpetrated, it is detected promptly. Staff are encouraged to report any suspected fraud which they may encounter and to put forward ideas which might strengthen procedures and controls for the prevention of fraud. Speedy and vigorous investigations are conducted into cases of suspected

fraud.

99 In 1997-98, the Department's internal controls identified three instances of fraud. Two of the cases were referred to the police and, following their investigation, criminal proceedings were instituted against one of the individuals while the other received a formal police caution. Both resigned from the Department. In the third case, the matter was dealt with under the CPS's internal disciplinary proceedings.

### **Estate management**

100 A major estate rationalisation took place in London where a partial refurbishment of 50 Ludgate Hill and a move to more open plan working, meant that staff from two London offices were able to move from other buildings into Ludgate Hill. This allowed the Department to surrender the leases on four floors at Portland House, London and to sub-let another building. The changes will result in accommodation cost savings and more efficient use of better quality space at Ludgate Hill.

101 The sale of three buildings (producing receipts of £0.4m) and negotiations with landlords, the Property Advisors to the Civil Estate (PACE) and active marketing has meant that office space surplus to requirements has either been surrendered or let to other tenants. These actions have reduced vacant space on the estate to 3%. However, the move to 42 Areas and implementation of the Glidewell Report may have a substantial impact upon the estate. Accommodation for 42 Chief Crown Prosecutors and their Secretaries, the location of Criminal Justice Units and establishment of Trial Advocacy Units may present new demands on how the CPS Estate is used.

102 There is also likely to be an increased need for training and liaison with Area staff. An Estate Management Workshop, involving Area staff, the Central Property Unit (CPU) and our Estates Advisers, commenced this process and was well received.

### **Facilities management**

103 The CPS continues to review its facilities management services in light of developments in the market place and best practice in both private and public sectors. A number of new contracts and working practices have been put in place during the year to ensure that facilities management services continue to be both effective and cost efficient.

### **Environmental issues**

104 The CPS is taking practical measures to improve environmental performance, during the past year a number of initiatives have been taken forward in relation to procurement and significant achievements include the introduction service-wide of recycled paper and the use of recycled toner cartridges. Policy on environmental issues is handled by Facilities Management and Procurement Branch in CPS HQ (a contact telephone number is 0171-273- 8369).



## Information technology

### **Millennium threat**

105 The CPS established a Year 2000 Project in February 1997. It is chaired by a Chief Crown Prosecutor and reports quarterly. All internally developed and externally supported application software, including bureau services, will be compliant by March 1999. Support contracts have been enhanced and extended and contingency plans are being developed. The key risk is a common dependence upon suppliers that their products and services are compliant.

### **Government secure intranet**

106 Access to the Government Secure Intranet (GSI) will enable the Department to establish cross-departmental e-mail together with secure access to the Internet for legal research. Required accreditation of the computing infrastructure and subsequent subscription to the GSI is planned for April 1999.

### **Information systems strategy**

107 The CPS information systems strategy is to invest in support for the casework business process through the introduction of modern office automation tools including access to police electronic case files and electronic communications with the police, courts and others in the CJS. The aim is to speed up case preparation, reduce paperwork and increase efficiency and effectiveness.

### **The Internet**

108 The department's website, which can be read in English or Welsh, went live in June 1997 and has continued to attract a steady stream of visitors. The site address is: [www.cps.gov.uk](http://www.cps.gov.uk). In the 1998 calendar year there were just under 17,000 visits compared to the 6,000 which were made between June and December 1997. For the first time (1997/98) the whole of the CPS Annual Report was available via our home page. There is also a link to the electronic version of the Glidewell Review of the CPS.

### **E-mail**

109 The CPS continues to invest in collaborative inter-agency e-mail initiatives with the police and the courts to improve the speed and quality of communications within and between agencies in support of the casework business process. A project is underway to deliver inter-departmental e-mail using the GSI and utilise the services of the Internet.

### **Communications**

110 The development of more effective communications has been a priority throughout the year; explaining the many changes of staff, gaining their understanding of the need for change, obtaining their commitment and ownership and helping to create an organisation where everyone feels that they have a voice. This has been achieved in a number of ways including better written communications, a "Meet the Chief Executive" video, a CPS-wide network of sounding boards supporting the Chief Executive's Sounding Board, and generally being more open. Better communications, including the use of briefing notes, have for example played a significant part in taking forward Narey and reducing delays in the CJS.

## Personnel

### Training strategy

111 A training strategy up to 1999-2000 has been devised by the Career and Training Strategy Group to support the CPS's aims and objectives. The strategy, which comprises training and development priorities, objectives and a plan, has been issued to all staff. The objectives and plan for 1998-99 are presently being evaluated in the light of the move to 42 Areas and this will inform the training plan and objectives for future years.

### Investors in people (IiP)

112 The CPS made a public commitment in March 1998 to achieve the standard for training and development accredited by Investors in People (UK) Ltd. Areas and Headquarters have produced their own IiP Action Plans to support the Departmental Plan. The milestones include a pre-assessment in March 1999 and a formal assessment, which is planned for September 1999.

### Sickness absences

113 The CPS has reviewed its management of sickness absence in the light of Cabinet Office guidance, and in discussion with the Cabinet Office, will be setting targets for reducing the existing sickness absence rates. Figures for 1998 show that sickness absence in the CPS accounted for 61,908 working days, an average of 8.8 days for each member of staff.

**Table10: Senior Civil Service pay**

| Salary range      | Number of staff | Salary range      | Number of staff |
|-------------------|-----------------|-------------------|-----------------|
| Below £40,000     | 0               | £70,000 - £74,999 | 2               |
| £40,000 - £44,999 | 0               | £75,000 - £79,999 | 1               |
| £45,000 - £49,999 | 2               | £80,000 - £84,999 | 1               |
| £50,000 - £54,999 | 8               | £85,000 - £89,999 | 0               |
| £55,000 - £59,999 | 15              | £90,000 - £94,999 | 0               |
| £60,000 - £64,999 | 13              | £95,000 - £99,999 | 0               |

## Recruitment and equal opportunities

114 Recruitment to the CPS is carried out through systems based on fair and open competition and selection on merit, in accordance with the Civil Service Commissioners' Recruitment Code. All recruitment is subject to internal audit.

115 During the last 12 months, the CPS made the following number of appointments on either a fixed-term or permanent basis.

**Table 11: CPS Appointments, Jan - Dec 1998**

| Level         | Total | Female | Ethnic<br>Minority | Registered<br>Disabled |
|---------------|-------|--------|--------------------|------------------------|
| Payband<br>A1 | 239   | 170    | 53                 | 4                      |
| Payband<br>A2 | 137   | 92     | 33                 | 7                      |
| Payband<br>B1 | 3     | 3      | 0                  | 0                      |

116 In addition, the following permitted exceptions to fair and open competition have been made: three former civil servants have been reappointed, two disabled candidates have been appointed under modified selection arrangements; and 20 temporary appointments have been extended beyond 12 months. Of the latter, two legal appointments were extended to cover a period where the duration of the short-term post lasted longer than originally planned (eg, maternity leave). The other 18 cases involved administrative staff and were agreed either to allow staff to apply for impending competitions for permanent posts or because the duration of the short-term post lasted longer than originally anticipated.

