

Annual Report

and Resource Accounts **2009-2010**

**Annual Report and Resource Accounts of
The National Archives
2009-10**

including the Annual Report of the Advisory Council on National Records and Archives 2009-10

Annual Reports presented to Parliament by HM Treasury on behalf of the Lord Chancellor pursuant to s.1 (3) of the Public Records Act 1958 c. 51

Resource Accounts presented to the House of Commons pursuant to s.6 (4) of the Government Resources and Accounts Act 2000 c. 20

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

Ordered by the House of Commons to be printed on 15 July 2010

HC 95

London: The Stationery Office

Price: £19.75

The National Archives

Kew
Richmond
Surrey
TW9 4DU
+44 (0) 20 8876 3444
nationalarchives.gov.uk

© Crown copyright 2010

The text in this document (excluding the Royal Arms and other departmental or agency logos) may be reproduced free of charge in any format or medium providing it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the document specified.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

Printed in the UK by The Stationery Office Limited on behalf of the Controller of Her Majesty's Stationery Office

ID P002372917 07/10

Printed on paper containing 75% recycled fibre minimum
ISBN 9780102967166



INVESTOR IN PEOPLE



**CUSTOMER
SERVICE
EXCELLENCE**

The Government Standard

Introduction	4
Who we are	6
What we've done – our performance in 2009-10	12
Annex A Resource Accounts 2009-10	19
Management commentary	19
Remuneration report	27
Statement of Accounting Officer's responsibilities	31
Statement on internal control	32
Audit certificate and report	35
Accounts summary	36
Notes to the accounts	42
Annex B Additional financial information – for departmental reporting requirements	61
Annex C The National Archives' vision	66
Annex D Advisory Council on National Records and Archives: Annual Report 2009-10	67
Annex E Independent Complaints Reviewer: Annual Report 2009-10	70



As the UK government archive, our priority is to ensure that important information is preserved, and that it can be accessed and used. Our archive collection is the only source in the world for many historical records and resources. Members of the public and academic researchers depend on being able to study our records, and on the expert support we provide to help people identify and interpret them.

We are concerned with the past and the future. Our work across the public sector is helping ensure that the next generation of historians will have access to essential records of how our country is governed, and how our society functions. We work closely with government, helping it manage its information effectively. This means it can work more efficiently, and ensures that important information survives to add to the national collection.

This has been a challenging year. We went through a rigorous review process, identifying areas where we could operate more efficiently, or stop providing services not essential for our core priorities. The objectives we set for this programme were vital, and allowed us to deliver efficiency savings that let us reinvest in making essential improvements to our site and services. Without these, we could not maintain the quality of front-line services that our customers require, or sustain appropriate environmental conditions in our repositories – crucial for ensuring the long-term survival of fragile and irreplaceable records.

Replacing outdated environmental equipment has also made us a more sustainable organisation, reducing our environmental impact. Installing power-saving technology – and building staff engagement with green issues – has enabled us to cut our overall power use by almost 10%.

Despite the challenges we faced in 2009-10, we continued to focus on maintaining the quality and value of our front-line public services. We welcomed over 90,000 visitors to our reading rooms, who studied more than 590,000 original documents from our collection. Demand for our web services also continued, and we received over 20 million online visits during the course of the year.

Many people want access to records to help them learn about their families' pasts, and publishing records online makes them much more accessible. We have pioneered a solution based on non-exclusive licensing partnerships with commercial companies. This allows us to digitise records on a scale that taxpayer funding simply could not allow. We estimate that our publishing partners have invested around £50 million in putting our records online since 2003. And this approach has contributed to a growth in our commercial income of 30% in 2009-10, creating essential funds that we reinvest in our services and facilities.

Our biggest ever partnership project of this kind – digitising the 1911 Census – was completed in 2009-10. These records are hugely popular: there were over 4.9 million downloads from our Census partner's website this year.

There are countless uses for the information we hold, and it is of immense value to academic researchers. In 2009-10 we began work to strengthen links with the academic community, and supported several major research projects. One example is a project to study climate change using information from historical ships' logs, run by the University of Sunderland, the Met Office and the British Atmospheric Data Centre.

Making sure that people can access government data empowers individuals and communities, and fuels our digital economy. Our mandate is to ensure that valuable information of this kind is published by the UK public sector: we champion transparency, fairness and consistency for information re-users. In 2009-10 we played a key role in creating government's data.gov.uk website. It provides free access to thousands of government datasets that citizens and commercial companies can use, creating new applications and services.

As government's web services grow, we have also ensured that citizens can find information that could have been lost through broken links. Our Web Continuity service launched in December 2009: it redirects users to information stored in our UK Government Web Archive when it is no longer available on live websites. This service rerouted over 14 million hits in March 2010.

None of the services that we provide to the public and to government would be possible without the dedication, professionalism and expertise of our staff. They have helped to make public records and public sector information more accessible and more valuable than ever before, and to ensure the sustainability of critical government information. Finally, I'd also like to take this opportunity to thank Natalie Ceeney, who was Chief Executive of The National Archives until March 2010. During her tenure here she led the organisation through significant change and success and helped transform the way the public sector thinks about information management.

We will continue our vital role in the coming year.



Oliver Morley
Acting Chief Executive
30 June 2010

Executive Team



Oliver Morley
Acting Chief Executive¹



Carol Tullo
*Director, Information Policy
and Services*



Clem Brohier
*Director, Finance and
Performance²*



Caroline Ottaway-Searle
*Director, Human Resources and
Organisational Development*



Jeff James
*Director, Operations
and Services³*



David Thomas
*Director, Technology and
Chief Information Officer*



Chris Mumby
*Acting Director, Customer
and Business Development⁴*

Non-executive Directors



Bronwen Curtis CBE
Non-executive Director



Mark Addison
Non-executive Director



Trevor Spires CBE
Non-executive Director



**Professor the Baroness
Young of Hornsey OBE**
Non-executive Director

Our remit

The National Archives is a government department and an executive agency of the Ministry of Justice. We are the official archive of the UK government and for England and Wales, preserving and protecting one of the largest collections of historical public records in the world.

Our role is to make sure that important government information is sustainable: that it can be preserved and kept identifiable for as long as it is needed, so it can be accessed by the appropriate audiences. Our expertise in every aspect of creating, storing, using and managing official information makes us a key resource for government, for the wider archive sector, and for the public. Our comprehensive service can assist at every stage in the life cycle of government information, right from the earliest planning of information management processes and storage strategies.

- We support the effective creation, management and use of official information by government, facilitating policy development and effective delivery of public services.
- We champion and facilitate the re-use of public sector information by all, including citizens, community groups and businesses.
- We provide expert advice and guidance to support historical researchers, scholarly users and members of the public in accessing the information held in our collection.

We provide a service for the whole of government, helping to continually build the effectiveness of its knowledge and information management. Our support helps government keep business-critical information identifiable and useable. We also help ensure that digital information stays accessible, making sure it can be managed during times of technology, business or organisational change.

We set standards for, and promote the re-use of, public sector information – ensuring that this valuable and versatile resource can be accessed and re-used. We manage Crown copyright, and we publish vital information that underpins government's core day-to-day business, including all UK legislation.

As the official archive of the UK government, we preserve and protect one of the most significant historical collections in the world, holding records dating back over 1,000 years. From medieval parchments to modern digital files and databases, we care for 11 million public records, making them accessible to all.

We also provide leadership, support and guidance to the wider archive sector. We develop and promote standards and best practice in all aspects of archive management. Our support and advice helps public and private archives nationwide to develop and enhance their services, facilities and collections.

Government increasingly depends on good information management and its ability to harness knowledge to good effect. And information essential to government today will be critical for the researchers, historians and policy makers of tomorrow. Our work means that this vital information is kept safe and can be used by citizens and researchers all over the world – today, tomorrow and by future generations.

1. Natalie Ceeney CBE resigned as Chief Executive from 21 March 2010. Oliver Morley was appointed as Accounting Officer and Acting Chief Executive with effect from 15 March 2010

2. Appointed with effect from 1 February 2010. Caroline Emerton was Director, Corporate Services and Finance until 12 June 2009. Terry Noys was appointed as Interim Director, Finance and Performance from 19 June 2009 to 21 March 2010

3. With added responsibility for Operations from June 2009

4. Appointed with effect from 15 March 2010

How we work

Our organisational values are at the heart of everything we do. They are relevant to every member of staff, affecting not just what we achieve but also how we work. Translating these values into action is at the core of all our plans and initiatives. They express how we view our responsibilities, and they also help form the standard against which the performance of each individual member of staff is measured. They show us what is expected of us, and demonstrate the principles to which we must aspire.

Here are just a few examples of how teams across the organisation put our values into practice.

Putting customers first

We provide first-class, accessible and user-friendly services to all our customers, which are designed to meet their requirements. We seek feedback to confirm how effective our services are, and continually refine them, involving our customers in their design and development.

Expert support for users of our collection

Several of our teams work together to help visitors use our collection to find relevant information. Historians, scholarly researchers and members of the public and the media visit us to carry out all kinds of research using the records we hold. Staff from Document Services retrieve original records from repositories and, for the majority of orders, deliver them within 60 minutes. They also help our visitors handle fragile historical documents safely. Our Advice and Records Knowledge and Public Services Development staff provide expert advice in searching for records and using our Catalogue. At the same time, colleagues in our Contact Centre answer remote enquiries by telephone and email.

'I find it incredible that the public has such straightforward and efficient access to information.'

written customer feedback, 5 March 2010

Sharing best practice in information management

Our Information Management and Practice team run training events in information and records management for colleagues across government – these are backed up by continuing support and guidance. We also hold quarterly conferences in London and Manchester for the government information management community, so they can share ideas and best practice, developing their professional knowledge.

'The National Archives is my favourite place to carry out research: it is the most organised archive I have visited and its staff the most helpful.'

written customer feedback, 12 December 2009

Responsible guardians

We work to ensure the survival of government's current information, and to promote the re-use of public sector information. We protect our historical collection, making it as accessible as possible to researchers. We continually work to reduce our environmental impact and make our services as sustainable and efficient as we can.

Environmental control

Preserving our historical collection requires specific environmental conditions. Small changes can have significant consequences in a site with 16 repositories, containing millions of records. Our Collection Care team has worked with the Centre for Sustainable Heritage at University College London to build a sophisticated computer simulation of the site. This is allowing us to experiment with strategies for reducing energy use, increasing our efficiency while keeping our collection safe.

Information Management Assessments

Our Information Management Assessment team conducts in-depth reviews of government departments' information and records management, making recommendations and publishing their findings. In 2009-10 the team completed reviews at the Environment Agency, the Department for Transport, the Department for Education, the Foreign and Commonwealth Office and the Department for Culture, Media and Sport.



'I am a
disabled visitor
and the facilities are very good.'

written customer feedback, 15 February 2010

Information set free

We share knowledge and expertise with our different audiences while making our collection accessible and supporting government in keeping its information useable. We drive the public sector information re-use agenda, working to ensure that people can access the information they need in formats they can use.

Making it easier to re-use public sector information

Government's data.gov.uk website provides access to over 3,000 central government datasets available for free re-use. Our Information Policy team has been working closely with Creative Commons, a not-for-profit organisation dedicated to promoting legal sharing of information. The team negotiated a straightforward set of licensing terms and conditions for the website, so that the data can be more easily licensed and re-used, both commercially and non-commercially. Ordnance Survey OpenData terms also follow this enabling approach.

Seminar for future policymakers

In February 2010, our Research team joined with the History and Policy group (an independent initiative working to support better public policy through a wider understanding of history) to run a two-day seminar for PhD students on 'Using archive sources to inform contemporary policy debates'. Funded by the Arts and Humanities Research Council, it included sessions on getting the most out of resources at The National Archives and case studies from historians whose research influences current policy decisions.

'I am extraordinarily
impressed by the service I received. Your
staff... were friendly, helpful,
expert and efficient.'

written customer feedback, 19 November 2009

'To be able to **access information** on past generations and pass it to this generation and future ones has brought such **delight** and comfort to our family.'

written customer feedback, 17 November 2009

Delivering what we promise

We continually seek more effective ways to accomplish our goals, and we take pride in achieving what we set out to do. We aim for the highest standards of reliability, efficiency and consistency in our services, and we research new ideas and best practice to make sure our knowledge and skills meet our customers' requirements.

Making archived websites more accessible

We take regular snapshots of central government websites, making these accessible in our online UK Government Web Archive. Our Web Continuity and Technology teams have been making these archived websites easier for researchers to search and use: descriptions of the websites are being incorporated into our online Catalogue. The new Catalogue entries include hyperlinks through to the Web Archive. Over 1,000 websites are now accessible through our Catalogue, and more links are continually being added.

Greener data storage

Our IT department has installed a digital tape library to accommodate the steadily increasing amounts of digital information being transferred from government departments. It only uses energy when data is being accessed or maintenance is carried out, so it is greener than hard disks, as well as more cost-effective. The system has recently been expanded – it can now accommodate up to two petabytes of digital information (enough to fill four million filing cabinets of paper documents).



Everyone working together

We share knowledge with colleagues, and make sure that everyone in our organisation understands its goals and how they can help them to be realised. Everyone has a contribution to make: we believe that diverse backgrounds and views coming together build a stronger organisation.

Raising awareness about our records

We hold regular press events highlighting the release of historical government records. The largest of these takes place at the end of each calendar year. It requires close collaboration between several teams, including the Media Relations team, Advice and Records Knowledge, Document Services, and Information Management and Practice. This year's event – showcasing files from 1979 – was very successful, inspiring over 400 news stories and media items. This coverage helps us raise awareness about the records we hold.

'I would just like to say that your **website is excellent.**

It is well written, visually attractive, and packed with interesting information.'

written customer feedback, 20 January 2010

'I really enjoyed... the ease of access to everything, the computer system in place was very good and everything

was easy

to find and browse.'

written customer feedback, 23 February 2010

'I wanted to

thank you

for creating this website and making it available for free.'

written customer feedback, 3 November 2009

Commemorating the 500th anniversary of Henry VIII's accession

Staff from The National Archives worked closely with the British Library on an exhibition running from April to September 2009 showcasing documents from the life and times of Henry VIII. We loaned a selection of unique records for the exhibition, including one volume of the *Valor Ecclesiasticus* (the survey of monastic wealth that preceded the dissolution of the monasteries). Our Advice and Records Knowledge team and our Collection Care team worked together to select appropriate documents, contribute information to the exhibition catalogue, and ensure the records' safe delivery and return.

'I've just listened to your talk about the census, issued as a podcast....

It was the best,

most interesting

and certainly most informative podcast I've ever heard.'

written customer feedback, 30 March 2010



Our performance in 2009-10

Staff across The National Archives worked hard throughout the year to meet – or exceed – the expectations of our many different stakeholders. Here is a snapshot of some of our achievements during the course of the year:

Stakeholders: Historical, academic and genealogical researchers and all members of the public

- As part of our Expertise Online project, we developed a series of **online self-help tools**: 'research signpost' guides to assist researchers in locating historical sources, and a series of animated tutorials to help people get the most out of a visit to Kew or our website.
- Licensing partnerships contributed strongly to an **increase in commercial income** in 2009-10. Our commercial revenue for the year was £8.1 million, which was a 30% increase on the previous year.
- In January we won the **e-government award** for our partnership with findmypast.com and the digitisation and online publication of the 1911 Census. In 2009-10, there were 4.9 million downloads from this service.
- Our online releases of **Ministry of Defence files relating to UFOs** in September and March were hugely popular. There were over 700,000 downloads of these records from our website.
- We supported the Joint Information Systems Committee (JISC), the University of Sunderland, the Met Office Hadley Centre and the British Atmospheric Data Centre in a project to **digitise Royal Navy ships' logbooks** dating back to the 1760s. The information they contain is being used to reconstruct past climate conditions and study climate change.
- We made the **service records of more than two million British Army soldiers** from 1914 to 1920 available online, working in partnership with ancestry.co.uk. The final tranche of content was launched in November, and there were 3.3 million downloads from the service in that month alone.
- In partnership with findmypast.com, we made 285,000 **British Army service records from 1883–1900** available online in March 2010. These 'Chelsea Pensioners' records give details on soldiers who ultimately received a pension administered by The Royal Hospital Chelsea.
- We received 2,516 **Freedom of Information (Fol) requests** in 2009-10, and responded to 96% of these within the regulatory timescales. The National Archives receives around 10% of all Fol requests made to over 40 monitored government bodies – the second highest number received by any monitored government organisation.
- We made over 70 **early Irish maps** (c.1558 to c.1610) from our collection available online in October 2009. These are among the earliest cartographic representations of Ireland, depicting fortifications and townships during the reigns of Elizabeth I and James I.
- We were closely involved in celebrations **commemorating the 500th anniversary of Henry VIII's accession** to the throne. Our records featured in David Starkey's Channel 4 series *Henry VIII: Mind of a Tyrant* in April 2009.

