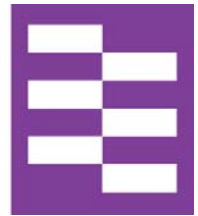
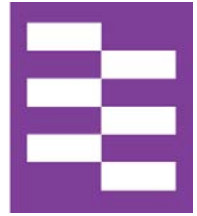


**Bedfordshire
Probation Trust**



Bedfordshire Probation Trust

**Annual Report and Accounts
2013–2014**



Bedfordshire Probation Trust
Annual Report and Accounts
2013–2014

Presented to Parliament pursuant to The Government Resources and Accounts Act 2000
(Audit of Public Bodies) Order 2012 (S.I. 2012, No. 854).

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Vision, Mission & Values

Vision

To be a continually evolving and improving organisation which is recognised for providing high quality evidence based services to offenders and victims.

Mission

To make sure that BPT contributes each day to the delivery of services to the courts, victims and the community which aim to change behaviour, reduce reoffending and the harm offending causes.

Values

- Strive for best practice and innovate to improve
- To use resources effectively
- To be accountable for decisions
- Treat people with respect; be firm, fair and transparent
- Deliver in partnership
- To listen openly and communicate clearly

The priorities that follow from these goals are taken forward in the contract which BPT negotiates and signs with National Offender Management Service.

Foreword

Bedfordshire Probation Trust

Bedfordshire Probation Trust (BPT) is situated within the East of England, and provides services for offenders and victims across Bedfordshire, including Luton. At 31 March 2014 BPT employed 176 full time equivalent staff and 27 casuals in various roles over 11 locations, including offices in Bedford and Luton, plus Luton Approved Premises, Bedford Approved Premises, Magistrates' Courts in Bedford and Luton and Crown Court in Luton and co-located Multi-Agency Public Protection Arrangement teams in Bedford Police station. The figure also includes staff working in the Youth Offending Teams. Bedfordshire currently has a caseload of approximately 2,318 offenders, including 333 high risk MAPPA offenders and supports over 355 victims in our internal victim liaison scheme.

BPT operates as lead for Integrated Offender Management within Bedfordshire, hosting and managing two multi-agency teams comprising around 25 non Probation staff, operating out of BPT offices in Bedford and Luton. The team manages around 188 offenders at any one point including 91 voluntary cases as at 31 March 2014.

The following section, Operational and Performance Review, demonstrates the good performance of BPT in achieving its targets.

1. Operational & Performance Review 2013–14

Review of the Annual Plan

In the spring of 2013 the Government published its Strategy for Reform of the delivery of Probation Services; Transforming Rehabilitation. This document represented both the response to an extensive consultation and the outline of the strategic direction of travel going forward. The strategy proposed the creation of a single National Probation Service whose staff will become civil servants. The work will be delivered via a Service Level Agreement with National Offender Management Service and will comprise of the initial assessments of offenders, the management of high risk of harm cases, approved premises, victim work, court work, enforcement activity and the oversight of risk. Court work and enforcement activity will include all public interest decision making. All other probation work will be delivered via contracts with 21 Community Rehabilitation Companies (CRCs). The Bedfordshire, Northamptonshire, Cambridgeshire and Hertfordshire Community Rehabilitation Company has assumed responsibility for this work in Bedfordshire.

The review of progress in our last business year needs to be understood against this backdrop of significant changes in strategic direction within Government and by considering how well BPT has adapted to these changes and to the management of the wind down of the organisation and hand over of responsibility to the new organisations.

Leadership and Strategic Planning

Business planning in 2013–14 showed a marked emphasis on diversification of service delivery, on income generation and on improving the evidence base of the service we delivered. These aims were beginning to show dividends with a significant increase in income generation and a broader portfolio of services developed and delivered within the year. Research was undertaken on the Citizenship Programme, of our work with women and on some of the newly developed programmes aimed at parents. In the light of the changes outlined above these attempts to grow and diversify have been curtailed or significantly pulled back. Our focus for the second half of the business year has been firmly of transition and exit management.

The Board and Senior Management Team have sought to work closely with both CRC colleagues from Hertfordshire, Cambridgeshire and Peterborough and Northamptonshire Probation Trusts and with the newly appointed leadership of the New National Probation Service. BPT has also adapted its approach to training and development in line with the requirements of the national qualification framework and emphasis on quality of practice. The approach has been rolled out alongside a continual emphasis on maintaining the highest standards of operational performance.

BPT will finish the year achieving green status on the NOMS performance framework and green delivery status against the majority of our contractual obligations.

The ambition and commitment to growth and development was explicit within the Business Plan Strategic Priorities below. However, priorities have changed as the year has progressed, with much of the content of the Business Plan having been largely superseded and replaced by exit management and the start up plans of the new organisation

Strategic Priorities:

- To improve the quality, evidence base and outcome focus of the services we provide to reduce re-offending and protect the public.
- To develop and diversify the range of services we offer to victims and offenders.
- To manage our resources efficiently; maximizing investment in service delivery.

- To transform the ambition and the capability of the organisation to meet the challenges of competition

The Business Plan itself is underpinned by a series of key Strategic Plans. Specifically the Finance Plan, the Organisational and Business Development Plan, the Improvement and Development Plan and the Partnership Plan. These plans have delivered a range of business objectives described in greater detail below.

Resource Management

The need to deliver efficient services and to provide value for the public purse remains irrespective of changes in strategic direction and we have successfully delivered our Cost Improvement Plan and continue to review the allocation and use of resources going forward.