## Equal opportunities

117 The proportion of women in the Senior Civil Service group within the CPS has risen during the course of this year from 10.0% to 10.9% of staff in post. The representation of women as a percentage of all staff in post has also increased slightly to 64.3% (up from 63.2% last year). The percentage of staff from ethnic minority groups is unchanged at 8.4%. Staff with a disability now comprise 2.1% (1.8% last year) of total staff in post.

118 During 1998-99 the CPS has:

- introduced a revised childcare scheme which offers support to parents in a more flexible manner and distributes the financial subsidy on a more equitable basis;

- introduced a system for monitoring the length of time male and female staff, ethnic minority staff and staff with a disability have remained at their current level;
- held training workshops for Area Equal Opportunities Officers;
- held meetings to discuss race issues in which the Commission for Racial Equality participates;
- held meetings of the pilot networking group for ethnic minority female staff;
- sought the views of staff with a disability on additional ways in which their working needs may be met and also on whether they wish to participate in a networking group.

### Public accounts committee

119 The Public Accounts Committee published a report on the CPS on 23 July 1998. The PAC made 20 recommendations covering four main areas: the Department's case tracking system and the PFI; working with the police; managing performance and the use of Counsel. The Department has accepted these recommendations and work continues on their implementation. The timescale for implementation is dependant upon taking forward a number of other initiatives including Glidewell and public private partnerships.

### Further information

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

50 Ludgate Hill  
 London EC4M 7EX  
 Tel: 0171 273 8000  
 Web: <http://www.cps.gov.uk>

### **Bibliography**

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- CPS Strategy for the 1990s (HMSO December 1990 Revised 1994)
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- Thirty-third Report from the Committee of Public Accounts 1997-98 (CN 4004 July 1998)

# The Serious Fraud Office

## Introduction

1 The Serious Fraud Office (SFO) was established in 1988, following the 1986 Fraud Trials Committee Report (the Roskill Report). Its role is to investigate and prosecute cases of serious or complex fraud in England, Wales and Northern Ireland and thus contribute to deterring such fraud.

2 The creation of the SFO introduced a multi-disciplinary approach to the investigation and prosecution of serious fraud. Each case is allocated to a team that includes lawyers, financial investigators, information technology and other specialists, law clerks and police officers, of whom there are a substantial number working on SFO cases at any one time. The SFO makes extensive use of private sector expertise as necessary, employing private sector accountants to assist in investigations and using counsel to prosecute.

3 The SFO is part of the Criminal Justice System in the United Kingdom, and is affected by changes and developments in that system. To achieve its aim and objectives it must take into account and be part of developments in the wider world of law enforcement and financial regulation as well as acknowledging the financial parameters within which it must operate.

## Public Service Agreement (PSA)

4 The Public Service Agreement for the Law Officers' Departments, which includes the Serious Fraud Office, was published on 17 December 1998. It brings together the Serious Fraud Office's aim and objectives, its expenditure plans for the period 1999-2000 to 2001-2002 and the main performance measures and targets to be achieved over that period. The SFO's work contributes to setting a business environment within which companies can operate successfully, and to reducing the risk of productivity losses through fraud. It thus reflects the Government's commitments to improve the operation of the Criminal Justice System, and of the economy generally.

5 As part of the Criminal Justice System the SFO is also involved in some aspects of the Public Service Agreement for the Criminal Justice System.

## Aim and Objectives

6 The aim of the Serious Fraud Office is to contribute to

- reducing fraud and the cost of fraud
- the delivery of justice and the rule of law
- maintaining confidence in the UK's business and financial institutions.

7 The objectives of the Serious Fraud Office are to take on appropriate cases and

- investigate them and bring them to a successful conclusion as quickly as individual circumstances allow
- when a decision to prosecute is made, prosecute fairly and in a way that enables the jury to understand the issues.

8 In carrying out its aim and objectives, the Serious Fraud Office will

- work efficiently and effectively
- co-operate with other agencies and overseas jurisdictions
- ensure that its activities and the way they are reported contribute to deterring fraud.

### Performance Targets

9 The Serious Fraud Office has set the following targets to be achieved by 31 March 2002

- To increase caseload from 73 cases per year in 1998-99 to 77 cases per year within resources provided
- To reduce average time from accepting a case and completing investigations to 17.5 months
- To reduce the average length of the prosecution stage between transfer/committal and verdict to 16 months.

10 Additionally the following measures have been set and will be reported on

- The proportion of cases reaching prosecution phase following investigation where an offence has been committed
- The long run rate showing cases achieving a successful prosecution
- The long run median costs of investigating and prosecuting cases.

11 Demanding efficiency and service delivery targets have been set for the same period. These include:

- Reduce the proportion of indirect to total costs; and
- Increase the proportion of undisputed supplier invoices paid in accordance with terms or in their absence, 30 days, from 97.5% (1998-99) to 100%.

### Management

12 In exercising her statutory responsibilities under the Criminal Justice Act 1987, the Director of the Serious Fraud Office is supported by the

Management Board. This currently comprises the Director, four Assistant Directors in charge of operating divisions, the Assistant Director in charge of the Policy Division, the Principal Establishment and Finance Officer (PEFO) and the Head of Financial Investigations. Each operating division is made up of lawyers, accountants, IT specialists and support staff. Inter-disciplinary teams are formed from within operating divisions to deal with cases allotted to them, and case budgets are delegated. Police officers are, wherever possible, accommodated alongside other team members. Management information systems provide the Director with information on case budgets, expenditure, timetables and she meets with each division monthly to discuss the cases and their progress. Each division has an alignment with police forces in a geographical area although all take cases from the Metropolitan and City police forces.

## Operations

13 The statutory criteria for accepting cases are interpreted in the light of published criteria agreed by the Law Officers. The key criterion for deciding whether the SFO should accept a case is that the suspected fraud is such that the direction of the investigation should be in the hands of those responsible for the prosecution.

14 In determining whether this is met, factors taken into account include:

- cases where the monies at risk or lost are at least £1 million. (This is simply an objective and recognisable signpost of seriousness and likely public concern, rather than the main indicator of suitability);
- cases likely to give rise to national publicity and widespread public concern. These include frauds on government departments, public bodies, the governments of other countries and commercial cases of public interest;
- cases requiring highly specialised knowledge of, for example, stock exchange practices or regulated markets;
- cases in which there is a significant international dimension;
- cases where legal, accountancy, and investigative skills need to be brought together; and
- cases which appear to be complex, and in which the use of powers under Section 2 of the Criminal Justice Act 1987 may be appropriate. None of those factors, taken individually, should necessarily be regarded as conclusive.

15 Caseload figures are given in Table 1. The increase in caseload from 1995-96 onwards reflects the change in acceptance criteria following the report of the Davie Committee.

### **Table 1: Caseload at year end**

| Number of Cases | 1992-93   | 1993-94   | 1994-95   | 1995-96   | 1996-97   | 1997-98   | 1998-99<br>at Nov |
|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Investigation   | 18        | 26        | 33        | 48        | 64        | 58        | 52                |
| Prosecutions    | 39        | 22        | 17        | 22        | 18        | 25        | 21                |
| <b>Total</b>    | <b>57</b> | <b>48</b> | <b>50</b> | <b>70</b> | <b>82</b> | <b>83</b> | <b>73</b>         |

16 The SFO usually investigates its cases in conjunction with the police. During the year, the SFO and the Association of Chief Police Officers (ACPO) signed a Memorandum of Understanding (MOU) which sets out the agreed approach to SFO investigations, and who will be responsible for different aspects of the work.