- To mark the 70th anniversary of the beginning of the Second World War, we launched a **series of videocasts** entitled *War on Film*. These tell the true stories behind six popular war films, featuring extracts from government records and archive footage. There have been more than 3,000 downloads from this series.
- In September, we joined with **the Kew Society and the Richmond Local History Society** to commemorate the role of the site in Kew now owned by The National Archives during the Second World War, unveiling a plaque at a ceremony. Guests at the event included descendants of American GIs who were stationed at the site during the War.

Stakeholders: Government

- We were closely involved in the planning and creation of government's **data.gov.uk website**, which was publicly launched in January and provides access to over 3,000 government datasets available to the public for free re-use. Our work included collaboration with Creative Commons to create user-friendly licensing terms and conditions for the website.
- We worked with the Knowledge Council to organise a **Knowledge and Information Management conference** in November 2009 for senior civil servants and leaders in central government: 'The Information Opportunity – delivering in challenging times'.
- In November we published *Information matters: delivery plan for 2009-10* – an action plan outlining what needs to be done to fulfil the civil service wide **Information Matters strategy**.
- In December we launched our **Web Continuity project** at an event at the House of Lords. This service now enables millions of people using government websites to find information which would previously have been lost through broken web links. In March 2010 the service redirected over 14 million hits.
- We launched a **guide to business archives**, *Corporate Memory*, in July at a reception at the House of Lords, hosted by the All-Party Parliamentary Group on Archives and the National Council on Archives. Pictured below

(left to right) are Natalie Ceeney, our former Chief Executive, and guest speakers at the event Sir Stuart Rose of Marks & Spencers plc, Dame Stella Rimington, former head of MI5 and a professional archivist, and Professor Mervyn King, Governor of the Bank of England.



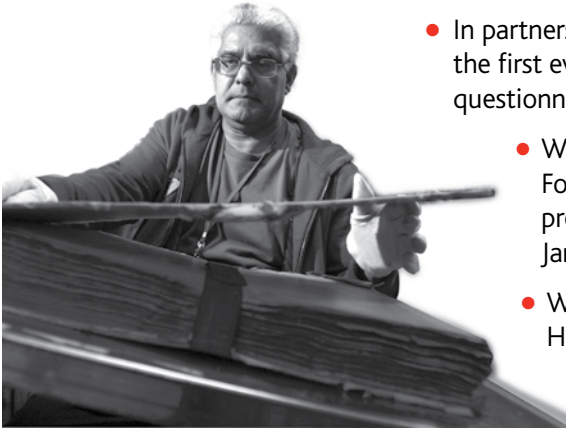
- In July we published the United Kingdom **Report on the Re-Use of Public Sector Information (PSI)** for 2009, *Unlocking PSI potential*. It describes the key initiatives and landmarks that shaped the information policy landscape during 2009, showing how access to public sector information, and the ways it is re-used, have evolved and expanded. It also shows how The National Archives is driving the re-use agenda.
- We hosted the **Seventh European Forum of Official Gazettes** in London in September 2009. This forum brings together the organisations responsible for the publication of the Official Gazettes of the Member States of the European Union, and is hosted by a different member state each year. Guest speakers included Michael Pownall, the Clerk of the Parliaments and Stephen Laws, First Parliamentary Counsel.
- In March we launched the tendering process for our **Digital Continuity Framework**, which will support government bodies in identifying and procuring appropriate providers, solutions and services that will facilitate good digital continuity management.
- We successfully completed the pilot phase for **Civil Pages**, the secure online people directory and workspace for the civil service, and made this service available to colleagues throughout government. We developed and continue to run this system on behalf of central government.

Stakeholders: Education

- We ran **teaching sessions for 14,371 school pupils** on site at Kew and online through videoconferencing and our 'virtual classroom'.
- We worked with Gale, part of Cengage Learning, to digitise and publish key historical resources online for academics studying Tudor and Stuart government and society, launching the second phase of our '**State Papers Online, 1509–1714**' project in June 2009. The digitised records include correspondence to and from the ruling monarchs – and their courtiers, administrators, judges and clergy – along with the Registers (or 'minutes') of the Privy Council, the monarch's closest advisers.
- We were a finalist in the BETT Awards with our '**Cabinet Papers 1915–1978**' online resource. Launched in December 2008 and part-funded by JISC, this web collection provides free access to a vast selection of digitised Cabinet minutes and memoranda.
- Our education service received a **Sandford Award** in July 2009 from the Heritage Education Trust, which recognises good practice by learning services at historical or heritage sites.
- We were one of the first organisations in the country to be awarded the **Learning Outside the Classroom Quality Badge** in December, recognising our education service as a provider of safely-managed, quality educational experiences for young people.



Stakeholders: Archive sector



- We worked with the Museums, Libraries and Archives Council (MLA) and CyMAL (Museums, Libraries and Archives Wales) to develop and publish **a new policy on archives, *Archives for the 21st Century*** – the first such policy for ten years. We also worked with MLA on a joint plan for the actions our two organisations are taking to implement the policy.
 - In partnership with the Society of Archivists, in November 2009 we began the first ever comprehensive **survey of religious archives in the UK**, with questionnaires being sent to religious organisations across the country.
 - We secured an award of £50,000 from the Clothworkers' Foundation to fund a **one-year research fellowship** in preservation in our Collection Care department. Agreed in January 2010, the fellowship will begin in September.
 - We made **two successful bids for funding** to the Science and Heritage Programme (jointly funded by the Arts and Humanities Research Council and the Engineering and Physical Sciences Research Council Science and Heritage Programme), securing funding for:
 - a three-year post-doctoral fellowship, in partnership with Cardiff University, studying what causes critical damage to parchment records and determining the most appropriate environmental conditions for storing them.
 - a project in partnership with University College London and the University of East Anglia to examine how the age, use and storage conditions of historical documents affect the changes that occur in an archive, making it possible to explore more effective ways of caring for our collections.
- These awards were both announced in February 2010.
- We announced our initiative to develop **national collections strategies**: to lead and support the development of collection strategies across different sectors, around different themes and specific information formats. The strategies will identify important areas for development to address gaps in archival collecting, gaps in access provision, or issues of sustainability.

Stakeholders: Internal and staff

- We have **reduced our carbon footprint** by 10% compared with 2008-09 by cutting our overall energy consumption.
- We have **rationalised our IT infrastructure**, making it sustainable and more cost effective, by reducing the number of available software titles and the physical hardware used on site, and moving to a virtual server infrastructure. This allowed us to reduce our power use in the server room by over 11%.
- We **invested in technology for the future**, setting up a tape data storage system (commissioned in December 2009) which can hold 2,400 tapes (the entire digitised 1911 Census fills just eight of these) and uses a fraction of the energy of traditional servers.
- We worked in partnership with Transport for London and Richmond Borough Council to create a **green travel plan**. This plan will be implemented in the coming year and will help us to reduce our environmental impact and promote greener methods of travel for our staff and visitors.



- We launched a new **management development programme** to support everyone who manages staff at The National Archives. This will mean more effective management for staff throughout our organisation, and will support professional development at all levels. Successful completion of the programme leads to a professional qualification.
- Our former Chief Executive **Natalie Ceeney was awarded a CBE** in the New Year's Honours List.

Our cost savings programme

In 2009-10, The National Archives carried out a cost savings programme designed to save around 10% of our total budget. We know that the way we worked with academics and researchers when consulting on these changes could have been improved and have since taken action to significantly improve how we engage with these key groups. These changes were vital to ensure the sustainability of our organisation.

We were successful in making many of the necessary savings through internal efficiencies and changes while maintaining our high standard of public service delivery. Our cost savings programme included the reorganisation of staff teams to reduce management overheads and back-office administrative costs. However, from January 2010 we have also altered our opening hours for on site public services, moving to a five-day week.

The savings we have made will allow us to make critical investments in 2010-11 in replacing obsolete plant and equipment and enhancing our Catalogue, improving access to the records we hold. In this way, we will be able to ensure that our buildings, equipment and facilities remain fit for purpose, and that we are well-equipped to continue providing the high-quality services our different customers require.

Performance against strategic objectives and key performance indicators

The National Archives had 28 strategic objectives⁵ for 2009-10, contributing towards our vision, as set out in the Strategic Plan 2009-10 (nationalarchives.gov.uk/documents/strategic-plan0910.pdf). We achieved all of these objectives during the reporting year. This strong performance is also reflected in the fact that we met six of our eight key performance indicators⁶ in a year in which a significant cost savings programme was delivered.

Table showing performance against our 2009-10 key performance indicators

Key performance indicator	2009-10 Target	2009-10 Outcome	Successfully achieved?	2008-09 Outcome
Documents supplied – on site and online	Ratio of documents downloaded to documents produced on site at Kew to increase to 200:1 by year end (from a baseline of 170:1)	221:1	Achieved	New KPI for 2009-10 ⁷
Maintain on site customer satisfaction	90% or higher	93%	Achieved	90%
Maintain online customer satisfaction	80% or higher	81% ⁸	Achieved	78%
Delivery of vision programme for 2009-10 within budget and in accordance with HM Treasury rules on End Year Flexibility	-	-	Achieved	Achieved

5. **Strategic objectives** set out the priority projects and deliverables that we need to focus on each year to achieve our vision

6. **Key performance indicators (KPIs)** are the measures that we check against to be sure that we are working effectively day-to-day to achieve our strategic objectives

7. In 2008-09 the target for this KPI was the total number of documents to be supplied on site and online rather than the ratio of documents downloaded to documents supplied on site at Kew. The target was to supply 70,000,000 documents and the outcome for 2008-09 was 113,726,135 documents supplied

8. Includes the results of our online survey of education users

Key performance indicator	2009-10 Target	2009-10 Outcome	Successfully achieved?	2008-09 Outcome
Achieve 90% of our strategic objectives	Achieve 90% or more of the objectives supporting delivery of our strategic priorities	100%	Achieved	92%
Maximum days' sickness per member of staff (average)	7.5 days or less	9.5 days	Not achieved	7.7 days
Achieve diversity for The National Archives' staff population as a whole	Women: at a minimum 45%	Women : 45.9%	Achieved	Women: 46.4%
	Top management women: at a minimum 45%	Top management women: 46.3%	Achieved	Top management women: 52.4%
	Black and minority ethnic: at a minimum 18% (as a percentage of those self-declaring)	Black and minority ethnic: 19.8%	Achieved	Black and minority ethnic: 16.3%
	Disabled: at a minimum 4.5% (as a percentage of those self-declaring)	Disabled: 6.2%	Achieved	Disabled: 5.2%
Growth and development	Web Continuity: reduction in percentage of broken links detected on central government websites (target of 10% reduction set in-year)	8.7%	Not achieved	New KPI for 2009-10
Growth and development	Digital Continuity Project: to achieve six key project delivery milestones	-	Achieved	New KPI for 2009-10

Annex A

Resource Accounts 2009-10

1 Management commentary

About The National Archives

The National Archives' remit is summarised on page 7 of this report.

Vision

During 2009-10, The National Archives continued to work in line with its vision for 2007-12, which is detailed in Annex C. The vision has three main elements – to:

- lead and transform information management
- guarantee the survival of today's information for tomorrow
- bring history to life for everyone.

Through this vision we aim to safeguard our collection of government records and our information assets by ensuring that digital information is managed as soon as it is created; that it survives for future generations to use; and that information can be delivered to our users and researchers in the best possible way to meet their needs.

Management and structure

During the year under review, the functions and duties of The National Archives were carried out by six directorates, which represent the core services we provide to the public, to government, and the commercial services we provide. We support these services with cutting-edge information technology and essential finance and Human Resources functions.

Directorate	Purpose	Brief overview of activities
Operations and Services	<ul style="list-style-type: none"> • Deliver and develop services for all our visitors • Manage customer relations and maintain service excellence • Ensure that our on site, online and remote services work together effectively and fully meet the needs of our customers • Manage and maintain the physical infrastructure of the Kew site, providing a safe, secure and suitable environment for staff and visitors • Preserve, conserve and research the collection to ensure continued access and future use 	<ul style="list-style-type: none"> • Provide expert advice, production and other services to all our customers through a variety of channels – online; through letters, emails and by telephone; and face-to-face on site at Kew • Provide a range of online and on site educational services to school teachers and students and develop new audiences, particularly with those at risk of exclusion • Ensure that the public reading rooms and collection storage facilities and practices follow best practice and are compliant with all relevant standards
Customer and Business Development	<ul style="list-style-type: none"> • Develop our customer, product, and online strategies • Develop business partnerships and trading services to support the services that we offer • Raise awareness about the collection we hold and the services that we provide, and the importance of effective information management • Improve our website content and access to the information that we hold 	<ul style="list-style-type: none"> • Work with licensing partners to implement large-scale digitisation projects that bring history to life for millions of people • Build the reputation of The National Archives with all our customers through targeted communications • Continuously improve our online provision, with the aim of better customer satisfaction

Directorate	Purpose	Brief overview of activities
Information Policy and Services	<ul style="list-style-type: none"> ● Provide professional leadership in information management and policy, working with government and the public sector to improve the way information is managed and used 	<ul style="list-style-type: none"> ● Assess and build information management capability across government ● Guide government and public record bodies on selection and transfer of records; advise local archives across England and Wales ● Advise government, public record bodies and local archives on information and archive policy ● Widen access to public sector information (including legislation and other key official publications) and encourage its re-use ● Official registration and publication of UK legislation, as an integrated online service and in print
Technology	<ul style="list-style-type: none"> ● Provide expert knowledge on Information and Communication Technology (ICT) and Information Assurance matters ● Run key projects to enhance the technological capability of The National Archives and government, to manage and deliver government information effectively 	<ul style="list-style-type: none"> ● Enhance the ability of users to find relevant resources by applying cutting-edge technology ● Develop tools and techniques to ensure the long-term survival of digital records ● Ensure the capture and preservation of government's websites, data and digital documents ● Continuously maintain and develop The National Archives' own ICT infrastructure for safe storage and delivery of information
Human Resources and Organisational Development	<ul style="list-style-type: none"> ● Ensure that staff are recruited, retained and developed in a way that facilitates the needs of the business and lives up to our organisational values 	<ul style="list-style-type: none"> ● Handle all aspects of recruitment and selection; pay; learning and development; employee relations and wellbeing ● Develop Human Resources (HR) policy; HR administration and HR advice for all those working at The National Archives
Finance and Performance	<ul style="list-style-type: none"> ● Ensure that The National Archives' resources are allocated and utilised efficiently and effectively ● Ensure that The National Archives' corporate systems are fully compliant with best practice and meet the needs of the business ● Ensure that The National Archives' statutory and legal responsibilities are discharged 	<ul style="list-style-type: none"> ● Run essential support services in finance, procurement and internal audit ● Monitor internal controls on project progress, areas of key performance and risk management across The National Archives ● Publish an annual report and accounts which complies with legislation and accounting frameworks

How we work

Values

The National Archives has a set of common values, setting out the principles of how we treat our customers and work with each other.

These values are:

- putting customers first
- responsible guardians
- information set free
- delivering what we promise
- everyone working together.

Our customers

The National Archives is committed to ensuring our customers are at the heart of our service provision. We invite feedback through our 'your views matter' programme and regular surveys. Additionally, we run several forums and panels where participants share news, ideas and concerns and help shape future activities. A full list of these groups can be found on our website at nationalarchives.gov.uk/how-we-are-run/boards-groups.htm.

In 2009-10 it was necessary for us to engage even more closely with our different groups of stakeholders, as we consulted over the summer on proposals to reduce our running costs, to allow us both to manage within our budget and keep investing in the future. This process generated valuable feedback and constructive criticism of our means of communication with our customers, which we have incorporated into future strategy. In reviewing our methods of consultation, we have increased the contact we have with specific stakeholder groups, finding new ways of engaging with them. This will help give us closer insights into the ways in which our academic customers use our services, and their requirements.