17 The SFO approaches each case on an individual basis, looking at the investigative requirements in terms of manpower, specialisms and information technology. Targets and case timetables are set in an effort to shorten the length of the investigation and prosecution process and to ensure that resources are targeted to the main issues. Budgets and responsibility for expenditure have been delegated to operating divisions. This has led to a closer examination of case plans and forecasts and an increasing emphasis on value for money. Individual case plans and budgets form part of the overall management plan. The MOU stresses the need for effective case planning and for constant review in the light of changing circumstances.

18 Following the outcome of the Comprehensive Spending Review and the signing of the MOU, the SFO has undertaken most of the support services that were previously split between the SFO and the police. This should result in a more effective and efficient approach, especially with the increased use of information technology.

### Working with other bodies

19 There is an increasing tendency for fraudsters to take advantage of the differences in law and procedure in foreign jurisdictions. Inevitably investigation is slowed down where enquiries have to be made abroad and there are often difficulties in obtaining essential evidence, including evidence from banks and financial institutions. Frequently the facts will amount to an offence in more than one country at a time. The SFO therefore pays great attention to its relationships with authorities overseas and gives priority to establishing good working relationships with other judicial and police authorities.

20 The SFO is able to use investigation powers under Section 2 of the Criminal Justice Act 1987 to carry out investigations for overseas authorities in cases of serious or complex fraud referred to it by the Secretary of State. To November 1998 the SFO has received 134 requests from the UK Central Authority to carry out such investigations and has undertaken 112 as falling within its powers. A further 94 supplementary requests have been received and



undertaken in addition.

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

22 Work has begun with the new Financial Services Authority (FSA) on agreeing criteria for deciding when cases should be dealt with by the SFO, police, CPS or the FSA and when cases should be dealt with by regulatory or administrative penalties rather than criminal prosecution. In addition a Memorandum of Understanding is being negotiated. We expect to continue to have good and close relationships with the FSA.

### Performance indicators

23 The SFO seeks to deter fraud. It is therefore important that the public credibility of the Office is maintained and the basis on which the SFO has to work is well understood. The small size of the caseload means that the picture in any one year may be distorted by the results of one or two cases. Further, convictions may not be obtained even though the prosecution was properly brought and the case well handled. In these circumstances changes in the pattern of case results and trends over time will provide better information about the performance of the SFO. The Public Service Agreement targets support this approach.

24 Many of the factors that affect the length of cases are outside the SFO's control. This is particularly so where a case involves overseas enquiries (which the majority of cases now do) or extradition, or after a case has been transferred or committed. In spite of these difficulties, the Serious Fraud Office is committed to reduce the length of both investigation and prosecution phases for all cases.

25 Since April 1990 the average time between the SFO accepting a case and completing the investigation with a transfer or committal was 17 months. The average time between transfer or committal and completion of the case was 15 months. Many cases are concluded within the given target date. However the larger and more complex cases normally take longer. Since the SFO became operational in 1988, 181 trials have taken place involving 413 defendants of which 275 (67%) have been convicted. In the 12 months to 10 December 1998, the SFO has prosecuted 43 defendants in 20 trials. A total of 38 (88%) defendants were convicted.

### 1998-99 Outturn

26 The provisional outturn for 1998-99 is £16 million, the same amount as in Estimates.

## Cash Plans

27 The expenditure plan is shown in Table 2.

**Table 2: Summary Cash plans:  
Departmental Expenditure Limit**

|   | £million  |           |           |           |           |                           |               |               |               |  |
|---|-----------|-----------|-----------|-----------|-----------|---------------------------|---------------|---------------|---------------|--|
| Voted in estimates                          | 1993-94   | 1994-95   | 1995-96   | 1996-97   | 1997-98   | 1998-99 estimated outturn | 1999-00 plans | 2000-01 plans | 2001-02 plans |  |
| Administration                              |           |           |           |           |           |                           |               |               |               |  |
| Class V Vote 5 A                            | 10        | 10        | 10        | 10        | 10        | 9                         | 9             | 8             | 8             |  |
| Investigation and Prosecution Running Costs |           |           |           |           |           |                           |               |               |               |  |
| Class V Vote 5 B                            | 1         | 1         | 1         | 1         | 1         | 2                         | 3             | 3             | 3             |  |
| Investigation and Prosecution               |           |           |           |           |           |                           |               |               |               |  |
| Class V Vote 5C                             | 8         | 7         | 6         | 6         | 6         | 5                         | 6             | 6             | 6             |  |
| <b>Total</b>                                | <b>19</b> | <b>18</b> | <b>17</b> | <b>17</b> | <b>16</b> | <b>16</b>                 | <b>17</b>     | <b>17</b>     | <b>17</b>     |  |

Note: Cash plans include an accruing superannuation liability charge

28 Expenditure on administration includes running costs and capital spending. Investigation and Prosecution running costs covers direct case related running cost expenditure. Investigation and Prosecution programme expenditure covers counsel fees, witness expenses and other direct case investigation and prosecution costs that are demand led costs and not cash limited. The cash plan for 1998-1999 published in last year's departmental report (£15million) has been increased following the outcome of the Comprehensive Spending Review (CSR). No specific provision to cover very large cases is made within the total, since both the incidence and size of such cases is unpredictable.

29 Additional public expenditure provision has been made in the CSR for future years reflecting the Government's commitment to improve the criminal justice system and the importance it attaches to improving productivity in the economy through reducing fraud. The SFO continues to seek to meet increasing caseload demands through increases in efficiency and effectiveness. A particularly important contribution over the next few years is expected from the DOCMAN PFI project (see paragraph 42 below). The SFO undertakes monthly reviews throughout the financial year to ensure that expenditure stays within provision.

## Appropriations in Aid (AinA)

30 Appropriations in Aid comprise recovered VAT on contracted out services and allowable costs awarded to the Serious Fraud Office. Summary cash plans (Table 2) are net of any AinA and the only related receipts on Running Costs (Table 3) are recoverable VAT on contracted out services.

## Running costs and staffing

31 The running costs expenditure plans for 1999-2000 are 6.8% higher than the provision in Estimates for 1998-99 (Table 3). This is still a challenging position given the increased caseload. The SFO seeks to achieve a cost-effective balance between permanent and temporary staff and keeps its staffing plans (Table 4) under review so that staff numbers can be accommodated within running costs provision. During 1998-99, the SFO had 8 members of the Senior Civil Service, falling within the salary bands indicated in Table 5.

**Table 3: Running Costs**

|  | £million  |           |           |           |           |                   |               |               |               |
|--|-----------|-----------|-----------|-----------|-----------|-------------------|---------------|---------------|---------------|
| Voted in estimates                             | 1993-94   | 1994-95   | 1995-96   | 1996-97   | 1997-98   | 1998-99 estimated | 1999-00 plans | 2000-01 plans | 2001-02 plans |
| <b>Gross Running Cost</b>                      |           |           |           |           |           |                   |               |               |               |
| Civil Service Paybill <sup>(1)</sup>           | 4         | 4         | 5         | 5         | 5         | 5                 | -             | -             | -             |
| Administration and Investigation & Prosecution | 7         | 7         | 6         | 5         | 5         | 6                 | -             | -             | -             |
| <b>Total</b>                                   | <b>11</b> | <b>11</b> | <b>11</b> | <b>10</b> | <b>10</b> | <b>11</b>         | <b>12</b>     | <b>12</b>     | <b>12</b>     |
| Related receipts                               |           |           |           |           |           | 1                 | 1             | 1             | 1             |
| <b>Net Expenditure</b>                         | <b>11</b> | <b>11</b> | <b>11</b> | <b>10</b> | <b>10</b> | <b>11</b>         | <b>11</b>     | <b>11</b>     | <b>11</b>     |

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

**Table 4: Staffing**

|                                     | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 Original plans | 1998-99 estimated | 1999-00 plans | 2000-01 plans | 2001-02 plans |
|-------------------------------------|---------|---------|---------|---------|---------|------------------------|-------------------|---------------|---------------|---------------|
| Civil service full time equivalents | 138     | 136     | 138     | 159     | 160     | 162                    | 150               | 166           | 166           | 166           |
| Overtime                            | 3       | 5       | 2       | 2       | 2       | 1                      | 2                 | 2             | 2             | 2             |
| Casuals <sup>(1)</sup>              | 36      | 27      | 22      | 13      | 13      | 25                     | 8                 | 9             | 9             | 9             |

|              |            |            |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Total</b> | <b>177</b> | <b>168</b> | <b>162</b> | <b>174</b> | <b>175</b> | <b>188</b> | <b>160</b> | <b>177</b> | <b>177</b> | <b>177</b> |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|

Note: (1) Not all casuals in the outturn figures were paid for from running costs

**Table 5: Senior Civil Service Salaries**

| <b>£5000 Bands</b> | <b>Number of staff</b> |
|--------------------|------------------------|
| £55,000-59,999     | 4                      |
| £60,000-64,999     | 3                      |
| £65,000-69,999     | -                      |
| £115,000-119,999   | 1                      |

## Departmental Investment Strategy

32 The SFO does not have policy responsibility for any area of programme capital expenditure. The provision published in the CSR outcome details the total available to the department for administrative capital and is cash limited. All current and capital expenditure supports core operational functionality and is planned, as far as possible, to take account of changing circumstances which may affect these operations, in advance of their occurrence. The SFO will continue to seek value for money on all procurement and contracts. This is most effectively carried out through continuing partnerships with larger public sector organisations that have dedicated resources working in these areas.

33 The SFO is not asset rich. The headquarters and sole office is Elm House, in central London. This building is occupied on a full repairing lease and there is regular current maintenance expenditure to support the fabric of the property and make good the maintenance backlog inherited from Property Holdings. Other capital expenditure is mainly incurred on office equipment and furniture and on IT to ensure that the SFO's forensic IT capability continues to match the increasing demands for IT related investigative techniques.

34 Expenditure planned for the CSR period includes a phased plan to improve utilisation of space within Elm House, maintaining office equipment levels, maintaining the forensic IT capability and dealing with any residual Year 2000 related computer problems. Apart from the latter item, this trend in expenditure is likely to continue in future years due to general obsolescence and technological change. The reduction in the capital provision for the CSR years reflects the reduced need for IT capital as a result of the DOCMAN PFI project (see paragraph 42). More detail is available in the SFO departmental investment strategy document to be found on the SFO web site.

35 The SFO has sought to identify opportunities to increase the utilisation of its existing assets, including those opportunities available under the Wider Markets initiative. Due to the limited scope of the asset base and the need to fully utilise this in the support of core operations, the key solutions are to rationalise and seek further efficiency and effectiveness in these and other available assets. This has not identified significant assets for disposal. Plans for future investment are not likely to have a material effect on the level of current

expenditure on future maintenance or capital charges under resource accounting and budgeting.

### Counsel Fees and Costs Awarded against the SFO

36 The SFO has previously provided a breakdown of counsel fees and costs awarded against the SFO as part of the Supply Estimates. This information is now given in Table 6 below.

**Table 6: Counsel fees and costs awarded against the SFO**

|               | Outturn<br>1995-96 | Outturn<br>1996-97 | Outturn<br>1997-98 | Estimated<br>Outturn<br>1998-99 | £000s<br>Plan<br>1999-2000 |
|---------------|--------------------|--------------------|--------------------|---------------------------------|----------------------------|
| Counsel fees  | 3,246              | 3,091              | 2,575              | 3,000                           | 3,000                      |
| Costs awarded | 8                  | 30                 | 1                  | 192                             | 0                          |

### Value for money

37 The SFO has continued to build on its plans to achieve better value for money across its activities. Competitive arrangements for selecting and appointing counsel have continued. Contract procedures are being strengthened in order to gain improved value for money from competition.

38 The SFO will regularly and systematically review services and activities over a 5-year period in line with the policy set out in the handbook "Better Quality Services". A future work programme will be developed by September 1999 with the intention to review at least 60% of services and activities by March 2003.

39 Work has continued to improve the SFO's budgetary control and forecasting of expenditure. An upgraded financial accounting system is planned to become operational in April 1999, which will ensure Year 2000 compliance. It will gather and ensure the integrity of the information that will underpin resource accounting and budgeting, whilst still maintaining Vote Accounting for the production of Appropriation Accounts.

40 The SFO will introduce the use of the Government Procurement Card during 1999 and will pay invoices by BACS, where suppliers agree and this secures value for money, by December 2000.

### Information Technology

41 The SFO's Forensic Computing Unit maintains an IT technical infrastructure which increasingly contributes to the efficiency and effectiveness of the work of the Office. The operation and scope has been reviewed during the year and is being developed further to match the growing

trend in IT based fraud and improve the capacity to recover and analyse computer-based material seized by the Office during its investigations. Such recovery and the subsequent processing of the material are increasingly important, and are most cost-effectively carried out in-house. The SFO will continue to review its capacity for such processing in the future.

## DOCMAN

42 The SFO has been in the forefront of using information technology in the investigation and presentation in court of fraud cases. It had identified the need for an IT based investigation and prosecution system and embarked upon a major project to identify the competitive benefits and route to achieve this. The preferred route was to seek a public/private partnership under the Private Finance Initiative. Called "DOCMAN" the contract was signed between the SFO and IBM in January 1998 for the full service provision and development of an image based document investigation and prosecution system together with an IT infrastructure refresh. This significant private sector investment will contribute to the achievement of SFO aims and objectives and will be paid for on a demand basis from current expenditure. The contract provides options for other related services and the SFO has already arranged for IBM to provide office automation services. All the existing SFO office automation equipment was transferred to IBM in April 1998. The development phase of DOCMAN has involved all parties in significant effort during the year. Full implementation is planned to take place during the next year and includes further work on integration and development of systems to take account of technological change in IT communications e.g. Government Secure Intranet (GSI) and telephone services.

## Millennium Threat

43 Plans have been brought forward to deal by summer 1999 with potential Year 2000 risk and any disruption to Office systems. All non-compliant IT equipment is being replaced, and software being replaced or up-graded. The SFO has a relatively small computing base and the cost of ensuring compliance is estimated to be within £400,000. Specialists have checked all non-IT office equipment and systems and none have been found to be at risk.

## Payment performance

44 The SFO fully complies with the CBI prompt payment code and already adheres to the guidance contained in BS7890 "Achieving good payment performance in commercial transactions". Current payment policy is to pay bills in accordance with agreed contractual conditions, or where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later.

45 For all invoices paid (6,400 in total) during the sample period from 1 April 1997 to 31 March 1998, over 96% were paid within this payment policy. This is, in real terms, an improvement on figures published in previous

departmental reports and continues the trend in improved performance to meet agreed targets.