In developing our online services, we follow a user-centred design approach to service delivery where all our online services are prototyped and tested with real customers. Examples from this year include:

- We **redeveloped our website**. To make it easier for users to find the information they need, we are bringing different web resources together into one clearly-structured site. This year we went live with new About Us, Education and Records sections, structuring the content in line with the questions our customers ask us and research into how our customers would group the information we hold on our site. We also tested mock-ups of different navigation systems to see how easy they were to use.

- We **redesigned the computer welcome screens** used by visitors to our reading rooms, to make these more intuitive and straightforward for our customers. This redesign was based on research into how our customers use our reading room computer facilities. We also asked customers to test mock-ups of the new layout.
- We **developed a series of animated online guides**, based on research to find out how our customers behave online and what they need from us. These guides provide more information on how our collection is organised and catalogued, and demonstrate key concepts.

Social, community, environmental and sustainability issues

The National Archives remains committed to improving its environmental performance, and we have produced a Sustainable Development Action Plan to provide a focus for our efforts in meeting challenging government targets for the reduction of carbon emissions and energy consumption. In 2009-10 a combination of effective energy conservation measures such as the use of LED lighting and the installation of voltage optimisation equipment delivered energy savings of 9.4% and a corresponding 10% reduction in carbon emissions compared with 2008-09.

The operational efficiency of our air-conditioning plant has been improved by the replacement of components with energy efficient alternatives and control system upgrades. Monitoring and targeting of energy use has also been radically improved with the installation of an Energy Management System, providing over 100 additional metering points which allow real time monitoring of consumption and comparison with historic data to identify exceptions and target remedial actions.

We have reduced our waste to landfill ratio significantly throughout 2009-10 by introducing an integrated waste management system: we send office mixed recyclables for sorting and general waste to incineration for power generation. We also began work with the Carbon Trust and applied for the Carbon Trust Standard which is awarded to organisations that consistently reduce their carbon footprint. We worked in partnership with Transport for London and the London Borough of Richmond council to produce a Green Travel Plan with the aim of reducing the impact of our business-related travel and commuting on the environment.

Our Biodiversity group has worked closely with biodiversity experts and has implemented many initiatives at the Kew site including the erection of bird and bat boxes, and the introduction of a loggery and hedgehog boxes. In the coming year two bee hives will be introduced and managed by a local beekeeper. Our grounds, including a small park and ponds, are open to the public from dawn until dusk 364 days a year and are valued by local residents. Throughout the year we remained in contact with local residents' associations, informing them of our plans and seeking consultation where appropriate. We also supported the introduction of a local Neighbourhood Watch scheme.

Education, outreach and inclusion

We continue to work with community organisations to develop a diverse programme of outreach activity to promote greater access to our records by new audiences. Last year this included the following events:

- Researching Sikh records at The National Archives to support volunteers at the Asian Sikh Heritage Trail in learning how to access colonial, military and family history records and how to use the Catalogue. We displayed relevant records, such as war diaries that belonged to Sikh soldiers and original passenger lists of Sikh migrants.
- We delivered a series of talks on Jewish History for JTrails – an organisation promoting Anglo-Jewish heritage with the local Jewish community.
- We hosted a series of workshops on 19th century Caribbean history exploring the history and experiences of Grenadians. These focused on subjects including slavery and emancipation; the life histories of enslaved and free people; experiences of life on Carriacou; migrations of Indian indentured labourers and 'liberated Africans'; and fights for political and equal rights. These workshops were the result of collaboration between The National Archives, Newcastle University and the Petrie Museum.
- We organised a tour for a group from 'Hackney Roots' to promote our holdings to individuals researching African, South American and Caribbean family histories.

Our Education and Outreach services provide award-winning services to schools and communities, locally and nationally, through taught sessions and online resources. We were one of the first organisations to receive the Quality Mark Award for Learning Outside the Classroom and we are also the first archive to

receive a Sandford Award from the Heritage Education Trust. Innovative use of new technologies allows us to significantly extend our reach, with around 2.3 million visitors to our Education website in 2009-10. We taught over 14,000 students on site and online through videoconferencing and our 'virtual classroom', ensuring that we meet the needs of a socially inclusive and ethnically diverse audience. A quarter of these students were from schools with above-average intakes of pupils from ethnic minority backgrounds, and nearly a fifth were from schools with above-average proportions of students eligible to receive free school meals.

Employment policy

The National Archives is committed to equal opportunities for all. Policies are in place to guard against discrimination and to ensure that there are no unfair or illegal barriers to employment or advancement within our organisation. Suitability for employment is based on qualifications and eligibility of individuals irrespective of race, age, gender, marital status, disability, sexual orientation, religious or political beliefs or opinions. The National Archives follows the civil service Code of Practice on the Employment of Disabled People, which aims to ensure that there is no discrimination on the grounds of disability. On 31 March 2010⁹, there were 623 employees (589 full-time equivalents) on our payroll. These were made up of 604 permanent staff and 19 staff on limited period appointments. 286 were female and 39 staff (6.2%) declared themselves as disabled and were recognised as having a disability in the context of the Disability Discrimination Act 1995. Also, 102 staff declared themselves to be from ethnic minorities. We proactively manage sickness absence; however, the average absence rate increased to 9.5 days (7.7 days in 2008-09). We also have other people and skill resource requirements on a short-term and specific project basis. These are usually fulfilled by temporary staff and contractors (see note 7 to the accounts), and during the year this number was equivalent to an additional 62 people (85 people in 2008-09) providing services on an average equivalent cost basis.

The National Archives, through its senior managers, meets regularly with staff and Trade Union representatives in a number of ways, including Whitley Council, Health and Safety Committee and the Staff Forum.

9. The average number of full time equivalent staff over the reporting year was 614 (2008-09: 608)

Equality and Diversity – our single equality scheme

We devised a new three-year single equality scheme and action plan. The aim is to bring together all the different diversity strands and promote equality and diversity across The National Archives by mainstreaming activities that have a positive impact across the whole of the organisation. A number of new initiatives are now in place as a result of the development of the action plan, which involved collaboration from staff from different departments who have enthusiastically made a commitment to improving equality and diversity for everyone.

In addition to regularly reviewing and improving the accessibility of our services both online and on site, last year 13 staff members completed their British Sign Language (BSL) level one professional training through The National Archives. This has resulted in a greater understanding of ways to reduce barriers for customers and staff with hearing impairments, and a number of public facing staff are now able to converse in BSL at a basic level.

Health and Safety

The National Archives is committed to ensuring the health, safety and welfare of its employees, visitors, contractors and all others who may be affected by its activities. We take our responsibilities seriously, meeting all our legal obligations, and we acknowledge that positive, proportionate health and safety risk management prevents harm and enables efficient delivery of services across the organisation. We also recognise that good health and safety management has a significant positive impact on the wellbeing of staff, service delivery and achieving financial targets.

The National Archives has a full-time Health and Safety Adviser, to ensure that we provide a safe environment for visiting members of the public and for staff. Our Health and Safety Committee includes staff representatives from operational areas, technical areas, Human Resources (HR), Estates, Security, and the Trade Unions, as well as senior management. The Committee meets regularly to review health and safety matters, accident statistics and to identify any corrective action which may be required to resolve any safety issues arising. These management systems provide a basis for the leadership and co-ordination that are essential for achieving a positive health and safety culture.

Our financial and performance management, and risk management approach

Going concern basis

The National Archives is financed by amounts drawn from the UK Consolidated Fund, approved annually by Parliament to meet the Department's Net Cash Requirement for the year. As with other government departments, the ongoing financing of The National Archives' activities and related liabilities is met by future grants from the UK Consolidated Fund and the application of future income, both to be approved annually by Parliament. Such approval for amounts required for 2010-11 has already been given. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Financial control

The National Archives is funded through Supply Estimates. These are the formal means by which government seeks authority from Parliament for its own spending each year. The National Archives' net total resources provision, for which authority was sought and approved during the year, was £48.7 million. There was subsequently a £2.1 million virement from resource to capital expenditure to reflect the additional spend on improvements to facilities at our Kew building.

Cash requirements are forecast on a monthly basis and we liaise with HM Treasury to enable these funds to be made available through the Office of HM Paymaster General (OPG), which was The National Archives' main banking facility during the reporting period.

Management information is reported to the Executive Team monthly and all budget holders go through at least quarterly reviews of all of their costs and revenue. These reviews enable us to respond quickly to variances, identify where action is required and ensure that the best use is made of public money.

Financial position

In 2009-10, The National Archives' net resource outturn was £43.9 million compared to a budget allocation of £46.6 million. The near-cash element, which is the controllable element of our expenditure, was managed to within 1% of our allocation. This is a reflection of the effective financial controls exercised.

The non-cash outturn was £9.1 million compared to the budget of £11.6 million. Non-cash expenditure includes depreciation and cost of capital and the £2.5 million variance is predominantly due to movement in property valuation indices over the past two years, resulting from the volatile economic conditions experienced. We had no scope or authority to utilise the remainder, given that it was non-cash resource.

Following on from the introduction of the International Financial Reporting Standards (IFRS), the 2008-09 resource accounts were restated and values for licensed internet associateships and revenue generating databases controlled by The National Archives were recognised on the statement of financial position at 31 March 2009. These assets were subsequently impaired at 31 March 2010 resulting in a £652,000 write off to the operating cost statement. (See notes 1.4 and 11 to the accounts for further details).

Total capital expenditure was £4.2 million which was on target compared to our budget allocation.

The approved net cash requirement was £39.2 million and actual outturn was £39.1 million, a surplus of £0.1 million, reflecting the careful management of cash resources.

We face increasing financial pressures, along with the wider public sector, not least those arising because of the difficult economic climate. As part of the exercise to reduce our running costs that was undertaken during the reporting period, all expenditure has been reviewed critically to ensure resources are effectively managed and utilised.

Statement of payment practice

In October 2008, the government made a commitment to speed up the payments process to pay Small and Medium Enterprises (SMEs) wherever possible within ten days. Following this, The National Archives now operates a policy of paying all suppliers within ten days of receipt of goods or services, or receipt of the invoice (whichever is later). During 2009-10, 92% were paid within agreed credit periods.

The proportion of the amount owed to suppliers at the end of the reporting period to the total amount invoiced by suppliers during the year, expressed in number of days, represents 21 days.

Preparation of the accounts

The accounts are prepared in accordance with the direction given by HM Treasury in pursuance of section 5(2) of the Government Resources and Accounts Act 2000.

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£000 2009-10 Estimate	£000 2009-10 Outturn	£000 2008-09 Estimate	£000 2008-09 Outturn
Net Resource Outturn (Estimates)	48,731	43,871	47,704	45,526
Reductions in planned spend unable to be included in Estimate	(2,136)	-	-	-
Net Operating Cost (Accounts)	46,595	43,871	47,704	45,526
<i>Adjustments to additionally include:</i>				
Loss on disposal of non-current assets	-	(182)	-	(104)
Resource Budget Outturn (Budget)	46,595	43,689	47,704	45,422
<i>of which:</i>				
Departmental Expenditure Limits (DEL)	46,595	43,689	47,704	45,422
Annually Managed Expenditure (AME)	-	-	-	-

Audit

The financial statements have been audited by the National Audit Office on behalf of the Comptroller and Auditor General. The audit fee was £65,000 (see note 8 to the accounts) and includes £8,000 for work carried out in the year relating to the audit of the restated 2008-09 accounts under International Financial Reporting Standards (IFRS). The National Audit Office did not provide any non-audit services during the year.

As far as the Accounting Officer is aware, there is no relevant audit information of which the National Audit Office is unaware. The Accounting Officer has taken all steps necessary to keep himself informed of any relevant audit information and to establish that the entity's auditors are notified of that information.

Key performance targets

The National Archives had 28 strategic objectives¹⁰ for 2009-10, contributing towards our vision, as set out in the Strategic Plan 2009-10 (nationalarchives.gov.uk/documents/strategic-plan0910.pdf). We achieved all of these objectives during the reporting year by meeting all or some of the business targets set out at the start of the year for each objective, or through delivery of other initiatives, projects and targets developed in-year in response to changing stakeholder needs.

This strong performance is also reflected in the fact that we met six of our eight key performance indicators¹¹ in a year in which a significant cost savings programme was delivered. Our performance against our key performance indicators is shown in detail on pages 17 and 18.

Risks and uncertainties

The National Archives' major strategic risks are set out in a Strategic Risk Register. These risks were well controlled during the year and their controls were subject to regular, formal scrutiny and challenge.

During the year, The National Archives completed a major cost savings programme and conducted a formal review of medium to long-term service provision and business modelling. Many strategic risks this year were directly related to one or both of those initiatives, either as newly-identified risks or existing risks whose impact or likelihood was affected. Additional controls were put in place as a result where necessary. Strategic risk management was actively tested during the year with the resignation of our former Chief Executive: controls in place to manage risks associated with a change of senior leadership at The National Archives proved to be

robust, allowing for a smooth transition under interim management arrangements.

The current economic situation and rapidly changing external factors mean that the major risks faced by The National Archives in the short to medium term will inevitably be different. To help us be in the best position to respond to those new challenges, The National Archives carried out a review of its approach to strategic risk towards the end of the reporting year and continues to identify controls to mitigate a new set of strategic risks for the future.

Information risk

We have continued to implement new procedures and technical measures to protect our data and increase staff awareness of information risk. By improving the auditing capabilities of our systems we have provided greater visibility and assurance over the information that we hold. We continue to monitor progress against the government's Information Assurance Maturity Model.

Public sector information

The National Archives has complied with the cost allocation and charging requirements set out in HM Treasury and Information Fair Trader Scheme guidance. See note 9 to the accounts.

Reporting of personal data-related incidents

The National Archives was not required to report any personal data-related incidents in 2009-10, or in the required reporting period from 2004 onwards. We will continue to monitor and assess our information risks in order to identify and address any weaknesses and ensure continuous improvements of our systems.

Pension liabilities

Present and past employees are covered by the provisions of the civil service pension arrangements. These are explained in more detail in the Remuneration Report and notes 1.13 and 1.14 to the accounts. Benefit expenditure for civil service pensions is borne on the Civil Superannuation Vote. Where The National Archives bears the cost of pension provision for staff, it is by the payment of an annual accruing superannuation charge. The charge is shown under 'other pension costs' in note 7 to the accounts.

Review of activities

A review of our activities during 2009-10, in relation to our stakeholders, can be found on pages 12-16 of this report.

10. **Strategic objectives** set out the priority projects and deliverables that we need to focus on each year to achieve our vision

11. **Key performance indicators (KPIs)** are the measures that we check against to be sure that we are working effectively day-to-day to achieve our strategic objectives

Departmental report

The National Archives obtained permission from HM Treasury to present a combined departmental and annual report and resource accounts to Parliament in July 2010. This combined annual report includes the required elements of a departmental report. The required elements that are not within the body of the annual report or resource accounts are inserted at Annex B.

The National Archives' governance

The National Archives' Management Board consists of six Executive Directors and four Non-executive Directors. At the end of 2009-10, the members of the Management Board were:

Oliver Morley

*(appointed with effect from 15 March 2010)*¹²

Acting Chief Executive (Keeper of the Public Records; Historical Manuscripts Commissioner; and Government Head of Profession – Knowledge and Information Management)

Clem Brohier

*(appointed with effect from 1 February 2010)*¹³

Director, Finance and Performance

Caroline Ottaway-Searle

Director, Human Resources and Organisational Development

Jeff James

Director, Operations and Services

David Thomas

Director, Technology and Chief Information Officer

Carol Tullo

Director, Information Policy and Services

Mark Addison

Non-executive Director

Bronwen Curtis CBE

Non-executive Director

Trevor Spires CBE

Non-executive Director

Professor the Baroness Young of Hornsey OBE

Non-executive Director

Details of the remuneration for the Chief Executive, other Senior Civil Servants and Non-executive Directors are shown in the Remuneration Report. Non-executive Director Mark Addison is also a Non-executive Director of Salix Finance Ltd. A grant awarded to The National Archives by Salix has been fully declared in keeping with all statutory and best practice requirements for a government department. There were no company directorships or other significant interests held by Management Board members that conflicted with their management responsibilities.