## Environmental issues

46 The SFO is involved, along with the rest of the Law Officers' Departments, in a continuing review of environmental issues, reporting to the Solicitor General as Green Minister. The SFO successfully met the Departments' target of a 10 % reduction in energy consumption in 1995-96 against a baseline of 1992-93 and is now aiming for a 15% reduction by the year 2000.

47 The level of paper recycling within the department remains high. It is anticipated that the implementation of the DOCMAN project will result in a significant reduction in the volume of paper consumed by the department. Recycling of newspapers, fluorescent tubes and other items will continue. Energy efficiency and the economical use of water remain important elements in the maintenance programme for Elm House. Environmental considerations also continue to feature in the SFO's procurement decisions.

## Equal Opportunities

48 The SFO continues to promote equality of opportunity throughout its management and personnel policies and staff development. It supports the Investors in People standard as a means of improving development opportunities for all staff as well as harnessing their effort more effectively to the business aims of the Office, and intends to achieve accreditation by the end of 1999.

49 Some 48% of the Office's total staff are women. Of total staff at junior management levels (salary bands 3 - 5) 44% are women and at middle management levels (salary bands 6 and 7) 29% are women. Some 22% of the Office's total staff are from minority ethnic origins. During the year 13 % of available promotions were gained by ethnic minority staff. Staff with a known disability make up 1.9% of the SFO work force.

50 The SFO continues to offer training in equal opportunities by video to all staff. Staff from the Office participated in positive action training programmes for women designed to ensure that women fully contribute to the organisation's role at management level. The SFO is a member of Opportunity 2000, and subscribed to Familylife Solutions (which provides information on childcare and eldercare to working people). The Office also offered assistance to staff who incurred additional childcare costs when on training courses or detached duty.

## Recruitment

51 There have been a number of external recruitment competitions, which were held on the basis of fair and open competition in accordance with the Civil Service Commissioners' Recruitment Code. During the course of the year

there have been no occasions where a permitted exception to fair and open competition has been used and there have been no re-appointments of former civil servants.

52 A Recruitment Guide has been distributed to all staff who are eligible to participate as assessors on recruitment boards. The Guide is provided in addition to their mandatory attendance on formal selection interviewing training courses.

### Sickness Absence

53 The SFO is reviewing management of sickness absence and will be making proposals to the Cabinet Office for a target of reduction, which relates to existing rates, to be set by June 1999. As part of its strategy to achieve reductions, the SFO intends to offer health screening checks to staff.

### Further Information

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

Serious Fraud Office  
Elm House  
10-16 Elm Street  
London WC1X 0BJ  
Telephone number: 0171 239 7272  
Web Site: <http://www.sfo.gov.uk>  
Fax number: 0171 837 1689

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# Treasury Solicitor's Department

## Introduction

1 The post of Treasury Solicitor was formally established in 1661. A permanent staff was established in 1806, at which time funds were allocated to the Treasury Solicitor's Department through a separate Vote. The Department's role was widened by the Treasury Solicitor Act 1876, which made the Treasury Solicitor a corporation sole. The Department was launched as an Executive Agency from 1 April 1996, retaining the name Treasury Solicitor's Department (TSD). The Department's Property Division was launched as an Executive Agency on 1 April 1993 and is known as The Government Property Lawyers (see paragraphs 6 to 8 below).

2 The Treasury Solicitor is also Head of the Government Legal Service and is supported in this role by the Lawyers' Management Unit (LMU), which was incorporated into the Agency on 1 April 1997. Ministerial oversight of the Department rests with the Attorney General who is supported by the Legal Secretariat to the Law Officers (LSLO), described at paragraphs 9 & 10. The work of the Treasury Solicitor's Department is described at paragraph 5 below.

3 The costs of the Department are met by funds Voted by Parliament (Class V, Vote 6) and income from charges to client departments which are Appropriated in Aid of the Vote. The costs of LSLO also fall on this Vote.

4 Following a thorough review of the Government Property Lawyers, the Government has concluded that against the background of a declining work load, the business has become non-viable and is likely to remain so and that there is no longer a requirement to maintain a central conveyancing function in the public sector. Accordingly, the Government Property Lawyers will close by 30 September 1999.

## Scope of Activities

### **Treasury Solicitor's Department (TSD)**

5 TSD is located, in the main, at Queen Anne's Chambers, 28 Broadway, London SW1 and covers the following areas of work: -

**Litigation Division** covers a diverse range of casework involving civil litigation in the courts of England and Wales on behalf of most major Government Departments. Areas covered include personal injury and medical negligence, planning and environmental work, property litigation, employment and discrimination cases, contract and commercial work, debt recovery and costs. The Division also deals with legal work that is unique to Government: for example, defence of challenges by judicial review of decisions taken by Ministers - e.g. in relation to the extradition proceedings against Senator Pinochet; cases involving national security (injunctions to prevent damaging disclosures of confidential information, such as Shayler); and work in the regulatory field: company investigations, directors' disqualification (the Division was involved in securing the disqualification of directors of

Barings), competition law; and work of a public interest nature (eg instruction of amicus curiae, contempt of Court). The Division also becomes involved in public inquiries - among Inquiries for which it is providing help are the BSE, Bloody Sunday and Bristol Royal Infirmary Inquiries. Litigation Division competes against private sector legal firms for much of its work and recovers its costs from client Departments through charges for its time.

**Advisory Divisions** provide legal advice to Ministers and officials of HM Treasury, Cabinet Office, Ministry of Defence and the Departments for Culture, Media and Sport, Education and Employment and International Development and a number of smaller departments. Lawyers in these Divisions advise on all aspects of the client department's work, including drafting instructions for Parliamentary Counsel, preparing statutory instruments and assisting the passage of legislation through Parliament. At the present time, a Constitutional Reform Division advises the Cabinet Office on questions of constitutional reform, including devolution to Scotland and Wales and the incorporation into UK law of the European Convention on Human Rights. Each Division is headed by a Director who is responsible for liaison with clients and ensuring that their requirements are met and legal work is of the appropriate quality. From time to time lawyers in Advisory Divisions are also required to provide legal advice on an ad hoc basis to other departments. The costs of advisory work are recovered from client departments.

**European Division** provides and coordinates legal services in support of the Government's policies in relation to the European Union. It advises the European Secretariat of the Cabinet Office, conducts all litigation on behalf of the UK in the European Court of Justice, and through coordination seeks to ensure a consistent approach to questions of Community law among Departments. The Division also provides training for the Government Legal Service in Community law and practice. Currently the work of European Division is funded from the Treasury Solicitor Vote. Charging for these services is under review.

**Bona Vacantia Division** is responsible for administering the estates of persons who die intestate and without known kin, the assets of dissolved companies and failed trusts in England and Wales (except for the Duchies of Lancaster and Cornwall). The collection of bona vacantia in Northern Ireland is dealt with by the Crown Solicitor under the direction of the TSD.

**Lawyers ' Management Unit (LMU)** advises and supports the Treasury Solicitor in his role as Head of the Government Legal Service (GLS) and services the GLS Liaison Group (comprising the Heads of Departmental Legal Teams) and its Sub-Groups dealing with matters such as recruitment, training and career development. It works with departments to ensure that Lawyers of the right quality and experience are recruited; and that their careers are properly managed through the application of good management practice, including interdepartmental postings and training. It advises the Head of the GLS and the Liaison Group on succession arrangements and questions which affect more than one department. It also liaises with the Law Society and Bar Council on matters affecting the profession. LMU's costs are funded largely from the Vote.