Oliver Morley
Accounting Officer

30 June 2010

12. Natalie Ceeney CBE resigned as Chief Executive with effect from 21 March 2010. Oliver Morley was Director, Customer and Business Development until 15 March 2010. Chris Mumby was appointed as Acting Director, Customer and Business Development, with effect from 15 March 2010: as an Acting Director he is not a member of Management Board

13. Caroline Emerton was our previous Director, Corporate Services and Finance, resigning with effect from 12 June 2009. Terry Noys was appointed Interim Director, Finance and Performance with effect from 19 June 2009 until 21 March 2010

2 Remuneration report

Senior civil service grades

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

In reaching its recommendations, the Review Body has regard to the following considerations:

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

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at www.ome.uk.com.

Service contracts

Civil service appointments are made in accordance with the civil service Commissioners' Recruitment Code. The Code requires appointments to be made on merit, on the basis of fair and open competition, but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the civil service Compensation Scheme. No such compensation payments were made during the year.

Natalie Ceeney was appointed on a five-year contract commencing on 17 October 2005. Her contract was due to expire on 16 October 2010, with the possibility of extension. Natalie has since accepted a role with the Financial Ombudsman and left The National Archives on 21 March 2010.

Oliver Morley was appointed Acting Chief Executive with effect from 15 March 2010.

Service contracts can also be terminated under the standard procedures of the civil service Management Code.

Further information about the work of the civil service Commissioners can be found at www.civilservicecommissioners.gov.uk.

Salary and pension entitlements

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

The Remuneration Committee consists of four Non-executive Directors: Mark Addison, Bronwen Curtis CBE, Trevor Spiers CBE, and Professor the Baroness Young of Hornsey OBE. The policy on remuneration of senior civil servants, and the deliberations of the Remuneration Committee, follow the guidance and recommendations of the Review Body on Senior Salaries. Senior staff have written objectives agreed with the Chief Executive. Performance against these objectives, and against The National Archives' values, forms the basis of their formal appraisal and subsequent pay and bonus recommendations. This information is used by the Remuneration Committee to determine pay awards according to the Review Body on Senior Salaries' annual recommendations.

Salary includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; and any other allowance to the extent that it is subject to UK taxation. Percentage salary increases, and performance bonuses, are agreed by the Remuneration Committee in accordance with strict guidance and parameters set each year by the Cabinet Office.

The salary, and pension entitlements and the value of any taxable benefits in kind of the Chief Executive, Directors and Non-executive Directors of The National Archives who are members of the Management Board, were as follows (audited) - see next page:

Name	Salary 2009-10	Salary 2008-09	Accrued pension at pension age at 31/03/10 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/10 ¹⁴	CETV at 31/03/09 ¹⁵	Employee contributions and transfer in	Real increase in CETV
	£000 in bands of £5,000	£000 in bands of £5,000	£000 in bands of £5,000	£000 in bands of £5,000	Nearest £000	Nearest £000	Nearest £000	Nearest £000
Natalie Ceeneey CBE Chief Executive ¹⁶ (to 21/03/10)	125 - 130 (full year equivalent 130 - 135)	135 - 140	15 - 20 (at 21/03/10)	0 - 2.5	197 (at 21/03/10)	165	4	17
Jeff James Director	95 - 100	80 - 85 (includes salary from 1 April 08 as an Acting Director)	5 - 10	0 - 2.5	99	71	3	20
Oliver Morley Director ¹⁷	95 - 100 (full year equivalent 95 - 100)	60 - 65 (full year equivalent 85 - 90)	0 - 5	0 - 2.5	27	10	3	13
Acting Chief Executive (from 15/03/10)	(full year equivalent 105 - 110)							
Caroline Ottaway- Searle Director	85 - 90	50 - 55 (full year equivalent 80 - 85)	0 - 5	0 - 2.5	36	13	3	19
David Thomas Director	95 - 100	95 - 100	40 - 45 plus 90 - 95 lump sum	2.5 - 5 plus 2.5 - 5 lump sum	972	869	3	55
Carol Tullo Director	95 - 100	95 - 100	10 - 15 plus 40 - 45 lump sum	0 - 2.5 plus 2.5 - 5 lump sum	296	251	1	28

14. **Cash Equivalent Transfer Value (CETV)** is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time

15. The figure may be different from the closing figure in last year's accounts. This is due to the CETV factors being updated to comply with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008

16. Natalie Ceeneey CBE resigned as Accounting Officer with effect from 15 March, but remained at The National Archives until 21 March 2010. Oliver Morley became Accounting Officer with effect from 15 March 2010

17. Chris Mumby was appointed Acting Director, Customer and Business Development with effect from 15 March 2010. As he is not a member of Management Board, his details are excluded from the table above

Name	Salary 2009-10	Salary 2008-09	Accrued pension at pension age at 31/03/10 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/10 ¹⁴	CETV at 31/03/09 ¹⁵	Employee contributions and transfer in	Real increase in CETV
	£000 in bands of £5,000	£000 in bands of £5,000	£000 in bands of £5,000	£000 in bands of £5,000	Nearest £000	Nearest £000	Nearest £000	Nearest £000
Clem Brohier Director ¹⁸	5 - 10 (full year equivalent 90 - 95)	n/a	5-10	0 - 5	128	124	0	6
Caroline Emerton Director ¹⁹	15 - 20 (full year equivalent 90 - 95)	5 - 10 (full year equivalent 90 - 95)	0 - 5	0 - 5	8	2	1	4
Mark Addison Non-executive Director	10 - 15	10 - 15	n/a	n/a	n/a	n/a	n/a	n/a
Bronwen Curtis CBE Non-executive Director	10 - 15	10 - 15	n/a	n/a	n/a	n/a	n/a	n/a
Trevor Spires CBE Non-executive Director	10 - 15	0 - 5 (full year equivalent 10 - 15)	n/a	n/a	n/a	n/a	n/a	n/a
Professor the Baroness Young of Hornsey OBE Non-executive Director	10 - 15	10 - 15	n/a	n/a	n/a	n/a	n/a	n/a

Natalie Ceeney CBE, Caroline Emerton, Jeff James, Caroline Ottaway-Searle, Oliver Morley, David Thomas, Carol Tullo, Clem Brohier, Mark Addison, Bronwen Curtis CBE, Trevor Spires CBE and Professor the Baroness Young of Hornsey OBE did not receive any benefits in kind. There were no employer contributions to partnership pension accounts in respect of any of the above.

Civil service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007 civil servants may be in one of four defined benefit schemes; either

a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

18. Terry Noys was Interim Director, Finance and Performance with effect from 19 June 2009 until 21 March 2010: as a contractor, his salary, pension entitlements and taxable benefits are not included in the table above. The total cost of his employment to The National Archives (including recruitment agency fees) was within the band £90,000 to £95,000

19. Caroline Emerton was Director, Corporate Services and Finance until 12 June 2009

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

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

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

Following the removal of a mandatory retirement age for civil servants, with effect from 1 April 2010, The National Archives has removed the compulsory retirement age for all of its employees.

Further details about the civil service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially-assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement that the individual has transferred to the civil service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument.



Oliver Morley
Accounting Officer

30 June 2010

3 Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed The National Archives to prepare, for each financial year, resource accounts detailing the resources acquired, held, or disposed of during the year and the use of resources by the Department during the year.

The resource accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of The National Archives and of its net resource outturn, resources applied to objectives, recognised gains and losses and cash flows for the financial year.

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

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

HM Treasury has appointed Oliver Morley, Acting Chief Executive, as Accounting Officer of The National Archives with responsibility for preparing The National Archives' accounts and for transmitting them to the Comptroller and Auditor General.

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

4 Statement on internal control

1. Scope of responsibility

As Acting Chief Executive and Accounting Officer of The National Archives, I am responsible for maintaining a sound system of internal control that supports the achievement of The National Archives' policies, aims and objectives, while safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*.

As my tenure as Acting Chief Executive began shortly before the end of 2009-10, much of my assurance has been obtained from controls handed over to me by the outgoing Chief Executive, and these are detailed below. The size and structure of The National Archives allows its Chief Executive a closeness to the day-to-day business of the organisation that gives them a unique overview of the risks to the organisation, the management of those risks and the delivery mechanisms that have allowed us to continue to deliver a world-class service to our users despite external economic uncertainties and major internal business changes.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. It is based on an ongoing process designed to identify and prioritise the risks to the achievement of The National Archives' policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impacts should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at The National Archives for the year ended 31 March 2010 and up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

3. Capacity to handle risk

I have personal statutory authority for investigations carried out by The National Archives, and as its Accounting Officer, have ultimate responsibility for managing risk, and responsibility for approving major decisions, taking into account our risk profile or exposure.

The management of risk remains an active process within The National Archives and takes account of:

- changes within The National Archives and within government
- regular monitoring at Executive Team, Audit Committee and Management Board level
- strengthening of governance structures that mean Directors are held accountable for their areas of responsibility.

Directors own all key strategic risks and standardised risk registers are used to monitor the organisation. This year the main focus of our internal audit work has moved from assessing the effectiveness of control of key strategic risks to assessing the effectiveness of key governance processes. This approach was endorsed by the Audit Committee.

The risk management process has supported us this year, and I believe that it has been applied successfully in major business change projects such as the 2009-10 cost savings programme.

Innovation is core to The National Archives' remit, and this, coupled with our sound operating model, means that the organisation will accept higher levels of risk in areas where innovation is required. However, The National Archives has continually reviewed and monitored the status of its risks and its appetite for risk in key areas, and has proactively managed them this year.

4. The risk and control framework

To support me in ensuring the effective governance of The National Archives, all Non-executive Directors sit on the Audit Committee. This is the main governance oversight committee for The National Archives.

The Management Board provides specific advice and support to me on:

- purpose, vision and values
- strategic direction, planning and risk management
- accountability to stakeholders, including stewardship of public funds
- internal control arrangements.

All Board members also meet formally and informally with other senior managers and are members of specific high-profile programme boards. We have a very active group of Non-executive Directors who provide governance and, by engaging closely with the business, give me stronger assurance.

We encourage and empower staff, and particularly Heads of Department and those who report to Directors, to support effective delivery, innovation and improvement within a framework of evaluation and review. I believe that this has been successful.

Risk registers are used to manage risk to within agreed appetite levels, and we use this approach at corporate, Directorate and project level. We formally reviewed our appetite for types of risk during the year.

The strategic risk register has been closely tied to our vision and within that to the strategic priorities and Business Plan targets.

Strategic risks during the year covered the following areas:

- Economy/money
- External changes: we needed to ensure that we could deliver our strategic agenda within a changing government context
- Business continuity: we needed to ensure that we could respond appropriately to disruption caused by internal or external events
- Change of senior leadership at The National Archives: we needed to ensure that any interim arrangements did not disrupt our corporate leadership, management structure or overall strategy
- Staff culture: we needed to ensure that strategic change was supported by staff engagement and good organisational capability
- Capability in government information management: we needed to ensure that we maintained our effectiveness, leadership and influence in information management while achieving a cost savings programme and reorganising internal teams
- Improving our customer services: we needed to ensure that we could improve our services while still delivering efficiency gains.

The Executive Team and Management Board review our financial position and achievement against our Key Performance Indicators (KPIs) monthly. The Executive Team, Management Board and Audit Committee review the Strategic Risk Register and achievement against Business Plan targets quarterly.

5. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, the Executive Team and senior managers within The National Archives who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their Management Letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee, and a

plan is in place to address any weaknesses and ensure continuous improvement of the system. No significant non-compliance issues were identified during the year. This year the Audit Committee continued to challenge the management of risk. Key risks to the organisation were brought to Audit Committee for detailed discussion and the Committee took a particular interest in the management, outcomes and achievement of objectives of the 2009-10 cost savings programme.

Internal audit services for this year were provided by the Department for Transport (DfT). The DfT Team is nearing completion of a full programme of internal audit work around key governance processes and the Director, Finance and Performance and Audit Committee chair have selected an internal audit service provider from 2010-11 onwards. All reports were being acted upon and improvements have been made during the year. I am pleased that this year the number of outstanding internal audit recommendations has been reduced to a minimum and that the process for reporting implementation progress to Audit Committee has been refreshed and applied.

The overall assessment of the internal audit of our corporate governance was 'Acceptable'. This is defined as 'sound systems of corporate governance, risk management and internal control established and found to be operating effectively with some minor exceptions'.

A key element of my overview of governance of The National Archives and, in particular, its overall effectiveness, is the half-year and year-end stewardship reporting that we require of our Directors. This year, in response to an internal audit recommendation, we introduced a requirement for those statements to be supported by statements from Executive Reports.

Year-end stewardship reporting showed that controls had been improved in a number of areas across the organisation, particularly in response to the needs of our cost savings programme and in more efficient use of our resources and systems. I am satisfied that necessary additional controls will be put in place during the reporting year 2010-11 in areas such as business continuity planning, customer service excellence, management of risks associated with records in places of deposit and in meeting carbon emissions reduction targets.

6. Information Risk

The National Archives' business is information management, and we lead in this area across government. It is therefore essential that our own practice in information risk management is exemplary. Traditionally we have managed the risk of information loss through physical controls and we continue to use those controls for our historic record collection. In the digital age, as the number of ways that electronic information can be stored and transferred increases, so does the risk of information loss. We continue to take our information risk management responsibilities seriously. I am confident that information risk management is both well-understood, and well-managed within the organisation.

7. Reporting of Personal Data-Related Incidents

We were not required to report any personal data-related incidents at The National Archives this year or in the required reporting period from 2004 onwards. We continued to monitor and assess our information risks in order to identify and address any weaknesses and ensure continuous improvements of our systems.

8. Overall

I gain assurance from my Directors, various committees, feedback from stakeholders, Internal Audit reports, stewardship reports, KPIs and external validation. I am content that we have understood any control issues that faced The National Archives this year and, where weaknesses were identified, that we have put in place action plans to mitigate the risks. This was evident in our response to the changing financial position during the year: our 2009-10 cost savings programme was in itself a control that necessitated significant business change. Our response to the realisation of the strategic risk related to the change of senior leadership towards the end of the year demonstrated that our planned response had been well developed and operated effectively, resulting in a smooth transition with minimal disruption.



Oliver Morley
Accounting Officer

30 June 2010

5 Audit Certificate and Report

THE NATIONAL ARCHIVES

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

I certify that I have audited the financial statements of The National Archives for the year ended 31 March 2010 under the Government Resources and Accounts Act 2000. These comprise the Statement of Parliamentary Supply, the Operating Cost Statement and the Statement of Financial Position, the Statement of Cashflows, the Statement of Changes in Taxpayer's Equity, the Statement of Operating Costs by Departmental Strategic Objectives and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Department's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Department; and the overall presentation of the financial statements.

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

Opinion on Regularity

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

Opinion on Financial Statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2010 and of its net cash requirement, net resource outturn, net operating cost, operating costs applied to departmental strategic objectives, changes in taxpayers' equity and cash flows for the year then ended and;
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000 and;
- the information given in Who We Are, Performance Against Strategic Objectives and Key Performance Indicators, and the Management Commentary, included within the Annual Report for the financial year for which the financial statements are prepared, is consistent with the financial statements.

Matters on which I report by exception

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

- adequate accounting records have not been kept or
- the financial statements are not in agreement with the accounting records or returns or;
- I have not received all of the information and explanations I require for my audit or;
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

Comptroller and Auditor General

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

1 July 2010

6 Accounts Summary

Statement of Parliamentary Supply

Summary of resource outturn 2009-10

	Note	2009-10					2009-10		2008-09
		Estimate			Outturn		Net total outturn compared with Estimate: saving/(excess)	Outturn	
		Gross expenditure	A in A ²⁰	Net Total	Gross expenditure	A in A			Net Total
£000	£000	£000	£000	£000	£000	£000	£000		
Request for Resources 1	3	58,630	(9,899)	48,731	53,752	(9,881)	43,871	4,860	45,526
Total Resources		58,630	(9,899)	48,731	53,752	(9,881)	43,871	4,860	45,526
Non-Operating-Cost A in A		-	-	-	-	-	-	-	-

Net Cash Requirement	Note	2009-10		2008-09		
		Estimate	Outturn	Estimate	Outturn	
		£000	£000	£000	£000	
Net Cash Requirement	5		39,230	39,151	79	40,886

Summary of income payable to the Consolidated Fund

(In addition to the appropriations in aid, the following income relates to the department and is payable to the Consolidated fund)

	2009-10 Forecast		2009-10 Outturn	
	Income	Receipts	Income	Receipts
	£000	£000	£000	£000
Total	-	-	-	-

Explanations of variances between Estimate and Outturn are given in note 3 and in the Management Commentary. The notes on pages 42 to 60 form part of these accounts.

20. A in A is Appropriations in Aid and represents the income received by departments which they are authorised to retain in order to finance related expenditure

Operating Cost Statement

for the year ended 31 March 2010

	Note	2009-10			2008-09 (Restated) ²¹		
		Staff costs £000	Other costs £000	Income £000	Staff costs £000	Other costs £000	Income £000
Programme Costs:							
Request for Resources 1							
Staff costs	7	27,621			26,537		
Other programme costs	8		26,131			27,352	
Income	9			(9,881)			(7,751)
Totals		27,621	26,131	(9,881)	26,537	27,352	(7,751)
Net Operating Cost	4			43,871			46,138

All income and expenditure is derived from continuing operations.
The notes on pages 42 to 60 form part of these accounts.

21. The introduction of International Financial Reporting Standards (IFRS) means that figures for 2009-10 are prepared on a different basis from those published in our 2008-09 report. Accordingly, we have restated figures for 2008-09 to make it possible to compare results on the same basis

Statement of Financial Position

as at 31 March 2010

	Note	31 March 2010		31 March 2009 (Restated)		31 March 2008 (Restated)	
		£000	£000	£000	£000	£000	£000
Non-current assets:							
Property, plant and equipment	10	100,298		94,335		112,437	
Intangible assets	11	8,744		9,579		9,960	
Trade receivables falling due after more than one year	14	111		13		19	
Total non-current assets			109,153		103,927		122,416
Current assets:							
Inventories	13	152		200		408	
Trade and other receivables	14	307		430		848	
Other current assets	14	2,281		3,569		1,783	
Cash and cash equivalents	15	79		167		1,114	
Financial assets							
Total current assets			2,819		4,366		4,153
Total assets			111,972		108,293		126,569
Current liabilities							
Trade and other payables	16	(1,409)		(2,953)		(1,960)	
Other liabilities	16	(7,755)		(7,691)		(8,406)	
Total current liabilities			(9,164)		(10,644)		(10,366)
Non-current assets less net current liabilities			102,808		97,649		116,203
Non-current liabilities:							
Provisions	17		(691)		(762)		(562)
Total non-current liabilities			(691)		(762)		(562)
Assets less liabilities			102,117		96,887		115,641
Taxpayers' equity:							
General fund			75,013		75,442		76,537
Revaluation reserve			27,104		21,445		39,104
Total taxpayers' equity			102,117		96,887		115,641

The notes on pages 42 to 60 form part of these accounts.



Oliver Morley
Accounting Officer

30 June 2010

Statement of Cash Flows

for the year ended 31 March 2010

Cash flows from operating activities	Note	2009-10 £000	2008-09 £000
Net operating cost	4	(43,871)	(46,138)
Adjustments for non-cash transactions	8	9,123	8,514
(Increase)/decrease in trade and other receivables	14	1,313	(1,362)
(Increase)/decrease in inventories	13	48	208
Increase/(decrease) in payables	16	(1,392)	1,225
Use of provisions	17	(163)	(72)
Net cash outflow from operating activities		(34,942)	(37,625)
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(4,141)	(3,256)
Purchase of intangibles	11	(68)	(5)
Proceeds of disposal of property, plant and equipment		-	-
Net cash outflow from investing activities		(4,209)	(3,261)
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		39,063	40,136
Net cash flow from financing activities		39,063	40,136
Net (decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(88)	(750)
Payments of amounts due to the Consolidated Fund		-	(197)
Net (decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(88)	(947)
Cash and cash equivalents at the beginning of the period	15	167	1,114
Cash and cash equivalents at the end of the period	15	79	167

The notes on pages 42 to 60 form part of these accounts.

Statement of Changes in Taxpayers' Equity as at 31 March 2010

	Note	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Balance at 31 March 2008		68,056	39,104	107,160
Changes in accounting policy:				
Licensed internet associateships - IFRIC 12 / IAS 38		6,761	-	6,761
Databases - IAS 38		2,050	-	2,050
Short-term staff benefits (earned leave liability) - IAS 19		(330)	-	(330)
Restated balance at 1 April 2008		76,537	39,104	115,641
Changes in taxpayers' equity for 2008-09				
Net gain/(loss) on revaluation of property, plant and equipment	10	-	(23,001)	(23,001)
Net gain/(loss) on revaluation of intangible assets	11	-	(91)	(91)
Release of reserves to the operating cost statement		-	5,802	5,802
Non-cash charges - cost of capital	8	3,719	-	3,719
Non-cash charges - auditor's remuneration	8	69	-	69
Transfers between reserves		369	(369)	-
Net operating costs for the year		(46,138)	-	(46,138)
Total recognised income and expense for 2008-09		(41,981)	(17,659)	(59,640)
Net Parliamentary funding - drawn down		40,136	-	40,136
Net Parliamentary funding - deemed		917	-	917
Supply (payable)/receivable adjustment		(167)	-	(167)
CFERS payable to the Consolidated Fund		-	-	-
Balance at 31 March 2009		75,442	21,445	96,887
Changes in taxpayers' equity for 2009-10				
Net gain/(loss) on revaluation of property, plant and equipment	10	-	9,231	9,231
Net gain/(loss) on revaluation of intangible assets	11	-	130	130
Release of reserves to the operating cost statement		-	(2,958)	(2,958)
Non-cash charges - cost of capital	8	3,482	-	3,482
Non-cash charges - auditor's remuneration	8	65	-	65
Transfers between reserves		744	(744)	-
Net operating costs for the year		(43,871)	-	(43,871)
Total recognised income and expense for 2009-10		(39,580)	5,659	(33,921)
Net Parliamentary funding - drawn down		39,063	-	39,063
Net Parliamentary funding - deemed		167	-	167
Supply (payable)/receivable adjustment		(79)	-	(79)
CFERS payable to the Consolidated Fund		-	-	-
Balance at 31 March 2010		75,013	27,104	102,117

The notes on pages 42 to 60 form part of these accounts.

Statement of Operating Costs by Departmental Strategic Objectives for the year ended 31 March 2010

Objectives:	2009-10				2008-09 (Restated)			
	Strategic objective 1 £000	Strategic objective 2 £000	Strategic objective 3 £000	Total £000	Strategic objective 1 £000	Strategic objective 2 £000	Strategic objective 3 £000	Total
Gross expenditure	7,288	11,260	35,204	53,752	6,689	13,093	34,107	53,889
Income	(2,549)	(328)	(7,004)	(9,881)	(1,597)	(359)	(5,795)	(7,751)
Net expenditure	4,739	10,932	28,200	43,871	5,092	12,734	28,312	46,138
Total assets	12,095	27,902	71,975	111,972	11,952	29,889	66,452	108,293

Strategic objective 1 **Lead and transform information management**

Shaping policy on information from its creation to re-use showing leadership across the public sector and helping to develop a common infrastructure of services and guidance.

Strategic objective 2 **Guarantee the survival of today's information for tomorrow**

Preserving the nation's existing paper records and working across government and the wider public sector so that digital information can continue to be accessed for both today's business and tomorrow's history.

Strategic objective 3 **Bring history to life for everyone**

Providing people worldwide with access to our records and helping everyone use them to excite and enrich their lives.

See note 18.

The notes on pages 42 to 60 form part of these accounts.

Notes to the Departmental Resource Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2009-10 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adopted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of The National Archives for the purpose of giving a true and fair view has been selected. The particular policies adopted by The National Archives are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

In addition to the primary statements prepared under IFRS, the FRoM also requires the department to prepare two additional primary statements. The Statement of Parliamentary Supply and supporting notes show outturn against Estimates in terms of the net resource requirement and the net cash requirement. The Statement of Operating Costs by Departmental Strategic Objectives and supporting notes analyse the department's income and expenditure by the objectives agreed with Ministers.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for any material revaluation of property, plant and equipment, intangible assets and inventories.

1.2 Property, plant and equipment

Property, plant and equipment other than land and buildings consist of plant and machinery, furniture and fittings, transport equipment and information technology. Expenditure on restoration and conservation work is part of the normal operating costs of The National Archives and is not capitalised. It is recorded as part of programme costs.

The National Archives is the beneficial owner of the freehold land and buildings at Kew. All non-current assets are implicitly owned by The National Archives. There are no leased assets.

Land and buildings are stated at fair value using professional valuations every five years and appropriate indices in intervening years. Professional valuation was last carried out in the financial year 2006-07. Other non-current assets have been stated at fair value using appropriate indices where material.

The minimum level for capitalisation of an individual tangible non-current asset is £1,000.

1.3 Heritage assets

Public Records and other heritage assets held by The National Archives are not valued and capitalised. The records held by The National Archives span 1,000 years and fill 180 kilometres of shelving on site at Kew and at the Deepstore facility in Cheshire. They are held in many formats from medieval vellum and parchment to modern computer disks. They are made up of a variety of items ranging from traditional paper records to seals, maps, costumes, paintings, films, items of court evidence, etc. Most of the records are unique and irreplaceable and have been preserved for their historical, legal and administrative value. Reliable information on cost and valuation is not available owing to the lack of information on purchase cost, the lack of comparable market values, the diverse nature of the objects and the volume of items held. They are not therefore reported as assets in the Statement of Financial Position.

The National Archives is the guardian of the nation's public record. Its core role includes preserving and protecting, making available, and bringing alive the vast collection of over 1,000 years of historical records held. Increasingly, access to these is provided to researchers in digital format, and The National Archives also takes the lead role dealing with the issues associated with the survival and preservation of today's electronic public records - tomorrow's permanent preserved record.

The conservation, preservation and care of this unique and irreplaceable collection is a daunting responsibility, given the age and original condition of some of the artefacts. Matched to the responsibilities of providing access, it means The National Archives has a constant challenge to improve catalogues and maintain environmental standards in our repositories, and to respond to stakeholder interests. Certain items within the overall collection are of particular significance, including Domesday Book, one of our most prized national treasures, which has been safeguarded for over nine centuries and is now cared for and displayed at Kew; an official version of the Magna Carta; unique records of official treaties; and a host of irreplaceable social records.

1.4 Intangible assets

Intangible assets comprise information technology, development expenditure and software licences purchased from third parties, amortised over the life of the licence, and costs associated with systems in the course of construction as they are developed and implemented, amortised over their estimated useful life for up to five years.

The National Archives recognises licensed internet associateships with third parties as intangible assets with indefinite lives, reflecting the underlying nature of the supporting public records. The valuation adopted is based on current forecasts of foreseeable future revenues, which are estimated from historical growth rates and then discounted as appropriate. A significant element of this revenue is received in dollars and the exchange rate used is an average of historic rates. See note 12 for further details on foreign currency risk.

In addition, we also recognise internal revenue generating databases (such as our DocumentsOnline service) as intangible assets with indefinite lives with valuation similarly based on forecasts of foreseeable future revenues discounted appropriately. Both the licensed internet associateships and internal revenue generating databases are subject to annual review to assess at each reporting date whether there is any indication that the asset is impaired, as required by International Accounting Standard 36: Impairment of Assets.

1.5 Depreciation

Freehold land is not depreciated.

Depreciation is provided at rates calculated to write off the valuation of freehold buildings and other non-current assets by equal instalments over their estimated useful lives. Assets in the course of construction are not depreciated. Lives are normally in the following ranges:

Buildings	up to 50 years
Information technology	up to 5 years
Plant and machinery	up to 10 years
Furniture and fittings	up to 10 years
Conservation equipment	up to 25 years
Transport equipment	up to 10 years
Licensed internet associateships	indefinite
Revenue generating databases	indefinite
Software licences	over the life of the licence

1.6 Inventories and work in progress

Current asset stocks and work in progress, as held for sale, are valued at the lower of cost and net realisable value.

1.7 Operating income

Operating income is income which relates directly to the operating activities of The National Archives. It principally comprises charges for services provided – such as for the sale of copies of documents, sale of publications and other items and services, reproduction fees and royalties for the publication of images, as well as income generated by the licensing of historical records. Operating income also includes grants and contributions from other government departments to carry out specific projects.

All operating income is recorded when the service is provided. Elements that relate to work not yet completed are held at the end of the reporting period as deferred income and subsequently recognised as income upon completion of the service.

1.8 EU funding

The National Archives receives funding from the EU to carry out a specific project on preservation and long-term access through networked services. Income and corresponding expenditure is recognised in accordance with the grantor's terms and are subject to an independent annual audit. At the end of the reporting period, £128,000 (2008-09: £41,000) was due to be received and has been recorded as accrued income.

1.9 Short-term staff benefits

The National Archives recognises the liability associated with the short-term staff benefit for untaken but earned annual leave entitlement at the end of the reporting period. It reviews this liability annually.

1.10 Administration expenditure

All administration budget spending is classified as programme spending by HM Treasury. The majority of the resources are consumed in providing direct services of, for example, public access to national records, family records and archives at Kew; the publishing, conservation and preservation of records; and UK information management advice and policy including standards, compliance, and copyright. All costs are recorded against 'Other Current' within Estimates.

1.11 Programme expenditure

Programme expenditure reflects the total costs of service delivery, including all administrative costs, of The National Archives, as per note 1.10.

1.12 Capital charge

A charge, reflecting the cost of capital utilised by the department, is included in operating costs. The charge is calculated at the real rate set by HM Treasury (3.5%) on the average carrying amount of all assets less liabilities, except for:

- a. property, plant and equipment and intangible assets where the cost of capital charge is based on opening values, adjusted pro-rata for in year:
 - additions at cost
 - disposals as valued in the opening Statement of Financial Position (plus any subsequent capital expenditure prior to disposal)
 - impairments at the amount of the reduction of the opening Statement of Financial Position value (plus any subsequent capital expenditure)
 - depreciation of property plant and equipment and amortisation of intangible assets.
- b. Amounts to be surrendered to the Consolidated Fund and cash holdings with the Office of the Paymaster General, where the charge is nil.

1.13 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS) which are described in the Remuneration Report. The defined benefit elements of the scheme are unfunded and are non contributory except in respect on dependents' benefits. The department recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from the employees' service by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the department recognises the contributions payable for the year.

1.14 Early departure costs

The National Archives is required to meet the additional cost of benefits beyond the normal PCSPS benefits in respect of employees who retire early. The National Archives provides in full for this cost when the early retirement programme has been announced and is binding on the department by establishing a provision for the estimated payments discounted by the HM Treasury discount rate (currently 1.8% in real terms).

1.15 Operating leases

Operating lease rentals are charged to the operating cost statement in equal amounts over the lease term. There are no financial leases.

1.16 Value Added Tax (VAT)

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

1.17 Contingent liabilities

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

Where the time value of money is material, any contingent liabilities which are required to be disclosed under IAS 37, are stated at discounted amounts and the amounts reported to Parliament are separately noted. Any contingent liabilities that are not required to be disclosed by IAS 37, but are reported to Parliament under the requirements of *Managing Public Money* are stated at the amounts reported to Parliament.

1.18 Third party assets

The National Archives holds monetary assets on a temporary basis on behalf of other government departments for disbursement to them. These balances are related to arrangements for the collection and allocation of income that is generated by the licensing of Crown copyright material originated by departments and agencies that do not have delegated authority to license this material themselves. The Director, Information Policy and Services at The National Archives is the Controller of Her Majesty's Stationery Office (HMSO) who has responsibility for the management and licensing of copyrights owned by the Crown in her capacity as Queen's Printer and Queen's Printer for Scotland. At the 31 March 2010 the value of those cash assets was £72,334.