**Resources and Services Division (RSD)** provide a full range of administration services, including finance, personnel, information systems and office services to the Agency. RSD also provides certain support services to GPL and LSLO. The costs of RSD are taken into account in charges to clients.

**Table 1: Treasury Solicitor's Department**

|                    | 1998-99<br>Original<br>Plans | 1998-99<br>Estimated<br>Outturn | 1999-00<br>Plans | 2000-01<br>Plans | 2001-02<br>Plans |
|--------------------|------------------------------|---------------------------------|------------------|------------------|------------------|
| Staff Numbers      | 410                          | 389                             | 453 (a)          | 453              | 453              |
| Running Costs (£m) | 20.6                         | 20.3                            | 21.7             | 21.8             | 21.9             |

(a) The increase in staff numbers is largely due to posts occupied by temporary staff during 1998/9 being filled by permanent staff.

Further information about the TSD Agency, including performance against key targets, is available in its Annual Report and Accounts, copies of which are available on application (see paragraph 45).

### **Government Property Lawyers (GPL)**

6 GPL, located in Taunton, was established as an Executive Agency on 1 April 1993 with the aim of providing a complete conveyancing and lands advisory service to Government departments and agencies. The Agency is required to recover its costs from income received from clients; and to compete against private sector legal firms for virtually all of its work.

7 Following a thorough review of the Government Property Lawyers, the Government has concluded that, against the background of a declining work load, the business has become non-viable and is likely to remain so and that there is no longer a requirement to maintain a central conveyancing function in the public sector. Accordingly, the Government Property Lawyers will close by 30 September 1999.

8 GPL running costs and staff numbers for 1998/99 are:

**Table 2: Government Property Lawyers (GPL)**

|                    | 1998-99<br>Original<br>Plans | 1998-99<br>Estimated<br>Outturns | 1999-00<br>Plans | 2000-01<br>Plans | 2001-02<br>Plans |
|--------------------|------------------------------|----------------------------------|------------------|------------------|------------------|
| Staff Numbers      | 111                          | 98                               | 94 (a)           | - (a)            | - (a)            |
| Running Costs (£m) | 4.6                          | 3.7                              | 3.9 (a)          | 0.8 (a)          | 0.8 (a)          |

(a) This is an estimate, as the staff numbers for 1999/2000 and running costs for 1999/2000 to 2001/2002 will depend on the outcome and the arrangements being made as a result of the Government's decision that GPL should close by 30 September 1999.

## Legal Secretariat to the Law Officers (LSLO)

9 LSLO provides day-to-day support for the Law Officers in their role as principal legal advisers to the Crown and as Ministers; and in the discharge of their statutory responsibility for superintendence of the Directors of Public Prosecutions for England and Wales, and Northern Ireland and the Director of the Serious Fraud Office. Superintendence involves consideration of issues relating to prosecution policy and practice as well as to individual cases of substantial public interest.

10 The Law Officers also have responsibilities for bringing certain types of legal proceedings in their own name when the public interest so requires and for the granting of consent to prosecutions for offences. LSLO also ensures appropriate coordination across the Law Officers Departments.

**Table 3: Legal Secretariat to the Law Officers**

|                    | 1998-99<br>Original<br>Plans | 1998-99<br>Estimated<br>Outturn | 1999-00<br>Plans | 2000-01<br>Plans | 2001-02<br>Plans |
|--------------------|------------------------------|---------------------------------|------------------|------------------|------------------|
| Staff Numbers      | 25                           | 29                              | 33               | 33               | 33               |
| Running Costs (£m) | 2.4                          | 2.1                             | 2.2              | 2.2              | 2.2              |

## Cash Plans and Running Costs

11 The Department's cash plans, running costs and staffing levels are set out in the following table. (Details for the two Agencies are given separately in paragraphs 5 to 8 above.)

## HM Procurator General and Treasury Solicitor

**Table 4: Cash Plans, Running Costs and Staff Numbers**

| Class V. Vote 6   | 1993-<br>94<br>outturn | 1994-<br>95<br>outturn | 1995-<br>96<br>outturn | 1996-<br>97<br>outturn | 1997-<br>98<br>outturn | 1998-99<br>estimated<br>outturn | 1999-<br>00<br>plans | 2000-<br>01<br>plans | 2001-<br>02<br>plans | £million |
|-------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------------|----------------------|----------------------|----------------------|----------|
| <b>Cash Plans</b> |                        |                        |                        |                        |                        |                                 |                      |                      |                      |          |
| <b>Section A</b>  |                        |                        |                        |                        |                        |                                 |                      |                      |                      |          |
| Administration    | 4                      | 4                      | 4                      | 4                      | 6                      | 6                               | 6                    | 6                    | 6                    |          |
| <b>Section B</b>  |                        |                        |                        |                        |                        |                                 |                      |                      |                      |          |
| Operational costs | 1                      | 1                      | 3                      | 3                      | 3                      | 7                               | 2                    | 2                    | 2                    |          |
| Other (non-Vote)  | #                      | #                      | -1                     | -2                     | #                      | -                               | -                    | -                    |                      |          |
| <b>Total</b>      | <b>5</b>               | <b>5</b>               | <b>6</b>               | <b>6</b>               | <b>9</b>               | <b>13</b>                       | <b>7</b>             | <b>7</b>             | <b>7</b>             |          |

**Running Costs****Section A**

|                        |    |    |    |    |    |    |   |   |   |
|------------------------|----|----|----|----|----|----|---|---|---|
| Paybill                | 17 | 19 | 19 | 19 | 19 | 21 | - | - | - |
| <b>Section A Other</b> | 7  | 8  | 8  | 7  | 8  | 7  | - | - | - |

|              |           |           |           |           |           |           |           |           |           |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Total</b> | <b>25</b> | <b>26</b> | <b>27</b> | <b>26</b> | <b>26</b> | <b>28</b> | <b>28</b> | <b>28</b> | <b>28</b> |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

**Section A**

|                  |     |     |     |     |     |     |     |     |     |
|------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Related receipts | -24 | -26 | -27 | -25 | -25 | -25 | -26 | -26 | -26 |
|------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|

|              |          |          |          |          |          |          |          |          |          |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Total</b> | <b>#</b> | <b>#</b> | <b>#</b> | <b>1</b> | <b>2</b> | <b>3</b> | <b>2</b> | <b>2</b> | <b>2</b> |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

**Staff Numbers**

|           |     |     |     |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Full-time | 525 | 532 | 532 | 507 | 491 | 513 | 616 | 616 | 616 |
| Overtime  | 3   | 2   | 1   | 1   | 3   | 3   | 3   | 3   | 3   |
| Casuals   | 11  | 25  | 21  | 13  | 16  | 6   | 0   | 0   | 0   |

|              |            |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Total</b> | <b>539</b> | <b>559</b> | <b>554</b> | <b>521</b> | <b>510</b> | <b>522</b> | <b>619</b> | <b>619</b> | <b>619</b> |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|

Note : The symbol # denotes figures less than £500,000

12 In 1998-99, expenditure provision for administration, comprising running costs, other current and capital (Class VIII, Vote 6, Section A) was originally set at £30.2m but has been increased by £0.5m to implement the Treasury Solicitor's Department IT strategy, to cover initial early retirement costs related to the closure of GPL and also to reimburse the Highways Agency for sums misappropriated, for which a member of staff has been successfully prosecuted. The total amount funds activity in TSD (£23.1m), GPL (£5.2m), and LSLO (£2.4m). Over 80% of these costs will be recovered from client departments and Appropriated in Aid, leaving net Voted provision for administration at £5.8m.