1.19 Events after the reporting period

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

2. First-time adoption of IFRS

	General Fund	Revaluation Reserve	Total
	£000	£000	£000
Taxpayers' equity at 31 March 2009 under UK GAAP	67,291	21,445	88,736
Adjustments for:			
Licensed internet associateships - IFRIC 12 / IAS 38	6,761		6,761
Revenue generating databases - IAS 38	2,050		2,050
Short-term staff benefits (earned leave liability) - IAS 19	(660)		(660)
Taxpayers' equity at 1 April 2009 under IFRS	75,442	21,445	96,887
Net operating cost for 2008-09 under UK GAAP			45,526
Adjustments made for:			
Cost of capital			282
Short-term staff benefits (earned leave liability) - IAS 19			330
Net operating cost for 2008-09 under IFRS			46,138

In line with HM Treasury advice, Prior Period Adjustments (PPAs) arising from the adoption of IFRS were not included in spring Supplementary Estimates for 2009-10 on the basis that the PPA numbers could have been misleading, particularly where transactions may well have pre-dated the 2001-02 cut off point for reporting PPAs, as only part of an obligation would have been included. PPAs arising from a change in accounting policy related to other than IFRS were included in the Estimates in line with conventional arrangements.

3. Analysis of net resource outturn by section

Outturn							2009-10 Estimate	2008-09
Admin	Other current	Grants	Gross resource expenditure	A in A	Net total	Net total	Net total outturn compared with Estimate	Prior-year outturn
£000	£000	£000	£000	£000	£000	£000	£000	£000

Request for resources 1:

Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records

The National Archives	-	53,752	-	53,752	(9,881)	43,871	48,731	(4,860)	45,526
Resource Outturn	-	53,752	-	53,752	(9,881)	43,871	48,731	(4,860)	45,526

The variance between resource estimates and outturn relates mainly to significantly lower than planned non-cash resource consumption.

Detailed explanations of the variances are given in the Management Commentary.

4. Reconciliation of net resource outturn to net operating cost

	2009-10 Outturn £000	2008-09 Outturn (Restated) £000
Net resource outturn (see note below)	43,871	45,526
Adjustments for:		
Short term staff benefits (earned leave liability) – IAS 19	-	330
Cost of capital	-	282
Consolidated Fund extra receipts (CFERS)	-	-
Net Operating Cost (see note below)	43,871	46,138

Note

Net operating cost is the total of expenditure and income appearing in the Operating Cost Statement (Schedule 2). Net resource outturn is the total of those elements of expenditure and income which are subject to Parliamentary approval and included in the department's Supply Estimate. The outturn against the Estimate is shown in the Summary of Resource Outturn (Schedule 1).

5. Reconciliation of net resource outturn to net cash requirement

	Note	Estimate £000	Outturn £000	Net total outturn compared with Estimate saving/ (excess) £000
Resource outturn	3	48,731	43,871	4,860
Reductions in planned spend unable to be included in the Estimate		(2,136)	-	(2,136)
Capital:				
Acquisition of property, plant and machinery and intangible assets	10 and 11	4,236	4,209	27
Loss on asset disposals		-	(182)	182
Accruals adjustments				
Non-cash items	8	(11,601)	(8,941)	(2,660)
Changes in working capital other than cash		-	31	(31)
Use of provision	17	-	163	(163)
Net cash requirement		39,230	39,151	79

6. Reconciliation of income recorded within the Operating Cost Statement to operating income payable to the Consolidated Fund

	Note	2009-10 £000	2008-09 £000
Operating income	9	9,881	7,751
Gross income		9,881	7,751
Income authorised to be Appropriated in Aid	9	9,881	7,751
Total income payable to the Consolidated Fund		-	-

7. Staff numbers and related costs

A. Staff costs consist of:

	2009-10			2008-09
	Total £000	Permanently employed staff ²² £000	Others ²³ £000	Total £000
Wages and salaries	23,085	20,560	2,525	22,020
Social Security costs	1,493	1,493	-	1,426
Other pension costs	3,437	3,437	-	3,447
Sub total	28,015	25,490	2,525	26,893
Less recoveries in respect of outward secondments	(394)	(394)	-	(356)
Total net costs	27,621	25,096	2,525	26,537

No staff costs were capitalised during the year

B. The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. In common with other government departments, The National Archives cannot identify its share of the underlying assets and liabilities. A full actuarial valuation of the scheme was carried out as at 31 March 2007 by the scheme's actuary, Hewitt Associates Financial Services Ltd. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

C. For 2009-10, employers' contributions of £3,371,651 were payable to the PCSPS (2008-09: £3,339,479) at one of four rates in the range 16.7 to 24.3% of pensionable pay, based on salary bands. Employer contributions are usually reviewed every four years following a full scheme valuation by the Government Actuary. The contribution rates are set to meet the cost of the benefits accruing during 2009-10 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

D. Employees can opt to open a partnership account – a stakeholder pension with an employer contribution. During 2009-10, employers' contributions of £61,868 were paid to one or more of a panel of three appointed stakeholder pension providers (2008-09: £42,588). Employer contributions are age-related and range from 3 to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £4,117 (2008-09: £3,104), 0.8% (2008-09: 0.8%) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the end of the reporting date were actually £6,712 (2008-09: £6,954). Contributions pre-paid at that date were nil.

22. Costs for permanently employed staff represent costs for the average number of full-time equivalent staff (614 in 2009-10) that are paid and employed directly by The National Archives

23. Costs for other staff represent costs for contractors and temporary staff who are paid through recruitment agencies or directly as self employed workers. The number of contractors and temporary staff used was equivalent to 62 people (calculated on an equivalent cost basis)

E. The average number of full-time equivalent persons employed, including senior management, during the year was as follows:

	2009-10 No.	2008-09 No.
Strategic objective 1	109	108
Strategic objective 2	154	153
Strategic objective 3	351	347
	614	608

Strategic objective 1 Lead and transform information management

Shaping policy on information from its creation to re-use showing leadership across the public sector and helping to develop a common infrastructure of services and guidance.

Strategic objective 2 Guarantee the survival of today's information for tomorrow

Preserving the nation's existing paper records and working across government and the wider public sector so that digital information can continue to be accessed for both today's business and tomorrow's history.

Strategic objective 3 Bring history to life for everyone

Providing people worldwide with access to our records and helping everyone use them to excite and enrich their lives.

F. Contractors and temporary staff costs decreased from £3.3 million in 2008-09 to £2.5 million in 2009-10, reflecting the lower use of temporary staff to fill resource requirements on a short-term basis to fulfil the needs of specific projects during the year. The number of contractors and temporary staff used was equivalent to an additional 62 people (85 in 2008-09) providing services on an average equivalent-cost basis.

G. Costs for consultants, acting in an advisory capacity, also decreased from £214,000 in 2008-09 to £179,000 in 2009-10. These costs are reflected in note 8 to the accounts. The number of consultants used was equivalent to an additional 4 people (5 in 2008-09) providing services on an average equivalent-cost basis.

H. Staff travel, subsistence and hospitality costs fell by £102,000 to £327,000 in 2009-10. This was a reduction of 24% and reflects the results of initiatives made to reduce this area of spend.

8. Programme costs

	2009-10		2008-09 (Restated)	
	£000	£000	£000	£000
Rentals under operating leases:				
Hire of plant and machinery	542		392	
Other operating leases	-		33	
		542		425
Non-cash items:				
Depreciation and amortisation				
Civil estate	2,602		2,245	
Other non-current assets	2,384		1,757	
Downward revaluation of non-current assets	-		348	
Reversal of downward revaluation previously recognised	(336)		-	
Impairments	652		91	
Loss on disposal of non-current assets	182		13	
Cost of capital charge				
Civil estate	3,482		3,719	
Auditor's remuneration - audit work ²⁴	65		69	
Provisions:				
Provided for in year	92		272	
		9,123		8,514
Other expenditure				
Accommodation	6,638		6,924	
Consultancy	179		214	
University of London ²⁵	647		642	
Travel, subsistence and hospitality	327		429	
Recruitment and training	736		966	
Digitisation	80		23	
IT maintenance	1,091		1,030	
Shop stores	188		173	
Conferences	108		138	
Minor software and hardware	457		1,014	
Advertising	7		18	
Record copying materials	17		26	
Legal expenses	148		241	
Telecommunications	77		60	
Other expenditure	4,042		5,142	
Public access	1,654		1,348	
Internal audit	70		25	
		16,466		18,413
		26,131		27,352

24. Auditor's remuneration included £8,000 (2008-09: £7,000) for work required for the implementation of IFRS

25. University of London costs are costs incurred for the UK National Data Archive for Datasets

Note

The total of non-cash items included in the reconciliation of resources to net cash requirement comprises:

	2009-10	2008-09 (Restated)
	£000	£000
Total non-cash transactions as above	9,123	8,514
Adjustment for loss on disposal of property, plant and equipment	(182)	(13)
Non-cash items per reconciliation of resources to net cash requirement	8,941	8,501

9. Income

2009-10	Resource outturn	Operating cost statement	
	Appropriated in aid	Payable to Consolidated	Income
	£000	Fund £000	£000

Operating income analysed by classification and activity, is as follows:

Income:

- Fees and charges to external customers	8,596	-	8,596
- Fees and charges to other government departments	1,198	-	1,198
- EU Funding income	87	-	87
	9,881	-	9,881

2008-09 (Restated)	Resource outturn	Operating cost statement	
	Appropriated in aid	Payable to Consolidated	Income
	£000	Fund £000	£000

Operating income analysed by classification and activity, is as follows:

Income:

- Fees and charges to external customers	6,881	-	6,881
- Fees and charges to other government departments	727	-	727
- EU funding income	143	-	143
	7,751	-	7,751

a) An analysis of operating income from services provided is as follows:

	2009-10	2009-10	2009-10	2008-09	2008-09	2008-09
	Income	Full cost	(Deficit)/ surplus	Income	Full cost	(Deficit)/ surplus
	£000	£000	£000	£000	£000	£000
Reprographic services	962	876	86	920	1,270	(350)
Information and publishing	6,265	5,248	1,017	4,554	4,503	51
Other	1,867	1,867	-	1,642	1,642	-
Digital continuity	787	787	-	635	635	-
	9,881	8,778	1,103	7,751	8,050	(299)

b) The National Archives is required, in accordance with HM Treasury's Fees and Charges Guide and recommendations relating to Public Sector Information Holders, to disclose performance results for its areas of activity. The segmental analysis is not intended to meet the requirements of *International Financial Reporting Standard 8: Operating segments*.

10. Property, plant and equipment

	Land £000	Buildings £000	Plant and machinery £000	Furniture and fittings £000	Transport equipment £000	Information technology £000	Assets under construction £000	Total £000
Cost or valuation								
At 1 April 2009	18,200	90,035	2,239	7,540	234	9,941	760	128,949
Additions	-	347	786	-	-	1,181	1,827	4,141
Reclassification	-	103	-	-	-	657	(760)	-
Disposals	-	-	(65)	(9)	(48)	(777)	-	(899)
Revaluation	-	8,322	68	219	(2)	624	-	9,231
At 31 March 2010	18,200	98,807	3,028	7,750	184	11,626	1,827	141,422
Depreciation								
At 1 April 2009	-	24,812	737	2,208	101	6,756	-	34,614
Charged in year	-	2,602	309	181	16	1,554	-	4,662
Disposals	-	-	(50)	(7)	(47)	(614)	-	(718)
Revaluation	-	2,283	23	64	-	196	-	2,566
At 31 March 2010	-	29,697	1,019	2,446	70	7,892	-	41,124
Net Book Value at 31 March 2010	18,200	69,110	2,009	5,304	114	3,734	1,827	100,298
Net Book Value at 31 March 2009	18,200	65,223	1,502	5,332	133	3,185	760	94,335

	Land £000	Buildings £000	Plant and machinery £000	Furniture and fittings £000	Transport equipment £000	Information technology £000	Assets under construction £000	Total £000
Cost or valuation								
At 1 April 2008	18,200	113,081	1,391	6,964	250	9,222	426	149,534
Additions	-	704	742	28	-	1,096	686	3,256
Reclassification	-	-	200	-	-	152	(352)	-
Disposals	-	-	(75)	(114)	(17)	(194)	-	(400)
Revaluation	-	(23,750)	(19)	662	1	(335)	-	(23,441)
At 31 March 2009	18,200	90,035	2,239	7,540	234	9,941	760	128,949
Depreciation								
At 1 April 2008	-	28,533	620	1,967	102	5,875	-	37,097
Charged in year	-	2,245	194	183	16	1,069	-	3,707
Disposals	-	-	(72)	(111)	(17)	(188)	-	(388)
Revaluation	-	(5,966)	(5)	169	-	-	-	(5,802)
At 31 March 2009	-	24,812	737	2,208	101	6,756	-	34,614
Net Book Value at 31 March 2009	18,200	65,223	1,502	5,332	133	3,185	760	94,335
Net Book Value at 31 March 2008	18,200	84,548	771	4,997	148	3,347	426	112,437

	Land £000	Buildings £000	Plant and machinery £000	Furniture and fittings £000	Transport equipment £000	Information technology £000	Assets under construction £000	Total £000
Asset financing:								
2010 Owned	18,200	69,110	2,009	5,304	114	3,734	1,827	100,298
Net Book Value at 31 March 2010	18,200	69,110	2,009	5,304	114	3,734	1,827	100,298
2009 Owned	18,200	65,223	1,502	5,332	133	3,185	760	94,335
Net Book Value at 31 March 2009	18,200	65,223	1,502	5,332	133	3,185	760	94,335

Notes

a) Freehold land and buildings were valued on 31 March 2007 at £103.3 million on the basis of depreciated replacement cost by an external firm of Chartered Surveyors, Atis Real Weatheralls Limited. Their valuation was carried out in accordance with the Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors. In years where there is no professional valuation exercise, revaluation is derived from the relevant indices as appropriate.

b) All non-current assets are owned by The National Archives. There are no leased assets.

11. Intangible assets

	Software licences £000	Databases £000	Licensed internet associateships £000	Assets under construction £000	Total £000
Cost or valuation					
At 1 April 2009	1,814	2,050	6,761	-	10,625
Additions	68	-	-	-	68
Reclassifications	-	-	-	-	-
Impairments	-	(120)	(532)	-	(652)
Revaluation	130	-	-	-	130
At 31 March 2010	2,012	1,930	6,229	-	10,171
Amortisation					
At 1 April 2009	1,046	-	-	-	1,046
Charged in year	324	-	-	-	324
Revaluation	57	-	-	-	57
At 31 March 2010	1,427	-	-	-	1,427
Net Book Value at 31 March 2010	585	1,930	6,229	-	8,744
Net Book Value at 31 March 2009	768	2,050	6,761	-	9,579

	Software licences	Databases	Licensed internet associateships	Assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
At 1 April 2008	1,600	2,050	6,761	300	10,711
Additions	5	-	-	-	5
Reclassifications	300	-	-	(300)	-
Impairments	-	-	-	-	-
Revaluation	(91)	-	-	-	(91)
At 31 March 2009	1,814	2,050	6,761	-	10,625
Amortisation					
At 1 April 2008	751	-	-	-	751
Charged in year	295	-	-	-	295
Revaluation	-	-	-	-	-
At 31 March 2009	1,046	-	-	-	1,046
Net Book Value at 31 March 2009	768	2,050	6,761	-	9,579
Net Book Value at 31 March 2008	849	2,050	6,761	300	9,960

Note

The impairment of intangible assets of £652,000 (2008-09: £Nil) has been charged in full to the Operating Cost Statement.

12. Financial instruments

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

Liquidity risk

The National Archives is primarily financed by resources and capital voted annually by Parliament. It is therefore not exposed to significant liquidity risk.

Interest rate risk

The National Archives is not exposed to any interest rate risk.

Foreign currency risk

The National Archives is exposed to currency risk on overseas income received from its licensed internet associateships. The identifiable risk is both to the valuation of the associateships on the Statement of Financial Position and to the income recorded in the Operating Cost Statement.

There is a risk to the amount of income recognised due to currency fluctuations during the year however this risk is minimal. If the pound was to fall against the dollar significantly, a large impairment on the valuation would be taken through the Operating Cost Statement.

These risks are managed by using a historical trend analysis on exchange rates to estimate appropriate amounts to use in valuations undertaken.