13 The Treasury Solicitor's Department currently operates under a gross running costs regime, providing high quality legal services to its clients on a repayment basis, with its fees and charges being set to recover full costs. However, against a background of continuing demand for its services, it is becoming increasingly difficult under this regime for TSD to meet its objective effectively. Approval of a net running costs regime from 1 April 1999 has been agreed with HM Treasury which will allow the flexibility which is required for TSD to meet its objective and respond to client demand quickly and efficiently.

14 The Department also received Voted funds (Class VIII Vote 6, Section B) to meet legal costs arising from its activities. These are known as Operational Costs and include payments to counsel, expert witnesses, solicitor agents and costs arising from court cases. Provision for 1998-99 has been set at £39.2m and all but £7.2m of these costs will be recovered from client departments as disbursements. The balance, which relates mainly to a timing difference when bills are dispatched to clients and the payment of those bills and also for work carried out by the Attorney General in his public interest role, is funded from the Vote.

15 Receipts expected as Appropriations in Aid in 1998-99 and 1999-2000 are shown in the following table:

**Table 5: Appropriations in Aid** £ Million

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| VOTE                               | 1998-99<br>Estimated<br>Outturn | 1999-00<br>Plans | 2000-01<br>Plans | 2001-02<br>Plans |
|------------------------------------|---------------------------------|------------------|------------------|------------------|
| Class V, Vote 6                    |                                 |                  |                  |                  |
| <b>Section A</b> Administration    | 24.9                            | 25.9             | 26.0             | 26.1             |
| <b>Section B</b> Operational Costs | 32.0                            | 38.5             | 38.5             | 38.5             |
| <b>Total</b>                       | <b>56.9</b>                     | <b>64.4</b>      | <b>64.5</b>      | <b>64.6</b>      |

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### Relationship with Public Service Agreements

16 Alongside the other Law Officers' Departments in a Public Service Agreement, TSD is committed to supporting its clients by fully encompassing the overarching aims and objectives relating to wider Government policy. This Agreement outlines the main aims and objectives of TSD incorporating the provision of high quality and competitive litigation and legal advisory services which meet the needs of its clients; expeditious casework to collect and manage Bona Vacantia on behalf of the Crown and also the provision of high quality support and advice to the Law Officers.

### Performance Targets

17 To allow accurate measurement of the performance of TSD, the following targets have been established:

- **achieve a level of client satisfaction for advisory work of 95% - 100%, set against a level of 90% in previous years;**
- **achieve a minimum annual average of 1,150 chargeable hours per litigation case-holder from 1998/99 to 2000/01 set against an average of 1,100 in previous years.**

18 In addition, by 2001/02, TSD will:

- **improve the level of income recovery from clients within 30 days of their receipt of a validated invoice from 75% (1998/99) to 100%;**
- **increase the proportion of undisputed supplier invoices paid in accordance with terms or 30 days from 95% (1998/99) to 100%;**
- **recover the full operating costs for chargeable services;**
- **reduce the average unit cost per chargeable hour in real terms by 2.5% per annum and;**

- **reduce the average unit cost per Bona Vacantia case in real terms by 2.5% per annum.**

### **Fraud**

19 The Law Officers' Departments are maintaining and developing appropriate controls to prevent fraud and to ensure that, if perpetrated, it is detected promptly. Staff are encouraged to report any incidence of suspected fraud which they may encounter and to put forward ideas which might strengthen procedures and control for the prevention of fraud. Speed and vigorous investigations are conducted into cases of suspected fraud. Within TSD, advice on the risks of fraud and the measures necessary to reduce them is integral to the work of the newly appointed Internal Audit Team and any further controls recommended by them will be acted upon.

### **Sickness Absences**

20 All Departments are reviewing their management of sickness absence and targets are being set by TSD by February 1999 for the reduction of existing sickness absence rates in line with Cabinet Office guidance.

### **Business Transaction Target**

21 TSD will set targets by 31 March 1999, in co-operation with other interested departments, for an increase in the proportion of service transactions provided to the public by electronic means in support of the Prime Minister's 25% target by 2002 in order to demonstrate clearly a more integrated, electronic service delivery across Government.

### **Procurement Plan**

22 TSD will meet the target of 90% for central Government as a whole of the routine purchases of goods by electronic methods by 2000/01, The Government Procurement Card will be introduced in 1999 and will pay all invoices by BACS, where suppliers agree and this secures value for money, by December 2000.

### **Departmental Investment Strategy**

23 TSD requires capital funding for continuing refurbishment of accommodation, IT projects associated with improving efficiency and services and other office equipment and furniture. Capital investment in all these areas will be undertaken in accordance with TSD's Departmental Investment Strategy (DIS).

The underlying principles of this strategy are :-

- that all assets financed from capital expenditure should be related to the efficient conduct of business and achievement of TSD's published objectives;

- for necessity checks to precede procurement;
- that the disposal of assets accords with the rules of Government Accounting; and
- that the implications and benefits of all new capital expenditure are properly evaluated. This includes consideration of PPP and PFI issues, although it is recognised, given the relatively small asset base, that scope for these is limited.

This strategy is supported by :-

- the identification of priorities and objectives at a senior management level;
- a clear indication about distribution between internal business systems and those which relate directly to improvement in services;
- the use of accepted methodologies for each stage of projects;
- post implementation review to ensure objectives set for each project have been met; and
- appropriate and relevant training.

The current book value of TSD assets is £10.7m of which £9.4m relates to accommodation. Over the next three years it is expected that new assets, mainly related to IT, to the value of £0.5m per year will be purchased. Disposals over the same period are likely to be de minimis in value. However, under the DIS, acquisitions and disposals will be reviewed regularly. Full copies of the Departmental Investment Strategy are available on request from the Treasury Solicitor's Department.

## Better Regulation

24 TSD is not directly involved in regulatory work but its legal staff provides advice to client departments who are involved in such work. In providing this advice, TSD are committed to helping its clients meet the five principles of Better Regulation.

## Service First - The New Charter Programme

25 Although the Department has only limited direct contact with the public, the principles of the Citizen's Charter are applied to its internal relationships with clients as well as others outside. Measures include:

- **the provision of full and accurate billing information for clients (covering letters sent with bills also give a named contact for any queries);**
- **the negotiation of Service Level Agreements (SLAs);**



- **annual customer surveys to determine priorities and evaluate clients' satisfaction with quality of service provided and;**
- **the introduction of a complaints procedure.**

26 Correspondence targets, against which performance is measured, have been developed within the Department with the target set for the maximum time in which letters are responded to being 15 days. During 1997/98, the latest period available, 88% of letters were answered within that target. The average time taken to respond to letters from a Member of Parliament was 13 days.

### Payment Performance

27 The Department supports the CBI prompt payment code and aims to pay its suppliers within 30 days of receipt of a valid invoice. The Department's payment policy is set out on all purchase orders which also show a named contact to whom any complaints about late payment may be addressed.

28 In TSD, more than 95% of invoices met from running costs expenditure and capital provision are paid within this timescale. Bills which fall to be treated as operational costs and which may be subject to taxation by the court before the amount payable is agreed are treated differently. However, currently almost 85% of these bills are paid within 30 days of receipt. A target of payment within 5 working days once the amount has been agreed is set for all such bills and this is met consistently.

### The Environment

29 The Department's main activity (i.e. the provision of legal services) has minimal effect on environmental policy formulation. The Department does however, take an active role alongside the other Law Officers' Departments in green housekeeping and reports to the Solicitor General as the responsible Green Minister.

30 The Department has achieved reductions in gas and electricity against a background of increased workload and use of IT and continues to aim for further reductions by the year 2000. Water consumption is monitored and measures are in place to reduce consumption. The Department continues to recycle paper along with fax, printer and copier toners and is also recycling spent fluorescent tubes. The Department has taken part in the national Christmas card recycling scheme. The Department ensures that, where possible, it procures environmentally friendly goods and services and takes account of environmental issue in undertaking building projects.

31 Currently, the Department's Green contact is Ms H Donnelly, Queen Anne's Chambers, 28 Broadway, London SW1H 9JS, telephone 0171 210 3069.

### Information Technology; the Millennium Threat

## **Electronic Communications**

32 The Department is committed to ensuring that its clients, including staff in other government bodies and members of the public, can communicate with the Department electronically where this is possible and appropriate (given the nature of the Department's legal work). In the short term we are piloting the provision of Internet e-mail and this should be available to all staff who require it in 1999. In the longer term membership of the GSI will greatly facilitate contact with other government departments and we aim to be in a position to apply for accreditation in the 1999/2000 financial year.

## **Year 2000**

33 The Department has a detailed programme of work in place to ensure that it is ready for the Millennium date change and this is overseen by a Project Board which includes members of the Management Board. An inventory of all systems has been compiled and these have been audited to assess potential problems. The Department's strategy is to ensure that mission-critical systems are compliant and testing of these was completed by the end of 1998. For non-critical systems a strategy of "practical compliance" has been adopted where "non-compliant" systems will remain in operation if the effects are cosmetic or do not materially affect business operations. In the run up to the Year 2000 business continuity plans will be prepared to ensure that the Department will be able to maintain services to its customers.

## **Human Resources Training**

34 The Agency's training and development (T & D) budget was increased by £81k (over 50%) in the 1998/99 financial year to meet identified needs, particularly for management and development training and for training of new recruits. A new training strategy was set out and the Director responsible for T & D now makes regular reports to the Management Board. Each Division has produced its own T & D action plan for the year linked to their annual plans and the Agency's Business Plan.

35 Outcomes against past targets include a new induction programme, management training for litigators, increased emphasis on evaluation and the running of evaluation workshops, a comprehensive programme of human rights training and guidance on career development, part time working etc. Targets for the coming year include the extension of management training to all staff, a comprehensive programme of training on the new staff appraisal system and guidance and training on recruitment and selection.

36 The Agency has made considerable progress on IiP matters since it made its commitment in August 1997, but there is still more to be done before assessment. The IiP Steering Group is in the process of revising the IiP Action Plan to make clearer how managers and staff need to be involved.

## **Equal Opportunities**

37 As at 1 April 1998, in TSD and LSLO, there were 418 members of staff in post, of whom 143 had not declared their ethnic origin. Many had not responded to a disability survey. Fresh surveys on ethnic origin and disability have now been undertaken and their results will be used in future reports.

38 Of staff in post in TSD and LSLO at 1 April 1998, 51% were female. 5% had declared a disability and, of those who had declared their ethnic origin, 83% were white with 17% from ethnic minorities. There were 39 promotions in the year to 31 March 1998. Of those promoted, none had declared a disability; and 51% were female. Promotees who had declared their ethnic origins break down as 93% white and 7% from ethnic minorities.

39 Of the Senior Civil Service posts in TSD and LSLO at 1 April 1998, 17% were female; 2% had declared a disability; and of those who had declared their ethnic origin, 97% were white with 3% from ethnic minorities.

40 In the Government Property Lawyers Agency, as at 1 April 1998, there were 105 members of staff in post, of which 48% were female, 5% were of an ethnic minority origin and 9% were disabled. All members of the Senior Civil Service were male.

### Pay Bill and Senior Civil Service

41 Over 80% of the total gross running costs for TSD, GPL and LSLO are pay related. The paybill figures given above include salaries paid to members of the Senior Civil Service. As at 1 December 1998, the number of people in the SCS who received salaries above £40,000 are as follows: -

**Table 6: Senior Civil Service Salaries**

|                     |           |
|---------------------|-----------|
| Below £40,000       | -         |
| £40,000 - £44,999   | -         |
| £45,000 - £49,999   | 1         |
| £50,000 - £54,999   | 4         |
| £55,000 - £59,999   | 8         |
| £60,000 - £64,999   | 13        |
| £65,000 - £69,999   | 8         |
| £70,000 - £74,999   | 8         |
| £75,000 - £79,999   | 2         |
| £80,000 - £84,999   | 1         |
| £85,000 - £89,999   | 2         |
| £90,000 - £94,999   | 0         |
| £95,000 - £99,999   | 0         |
| £100,000 - £104,999 | 0         |
| £105,000 - £109,999 | 1         |
| <b>TOTAL</b>        | <b>48</b> |

## Recruitment Information

42 There are systems in place in the Department to ensure that all recruitment is carried out on the basis of fair and open competition and selection on merit in accordance with the recruitment code laid down by the Civil Service Commissioners. Such systems are subject to internal review.

43 Between 1 December 1997 and 30 November 1998, 38 new members of staff were recruited to the Department. Details are given in the following table:

**Table 7: Recruitment**

| GRADE                    | No. APPOINTED | MALE      | FEMALE    | Of Which:<br>DISABLED<br>MINORITY<br>declared | Of Which :<br>ETHNIC<br>declared |
|--------------------------|---------------|-----------|-----------|---|----------------------------------|
| Grade 6                  | 1             | 1         | -         | -   | -                                |
| Grade 7                  | 9             | 5         | 4         | -   | -                                |
| Casual Grade 7(L)        | 1             | 1         | -         | -   | -                                |
| Legal Officer            | 14            | 9         | 5         | 1   | -                                |
| Legal Trainee            | 4             | 1         | 3         | -   | -                                |
| Executive Officer        | 1             | 1         | -         | -   | -                                |
| Casual Executive Officer | 1             | 1         | -         | -   | -                                |
| Personal Secretary       | 6             | -         | 6         | 1   | -                                |
| Casual Admin. Officer    | 2             | 1         | 1         | -   | -                                |
| Casual Typist            | 6             | -         | 6         | -   | -                                |
| SGB 2                    | 3             | 2         | 1         | 1   | -                                |
| <b>TOTAL</b>             | <b>48</b>     | <b>22</b> | <b>26</b> | <b>3</b>                                      | <b>0</b>                         |

44 The permitted exceptions to fair and open competition and selection on merit have been used on five occasions in the same period:

- **Two casual employees, (one Legal Officer and one Grade 7) had their appointments extended beyond 12 months, both as a result of Public Inquiries which overran their expected duration; and**
- **Three former civil servants were reappointed, (one Grade 6, one Grade 7 and one Personal Secretary).**

## Further information

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

The Director of Resources and Services  
Treasury Solicitor's Department

Queen Anne's Chambers  
28 Broadway  
London SW1P 9JS  
Telephone 0171 210 3073