13. Inventories

	2009-10 £000	2008-09 £000	2007-08 £000
Publishing and shop stocks	130	172	370
Work in progress	-	-	5
Reprographic materials	22	28	33
	152	200	408

14. Trade receivables and other current assets

	2009-10 £000	2008-09 (Restated) £000	2007-08 (Restated) £000
Amounts falling due within one year:			
VAT	518	484	432
Trade receivables	307	430	848
Other receivables	128	332	-
Deposits and advances	54	51	42
Prepayments and accrued income	1,581	2,702	1,309
	2,588	3,999	2,631
Amounts falling due after one year:			
Prepayments and accrued income	111	13	19
	111	13	19
Total receivables	2,699	4,012	2,650
Intra-government balances falling within one year			
Balances with other central government bodies	1,276	1,153	1,067
Balances with local authorities	-	180	8
Balances with NHS Trusts	-	27	-
Balances with public corporations and trading funds	4	2	-
Intra-government balances	1,280	1,362	1,075
Balances with bodies external to government	1,308	2,637	1,556
Total receivables and current assets at 31 March	2,588	3,999	2,631
Intra-government balances falling due after one year			
Balances with other central government bodies	-	-	-
Balances with local authorities	-	-	-
Balances with NHS Trusts	-	-	-
Balances with public corporations and trading funds	-	-	-
Intra-government balances	-	-	-
Balances with bodies external to government	111	13	19
Total non-current receivables at 31 March	111	13	19
Total receivables	2,699	4,012	2,650

15. Cash and cash equivalents

	2009-10	2008-09	2007-08
	£000	£000	£000
Balance at 1 April	167	1,114	1,661
Net change in and cash equivalents balances inflow/(outflow)	(88)	(947)	(547)
Balance at 31 March	79	167	1,114
The following balances at 31 March are held at:			
Office of HM Paymaster General	65	159	1,111
Cash in hand	14	8	3
Balance at 31 March	79	167	1,114
The balance at 31 March comprises:			
Cash due to be paid to the Consolidated Fund:	-	-	197
Amounts issued from the Consolidated Fund for Supply but not spent at year end	79	167	917
Balance at 31 March	79	167	1,114

16. Trade payables and other current liabilities

	2009-10	2008-09	2007-08
	£000	(Restated) £000	(Restated) £000
Amounts falling due within one year			
Other taxation, Social Security and Pension	795	1,207	746
Trade payables	1,409	2,953	1,960
Accruals and deferred income	6,109	5,657	6,216
Short-term staff benefits (earned leave liability)	772	660	330
Amounts issued from the Consolidated Fund for supply but not spent at year end	79	167	917
Consolidated Fund extra receipts and other amounts due to be paid to the Consolidated Fund			
- received	-	-	-
- receivable	-	-	197
Total Payables	9,164	10,644	10,366
Intra-government balances falling within one year			
Balances with other central government bodies	3,186	4,446	4,525
Balances with local authorities	1	-	7
Balances with NHS Trusts	-	1	-
Balances with public corporations and trading funds	2	-	-
Intra-government balances	3,189	4,447	4,532
Balances with bodies external to government	5,975	6,197	5,834
Total Payables and other current liabilities	9,164	10,644	10,366

17. Provisions for liabilities and charges

	Early departure costs £000	Other £000	Total £000
Balance at 1 April 2009	480	282	762
Provided in the year	74	-	74
Provisions utilised during the year	(145)	-	(145)
Balance at 31 March 2010	409	282	691

Analysis of expected timing of discounted flows

Non-current liabilities

In the remainder of the Spending Review period to 2011	147	-	147
Between 2012 and 2016	253	282	535
Between 2017 and 2021	9	-	9
Thereafter	-	-	-
Balance at 31 March 2010	409	282	691

Early departure costs

The National Archives meets the additional costs of benefits beyond the normal PCSPS benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The National Archives provides for this in full when the early retirement programme becomes binding on the Department by establishing a provision for the estimated payments discounted by the HM Treasury discount rate for pension liabilities of 1.8% in real terms.

Other

The National Archives made specific provisions for dilapidations for the building formerly occupied by the Family Record Centre, vacated at the end of 2007-08.

18. Notes to the statement of operating costs by departmental strategic objectives

The National Archives' capital is employed exclusively for programme service delivery purposes. Its distribution amongst objectives is therefore not markedly different from the proportion of the related gross programme costs.

All programme costs and income have been attributed to objectives in accordance with the department's normal management accounting practices.

19. Capital commitments

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

	2009-10 £000	2008-09 £000
Property, plant and equipment	1,086	508

20. Commitments under leases

Operating leases

Total future minimum lease payments under operating leases are given in the table below.

	2009-10 £000	2008-09 £000
Obligations under operating leases comprise:		
Land and buildings		
Not later than one year	-	-
Later than one year and not later than five years	-	-
	-	-
Other		
Not later than one year	2	265
Later than one year and not later than five years	359	124
	361	389

21. Other financial commitments

The National Archives entered into non-cancellable contracts (which are not lease or PFI contracts) for the preservation of government datasets (UK National Data Archive for Datasets) and a Facilities Management service. The payments to which The National Archives is committed, analysed by the period during which the commitment expires, are as follows:

	2009-10 £000	2008-09 £000
Not later than one year	378	-
Later than one year and not later than five years	4,452	6,592
	4,830	6,592

22. Contingencies

There were no contingent assets or liabilities at 31 March 2010.

23. Related party transactions

The National Archives is a non-ministerial government department and an executive agency of the Ministry of Justice. The Chief Executive reports to the Lord Chancellor. None of the Management Board members, key managerial staff or other related parties has undertaken any material transactions with The National Archives during the year. The National Archives has had a number of transactions with other government departments and other central government bodies.

24. Third-party assets

The National Archives held short-term monetary assets valued at £72,334 on behalf of other government departments at the end of the reporting period (£98,376 at 31 March 2009).

25. Accountability

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

Annex B

Additional financial information – for departmental reporting requirements

The National Archives was given permission by HM Treasury to present a combined departmental and annual report and resource accounts 2009-10 to Parliament in July 2010. The majority of the required elements of a departmental report are in the main body of the annual report or in the resource accounts at Annex A. The remaining elements are shown here. In the following tables, 'DEL' means Departmental Expenditure Limit, and 'AME' means Annually Managed Expenditure. The following tables are not subject to NAO audit.

Table 1: The National Archives: Total departmental spending

	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn	2009-10 Provisional Outturn	2010-11 Plans	2011-12 Plans	2012-13 Plans	£000
Resource budget										
Resource DEL										
The National Archives:	35,475	39,244	35,676	39,474	41,889	41,602	40,060	-	-	
Total resource budget DEL	35,475	39,244	35,676	39,474	41,899	41,602	40,060	-	-	
Resource AME										
The National Archives:	36	375	374	(8)	200	505	(140)	-	-	
Total resource budget AME	36	375	374	(8)	200	505	(140)	-	-	
Total resource budget	35,511	39,619	36,050	39,466	42,089	42,107	39,920	-	-	
<i>of which: depreciation</i>	4,678	4,561	4,855	4,644	4,441	6,684	6,985	-	-	
Capital budget										
Capital DEL										
The National Archives:	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
Total capital budget DEL	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
Capital AME										
The National Archives:	-	-	-	-	-	-	-	-	-	
Total capital budget AME	-	-	-	-	-	-	-	-	-	
Total capital budget	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
Total departmental spending†										
The National Archives:	32,741	36,057	33,921	40,586	40,909	39,620	39,132	-	-	
Total departmental spending†	32,741	36,057	33,921	40,586	40,909	39,620	39,132	-	-	
<i>of which:</i>										
Total DEL	32,705	35,682	33,547	40,594	40,709	39,115	39,272	-	-	
Total AME	36	375	374	(8)	200	505	(140)	-	-	

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

Table 2: The National Archives: Resource budget DEL and AME

	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn	2009-10 Provisional Outturn	2010-11 Plans	2011-12 Plans	2012-13 Plans	£000
Resource DEL										
The National Archives	35,475	39,244	35,676	39,474	41,889	41,602	40,060	-	-	
<i>of which:</i>										
The National Archives: The UK's official government archive, with a key role in raising information management capability across government. Makes historical records available to the public, leads the wider UK archive sector, leads on UK information management and re-use policy, and manages Crown and Parliamentary copyright.	35,475	39,244	35,676	39,474	41,889	41,602	40,060	-	-	
Total resource budget DEL	35,475	39,244	35,676	39,474	41,889	41,602	40,060	-	-	
<i>of which:†</i>										
- Pay	20,677	18,615	20,038	23,432	26,609	25,815	23,608	-	-	
- Procurement	10,007	17,230	14,305	12,305	10,757	9,038	14,942	-	-	
- Current grants and subsidies to the private sector and abroad	-	-	-	(146)	-	-	-	-	-	
- Current grants to local authorities	-	-	-	-	-	-	-	-	-	
Depreciation	4,678	4,561	4,855	4,644	4,441	6,684	6,985	-	-	
Resource AME										
The National Archives	36	375	374	(8)	200	505	(140)	-	-	
<i>of which:</i>										
The National Archives: The UK's official government archive, with a key role in raising information management capability across government. Makes historical records available to the public, leads the wider UK archive sector, leads on UK information management and re-use policy, and manages Crown and Parliamentary copyright.	36	375	374	(8)	200	505	(140)	-	-	
Total resource budget AME	36	375	374	(8)	200	505	(140)	-	-	
Total resource budget	35,511	39,619	36,050	39,466	42,089	42,107	39,920	-	-	

† The economic category breakdown of resource budgets only shows the main categories, so may not sum to the total. The breakdown may even exceed the total where further income scores in resource budgets

Table 3: The National Archives: Capital budget DEL and AME

	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn	2009-10 Provisional Outturn	2010-11 Plans	2011-12 Plans	2012-13 Plans	£000
Capital DEL										
The National Archives	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
<i>of which:</i>										
The National Archives: The UK's official government archive, with a key role in raising information management capability across government. Makes historical records available to the public, leads the wider UK archive sector, leads on UK information management and re-use policy, and manages Crown and Parliamentary copyright.	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
Total capital budget DEL	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
<i>of which:</i>										
Capital expenditure on non-current assets net of sales [†]	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
Capital AME										
The National Archives	-	-	-	-	-	-	-	-	-	
<i>of which:</i>										
The National Archives: The UK's official government archive, with a key role in raising information management capability across government. Makes historical records available to the public, leads the wider UK archive sector, leads on UK information management and re-use policy, and manages Crown and Parliamentary copyright.	-	-	-	-	-	-	-	-	-	
Total capital budget AME	-	-	-	-	-	-	-	-	-	
Total capital budget	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
<i>of which:</i>										
Capital expenditure on non-current assets net of sales [†]	1,908	999	2,726	5,764	3,261	4,197	6,197	-	-	
Less depreciation ^{††}	4,678	4,561	4,855	4,644	4,441	6,684	6,985	-	-	
Net capital expenditure on tangible non-current assets	(2,770)	(3,562)	(2,129)	1,120	(1,180)	(2,487)	(788)	-	-	

[†] Expenditure by the department and NDPBs on land, buildings and equipment, net of sales. Excludes spending on financial assets and grants, and public corporations' capital expenditure

^{††} Included in Resource budget

Table 4: The National Archives: Capital employed

The National Archives: The UK's official government archive, with a key role in raising information management capability across government. Makes historical records available to the public, leads the wider UK archive sector, leads on UK information management and re-use policy, and manages Crown and Parliamentary copyright.

	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn	2009-10 Provisional Outturn	2010-11 Plans	2011-12 Plans	2012-13 Plans	£000
Assets and liabilities on the statement of financial position at the end of year:										
Non-current assets										
Intangible	254	355	533	9,960	9,579	8,744	9,500	-	-	
Property, plant and equipment	105,232	106,332	111,933	112,437	94,335	100,298	100,200	-	-	
of which:										
- Land	14,855	15,598	17,457	18,200	18,200	18,200	18,200	-	-	
- Buildings	81,042	82,580	85,844	84,548	65,223	69,110	68,800	-	-	
- Plant and machinery	850	534	1,345	771	1,502	2,009	3,500	-	-	
- Furniture and fittings	5,206	5,022	4,528	4,997	5,332	5,304	5,000	-	-	
- Transport equipment	16	42	-	148	133	114	200	-	-	
- Information technology	3,263	2,556	2,759	3,347	3,185	3,734	4,500	-	-	
- Assets under construction	-	-	-	426	760	1,827	-	-	-	
	105,232	106,332	111,933	112,437	94,335	100,298	100,200	-	-	
Current assets	3,800	3,742	5,613	4,172	5,981	2,819	4,500	-	-	
Creditors (<1 year)	3,908	4,285	6,995	10,036	12,259	9,164	5,000	-	-	
Creditors (>1 year)	-	-	-	-	-	-	-	-	-	
Provisions	169	510	570	562	762	691	350	-	-	
Capital employed within main department	105,209	105,634	110,514	115,971	96,874	102,006	108,850	-	-	
Total capital employed	105,209	105,634	110,514	115,971	96,874	102,006	108,850	-	-	

Table 5: The National Archives: Administration costs

All administration budget spending is classified as programme spending by HM Treasury. The majority of the resources are consumed in providing direct services of, for example, public access to national records, family records and archives at Kew; the publishing, conservation and preservation of records; and UK information management advice and policy including standards, compliance, and copyright. All costs are recorded against 'Other Current' within Estimates.

Table 6: The National Archives: Staff numbers

The National Archives: The UK's official government archive, with a key role in raising information management capability across government. Makes historical records available to the public, leads the wider UK archive sector, leads on UK information management and re-use policy, and manages Crown and Parliamentary copyright.

Staff numbers (average)	Outturn	Outturn	Outturn	Outturn	Outturn	Provisional Outturn	Plans	Plans	Plans
	2004-05	2005-06	2006-07	2007-08†	2008-09	2009-10	2010-11	2011-12	2012-13
Civil service full-time equivalents	531	563	558	608	608	614	606	-	-
Overtime	14	14	8	4	5	3	1	-	-
Casual††	67	63	41	47	85	62	31	-	-
Total	612	640	607	659	698	679	638	-	-

† Figures from 2007-08 include 19 full-time equivalent staff who transferred to The National Archives from the Statutory Publications Office as part of a Machinery of Government change

†† Casual staff numbers represent contractors and temporary staff

Annex C

The National Archives' vision

Rapid changes in the information world continue to present the most complex and challenging set of tasks we have ever faced. It is not too much to say that the future nature and existence of government archives depends on our being successful in our objectives. Of these challenges, there are three in particular that are of immense significance and determine our priorities for our future development. These remain at the heart of our vision, as established in 2006.

Challenge 1: Government and the wider information sector need better information management to strengthen accountability, treat information with appropriate security, and realise the potential of their assets.

Our vision: **Lead and transform information management**

We aim to:

- shape future government information policy, from information creation to re-use
- show leadership in helping the public sector understand the importance of good information management
- work with government departments to create common services and guidance to support these aims.

Challenge 2: In addition to preserving the nation's existing paper records, we need to rise to the new challenge of ensuring the ongoing readability of digital information for future generations.

Our vision: **Guarantee the survival of today's information for tomorrow**

We aim to:

- preserve records of all kinds – physically at The National Archives, and through our influence elsewhere
- work with others in the United Kingdom to ensure that, between us, the right information is preserved for today's business and tomorrow's history
- collaborate across the world to share expertise and innovation.

Challenge 3: Increasingly people expect to find, use and learn from information online. They expect it to be personalised and connected to their wider life. They expect to have it immediately.

Our vision: **Bring history to life for everyone**

We aim to:

- make a positive difference to people's futures by connecting them to the past
- provide researchers and customers, wherever they are, with easy access to records and expertise, with innovative online services, connected to trusted partners
- increasingly focus our reading rooms on being a centre for expert help and specialist research.

In addition, we will support the realisation of this vision by developing and maintaining a capable, flexible organisation, able to deliver our new services drawing on staff equipped with the right skills for the future.

Annex D

Advisory Council on National Records and Archives: Seventh Annual Report 2009-2010

To the Right Honourable Kenneth Clarke, Lord Chancellor, Secretary of State for Justice:

The Advisory Council on National Records and Archives (hereafter the Council) also encompasses the Advisory Council on Public Records and the Advisory Council on Historical Manuscripts. All three councils function as one body to advise you on issues relating to public records that are over 30 years old, including public access to them, to advise you on wider matters relating to the archive sector, and to advise the Chief Executive of The National Archives, as Historical Manuscripts Commissioner, on matters relating to historical archives outside the public records system.

Over the past year, the Council's role has increased, owing to the volume of casework, and the wider responsibilities it has assumed in relation to archival matters. A number of issues stemming from government policy have been discussed by the Council, and the Council has had an opportunity to contribute at an early stage to those impinging on its remit. In the last year, some of the main areas of debate and advice within the Council have been:

30-Year Rule

As a body that specifically advises you on all matters of access relating to historical records under the Freedom of Information Act 2000, the review of the 30-Year Rule was critical to the work of the Council. In its evidence to the Review, the Council was unanimously supportive of a reduction of the 30-Year Rule to 20 years, subject to appropriate resources being provided for a managed transition. The Council is, therefore, pleased that the government's response announced in February 2010 reflects its view; and that the necessary amendments to legislation have been set out in the Constitutional Reform and Governance Bill. The Council also welcomes government's recommendation that it should continue to advise you on issues concerning the retention of records and the transfer of closed records to The National Archives under the new rule. It is the Council's intention to assume a key role in supporting the implementation of the review, and its members plan to be fully engaged in this process.

The National Archives' cost savings programme for 2010

The economic downturn in the last year has led to funding restrictions for government departments and the wider public sector. In the summer of 2009, in response to increasing financial constraints and in order to prioritise its resources to deal with the challenges posed by digital content, The National Archives undertook a comprehensive review of how it could reduce its running costs by 10%. No savings programme of this kind can be implemented without controversy, and the Council, which was brought into the consultation process and kept informed on the developments throughout the savings programme, recognised the challenges of such an exercise, and hence none of the decisions were taken lightly. At the Council's meetings, the proposals were considered and, both within the Council meetings and outside them, members advised and robustly reviewed The National Archives' proposals and they were especially active in advising The National Archives on its relationships with the academic community. In considering the 'lessons learned' review, the Council concluded that, on balance, the cost savings programme was well managed.

Public records

During the year, the Council has continued its statutory role of deciding whether public records over 30 years old, under the Freedom of Information Act 2000, should be made available. At formal meetings the Council has considered the many and varied applications by government departments for the closure of historical records. In most cases the Council has accepted departments' arguments after it has been provided with more detail but in some instances departments have concluded, in agreement with the Council, that the public interest lay in disclosure. Work has continued, throughout the year, to relay the Council's decisions and reflections to the transferring government departments in order to improve the standard of review and record description. The Council notes the satisfactory resolution of the interface between the Public Records Act and Land Registration rules. The Council also notes work undertaken to streamline the closure applications in straightforward areas such as individuals' case files.

The Council has, over the year, convened 20 panels of members to consider the public interest in the release of closed information held in The National Archives and has considered 116 cases in total. Most of these have involved information in the following areas: information that would cause severe distress to people affected by or who were the victims of crime, information that would damage international relations and national security, and information relating to law enforcement. In the main, the panels concluded that public interest lay in non disclosure, but some departments modified their decisions as a result of the panels' deliberations. The Council is grateful to The National Archives for handling the panels' queries constructively.

In November 2009, the Advisory Council meeting was hosted by the Department of Work and Pensions, where the Permanent Secretary and senior officials provided an excellent insight into the procedures undertaken by the Department for the review of its records. Council members look forward to the Advisory Council meetings hosted by the Ministry of Justice in July and the Cabinet Office in November.

National records and archives

The government policy *Archives for the 21st Century* was developed over the course of the year, with significant involvement from Council members. The wider archive sector has critical importance for the UK's national heritage, and a joined-up government approach has been needed for some time. The Council fully supports this new policy which will set out the strategic direction for the future management of the challenges and obstacles faced by the archives sector, especially the issue of managing digital information; and the need for archives to serve their local communities better.

Private archives and manuscripts

The public continues to benefit from the provision that enables the owners of manuscripts and collections of papers to offer them to the nation in lieu of tax. The Council has advised the Chief Executive of The National Archives, as Historical Manuscripts Commissioner, on the most appropriate home for several important collections during the year. These have included:

- papers, architectural drawings and instruments of W H Brakspear, a prominent Victorian architect, which have been allocated to the British Architectural Library of the Royal Institute of British Architects (RIBA), housed in the refurbished Henry Cole Wing of the Victoria and Albert Museum
- papers of Sir Thomas Henry Browne, relating mainly to Napoleon and the Duke of Wellington, now allocated to the British Library
- papers of the Marsham family, Earls of Romney,

allocated to Kent Council for retention at the Centre for Kentish Studies.

Where the Historical Manuscripts Commissioner recommends that archives should be allocated to repositories which do not fully meet national standards, he/she sometimes recommends, with the support of the Council, that these allocations should be conditional on improvements within a specified period, and then monitors the achievement of these improvements being made. During the year the Council considered the progress of Liverpool Record Office, the Centre for Kentish Studies and East Sussex Record Office towards securing new premises, as required by the conditions attached to previous allocations. It noted the commitment of all these repositories to securing new accommodation, but noted their varying success in terms of progress.

During the course of the year the members of the Advisory Council also welcomed the publication of a National Strategy for Business Archives, to which the Council contributed during drafting in 2008-09. The strategy and an accompanying advocacy document entitled *Corporate Memory* were launched in July 2009 at an event at the Palace of Westminster. As part of the implementation plan for the strategy, The National Archives has created a new post to advise businesses on matters relating to their archives, and during 2009 The National Archives placed a strong emphasis on securing the future of the archives of businesses in administration. In particular, the Council heard reports on the Minton and Woolworths archives during the year. The Council received regular updates on these developments, and has welcomed the strong focus placed on securing the nation's archival heritage.

The Council's members and meetings

Four members have left the Council this year: Sir Rodric Braithwaite GCMG, Rt Hon the Viscount De L'Isle MBE DL, Dr Jennifer Haynes, and Ms Catherine Maxwell Stuart. We are grateful for their contributions to the Council's work. You appointed five new members with effect from 1 January 2010: Mr John Collins CBE, Dr Bendor Grosvenor, Ms Elizabeth Lomas, Mr Hamish Macarthur and Mr John Millen. The Council currently has a membership of 19. Members during the year were:

- Sir Rodric Braithwaite GCMG, retired, formerly British Ambassador to Moscow and chairman of the Joint Intelligence Committee (retired in 2009)
- Ms Else Churchill, Genealogy Officer of the Society of Genealogists
- Mr John Collins CBE, formerly Deliverer of the Vote, House of Commons

- Rt Hon the Viscount De L'Isle MBE DL, owner of the De L'Isle and Sidney family papers (retired in 2009)
 - Dr Jeevan Deol, Affiliated Research Associate, Faculty of Asian and Middle Eastern Studies, University of Cambridge
 - Professor Harry Dickinson, Emeritus Professor of British History, University of Edinburgh
 - Sir David Durie KCMG, retired, formerly Governor and Commander in Chief of Gibraltar
 - Dr Clive Field OBE, Honorary Research Fellow at the University of Birmingham, formerly Director of Scholarship and Collections at the British Library
 - Ms Christine Gifford, Information Rights expert and Founding Director of Public Partners and Gifford Owen
 - Dr Bendor Grosvenor, Art historian and adviser on Cultural Policy
 - Dr Jennifer Haynes, Archives and Manuscripts Manager, Wellcome Library, London (retired in 2009)
 - Mr Graeme Herd, Head of Information Technology at Slough Borough Council
 - Ms Elizabeth Lomas, Researcher and Tutor at Northumbria University, formerly Head of Records Management Services for the Royal Household
 - Professor Arthur Lucas CBE, Emeritus Professor of Science Curriculum Studies at, and was formerly Principal of, Kings College London
 - Mr Hamish Macarthur, Information Management Specialist, CEO and Founder, Macarthur Stroud International
 - Mr John Millen, formerly Policy Director, Ministry of Defence
 - Professor Heidi Mirza, Professor of Equalities Studies in Education at the Institute of Education, University of London
 - Professor Michael Moss, Professor of Archival Studies at the University of Glasgow
 - Rt Hon the Lord Roper, formerly Chief Whip for the Liberal Democrats in the House of Lords
 - Ms Janet Smith, County Archivist of Hampshire
 - Mr Ian Soutar, formerly British Ambassador to Bulgaria and Ambassador to the Conference on Disarmament, Geneva
 - Ms Catherine Maxwell Stuart, owner of the private family and estate archive at Traquair House, Innerleithen, Peeblesshire (retired in 2009)
 - Ms Stephanie Williams, author, journalist and user of archives.
- The Secretary of the Council was Ms Lale Ozdemir (until February 2010) who was succeeded by Dr Grazia Zaffuto.
- The Council is grateful to the Department of Work and Pensions for hosting our meeting in November.
- During the course of the year we have seen Sir Anthony Clarke leave as Master of the Rolls and Ms Natalie Ceeney CBE, Chief Executive of The National Archives, and Ms Lale Ozdemir move to new posts. Ms Ceeney left The National Archives to join the UK's Financial Ombudsman Service as Chief Ombudsman and Chief Executive; and Ms Ozdemir has been seconded to the 7 July Inquest team. The Council wishes them well for the future and thanks them for their contributions. We are pleased to welcome Mr Oliver Morley, Acting Chief Executive of The National Archives, and Dr Grazia Zaffuto, to our future meetings.
- Ms Natalie Ceeney CBE, Chief Executive of The National Archives, attended all our meetings accompanied variously by Mr Oliver Morley, Director, Customer and Business Development, Ms Carol Tullo, Director, Information Policy and Services, Dr David Thomas, Director, Technology, Mr Nick Kingsley, Head of Archives Sector Development, Ms Julia Stocken, Head of Information Management and Practice, Dr Norman James, Principal, Private Archives Team, and Mr Stuart Abraham, Freedom of Information Centre and Accessions Manager.
- Meeting summaries and some papers are available at nationalarchives.gov.uk/advisorycouncil/meetings/summaries.htm.
- On behalf of the members
- Lord Neuberger of Abbotsbury**
Master of the Rolls
Chairman
- 6 April 2010

Annex E

Independent Complaints Review: Annual Report 2009-10

About the Independent Complaints Reviewer

Jodi Berg is the Independent Complaints Reviewer (ICR) for The National Archives. Her service is free to complainants. Mrs Berg is a solicitor, a Fellow of the Chartered Institute of Arbitrators and a mediator. She is a member of the Administrative Justice and Tribunals Council.

Foreword

I am pleased to present my annual report. The National Archives provides a necessary and valued service for all those interested in past public records and, in particular, for those seeking information from the vast collection of materials it holds. The National Archives deals with millions of customer contacts every year without incident or cause for complaint. This year over 90,000 people have visited The National Archives and well over 20 million have used its services. With this level of contact, inevitably, sometimes things can go wrong. If they do, it is important for The National Archives to have robust internal systems to address concerns and to give people who remain dissatisfied the opportunity to have their complaints reviewed by someone independent and impartial who can look into what happened and decide whether their complaint is justified.

Referrals to me have to be set in context of the 161 complaints made to The National Archives itself. The National Archives has resolved nearly all of these complaints internally and, in addition, it received 339 unsolicited compliments about its service. During this reporting year I have completed only three reviews, although there has been an increase in contact from people who need help to complain to The National Archives or to find out more about aspects of the service The National Archives provides. We always try to resolve concerns or help take matters forward with The National Archives itself. I have set out below two case studies that typify this kind of contact and three examples of complaints reviewed this year.

As ICR, my role is to investigate complaints that The National Archives cannot resolve. I do not offer an advocacy service for complainants, but I do bring a fresh and objective perspective to the issues. Sometimes this leads to an agreed settlement; however, where this does not happen, I will decide whether or not the complaint is justified. If it is, I can recommend redress for the complainant or improvements to The National Archives'



Jodi Berg
Independent Complaints Reviewer (ICR)

service. Complainants may not always get the outcome they hope for, but they will get a clear explanation of what happened in their case and whether required standards were met.

I am satisfied that The National Archives' response to complaints is of a high calibre and I commend the Agency for this. Alongside settling all complaint referrals, I have tried to identify lessons that can help The National Archives learn from what has happened. I am pleased to report that The National Archives accepted all of my recommendations, including those asking it to consider revising procedures. I look forward to continuing to work with The National Archives, so that complaints are valued for the light they shed on its customer service.

Case studies

Advice and assistance

Mr A contacted the ICR office, concerned about the way his order for copies of certain files was handled and the amount debited from his account. He wanted to pick up the copies in person from The National Archives but had been told that they would be sent to his home address. We explained our role and referred him to the DocumentsOnline support team, giving details of their availability.

Mr B sought our help regarding his Freedom of Information (Fol) request for information from The National Archives, which he thought was overdue for response. We brought this to the attention of The National Archives and the complaints manager subsequently called Mr B to apologise for the delay in acknowledging his request. An automated response had

not been sent to Mr B, causing him to believe that it was being ignored. However, the Agency had 20 working days for reply and the response was not out of time.

Complaint referrals

Mr C complained that The National Archives' procedures were not sensitive or proportionate, because of the refusal to accept his expired reader's ticket as sufficient proof of identity for issuing a new one. He was not satisfied with the response he received from customer service and asked for the matter to be escalated to the Chief Executive; there was confusion about the escalation process and internal review procedures. Following a review, I found The National Archives had not dealt sensitively with Mr C when he visited Kew and that his referral to the Chief Executive's office was subject to delay. I recommended an apology be given to acknowledge what had gone wrong. I also recommended that The National Archives reconsider its practice in relation to ticket cancellation and provide staff training to ensure a consistent high standard of customer service. Finally I recommended a review of the internal complaints procedure to ensure a timely response for complainants.

Mr D referred his complaint to me that The National Archives acted unreasonably towards him, following a challenging telephone call concerning pre-ordered documents. The conversation had led to a counter-complaint against him and, while this was being investigated, Mr D's reader ticket was withdrawn for a period. On receipt of further communication from Mr D, this period was substantially extended. I found that greater clarity was required in the rules on suspension of a reader ticket: in particular, identifying what contact or behaviour might lead to this action. I also recommended that The National Archives review appeal procedures to ensure that they provide an opportunity for a complainant to appeal to a senior person not previously involved in their case.

Mr E requested paid searches of records for information relating to his father's registration for British Nationality. These searches proved unsuccessful. Mr E complained to The National Archives about the way it dealt with his request. He was dissatisfied with the response he received and referred his complaint to me. Following review, I found that information held on The National Archives' website was misleading, as The National Archives did not hold the type of information Mr E was seeking. This was not made clear until after fees for searches had been charged. Had The National Archives clarified the type of information being sought, it could have avoided carrying out a fruitless search of the records and disappointing Mr E. I recommended

that The National Archives refund the fees charged, and apologise for inadvertently misleading him about what records it held and failing to clarify with him what information was wanted.

About the ICR office

The ICR office reviews complaints about eight public bodies. Team members are skilled complaint handlers who will respond to all contact in an efficient and courteous way. Details of the ICR service are explained in our leaflet *Seeking a Fair Resolution* available from our website at www.icrev.org.uk. A copy of this report can also be found on our website.

Contact the ICR team

New Premier House, 150 Southampton Row,
London WC1B 5AL

email: enquiries@icr.gsi.gov.uk

telephone: +44 (0) 20 7278 6251

fax: +44 (0) 20 7278 9675



information & publishing solutions.

Published by TSO (The Stationery Office) and available from:

Online

www.tsoshop.co.uk

Mail, telephone, fax and email

TSO

PO Box 29, Norwich NR3 1GN

Telephone orders/general enquiries: 0870 600 5522

Order through the Parliamentary Hotline Lo-Call 0845 7 023474

Fax orders: 0870 600 5533

Email: customer.services@tso.co.uk

Telephone: 0870 240 3701

The Parliamentary Bookshop

12 Bridge Street, Parliament Square,
London SW1A 2JX

Telephone orders/general enquiries: 020 7219 3890

Fax orders: 020 7219 3866

Email: bookshop@parliament.uk

Internet: <http://www.bookshop.parliament.uk>

TSO@Blackwell and other accredited agents

Customers can also order publications from:

TSO Ireland

16 Arthur Street, Belfast BT1 4GD

Telephone orders/general enquiries: 028 9023 8451

Fax orders: 028 9023 5401

ISBN 978-0-10-296716-6



9 780102 967166