Our Finance Plan provides a comprehensive and clear strategy to ensure sustainable financial viability, sound financial controls and decision making in accordance with BPT's Business Plan objectives as well as those of external stakeholders. PREview data has been used to drive our approach to efficiency savings with this and other data used to drive specific resource management sessions. Plans to expand service delivery and to meet income generation targets were largely successful but the focus for the second part of the year has been upon maintenance of core service delivery while also delivering the required changes in support of Transforming Rehabilitation. At the beginning of the financial year it was unclear what level of resourcing would be required to finance the change programme and so BPT has adopted a cautious approach to budget management and has adopted a steady state approach to service maintenance. The requirement of transition, exit management and mobilization have created particular pressure points for BPT's finance and information management resources but BPT has been able to meet all of the demands of the change programme with minimal requirements for additional resources.

Partnerships

The Chief Executive has resigned as the Chair of the Local Criminal Justice Board and the Luton Community Safety Partnership Executive to ensure partnership arrangements remain resilient during the transitional period. BPT has been active throughout the year in establishing good relationships with the Police and Crime Commissioner and his office and establishing a countywide Reducing Re-offending Board which heralds an important change to our partnership landscape. Significantly BPT has been instrumental in developing our countywide approach to IOM into the charity YouTurn, which has been devised to future proof the local partnership arrangements and the financial and strategic buy in of key stakeholders. Operationally the Integrated Offender Management Team goes from strength to strength and a comprehensive review of the performance of the scheme demonstrated a range of outcomes including a demonstrable reduction in both re-offending rates and volumes within the target group.

BPT continues to work with in partnership with Criminal Justice partners and in the last year has further developed its use of Oral and Fast Delivery Reports in line with national specifications and in response to the needs of the Courts for the timely and effective assessment of offenders. The ratios and costs of the different types of reports provided to Courts are regularly benchmarked against other Probation Trusts so that BPT can be assured that its report service offers value for money.

We continue to prioritize our relationship with the Courts and this is captured within our Courts Communication Strategy. During the past year, a key focus of our communication with the Courts has been the Government's Transforming Rehabilitation agenda. BPT has engaged with other local Criminal Justice Partners to deliver against the Government led Criminal Justice Service Efficiencies Programme.

Policy and Process Development

This year Bedfordshire has concentrated on updating policies which relate to public protection and to human resources. We have updated our policy and practice guidance in relation to Safeguarding and revised our Appraisal policy. We have also contributed to the national policy development relating to staff transfer.

The publication of a number of NOMS specifications for services has required BPT to compare its delivery against these specifications and to identify areas where processes can be improved and efficiencies made. The operating models that accompany the national specifications are not mandatory but provide a useful point of comparison for BPT. In addition, we have tightened processes to ensure more rigorous Board oversight of our adherence to NOMS specifications and have formal annual review.

Organisational Development

In the light of the requirements of the transforming rehabilitation agenda BPT has adjusted its approach to workforce planning. Whenever possible we have replaced substantive corporate services roles with fixed term or agency resources whilst maintaining our commitment to operational delivery. Our goal was to provide the new organisations with maximum flexibility with regard to their organisation of corporate services roles.

The pattern of sickness absence during this year has been one of peaks and troughs with the overall average at c 8.5 days which is below our target level of 9 days and below that achieved in the previous year of 10.6 days.

BPT have held two award ceremonies to acknowledge staff achievement both from its Recognition Scheme and those obtaining external, professional qualifications. In excess of 40 staff members have received recognition. BPT has been impressed with both commitment to personal development and willingness to contribute to team and organisational effectiveness.

The annual Equalities Plan has delivered against its targets in respect of collecting and using accurate monitoring data; developing an approach to the recruitment of more male probation staff to address gender imbalance; establishment of the women only project outlined above. BPT's Diversity Link Panel has arranged diversity awareness workshops including working with gypsies and travellers.

The annual staff survey recorded that c85% of staff feel BPT is a good place to work and a similar (but slightly varying percentage) agree that training and development assists them; that commitment to diversity is put into practice and that the Business Plan is read and understood. Change management continues to be a challenge in the current context and will be a future focus.

BPT delivers the Probation Qualifying Framework producing and employing 3 qualified probation officers in year, with a pipeline of 4 candidates aiming for this level of qualification. All existing staff who wished to complete VQ3 have been offered an opportunity to do so and new recruits for whom the VQ3 is compulsory have completed successfully or are in train to do so. BPT has reviewed the structure of its training team to ensure better integration with continuing professional development and to enable effective delivery of quality and offender engagement activities.

Innovation and income generation

During 2013–14 BPT has worked with local partners in Bedford Borough to establish an IOM accommodation project, which links housing to offender commitment to effective utilisation of wrap around services. This will bring an additional £340k of resource into Integrated Offender Management over a 3 year period and has resulted in a local partnership with Mayday Trust, a registered charity, who will lead the accommodation element of the project.

BPT have entered into a partnership with East of England Psychology Services and together bid successfully for NOMS/NHS funded targeted at high risk offenders with likely personality disorder. This has ensured a chartered forensic psychologist is available to staff in both Local Delivery Units for case consultation and formulation. This is supported by a staff development approach which will ensure the cascade of specialist knowledge and learning across offender managers. In addition we conducted training for selected groups of staff which provides knowledge and understanding framework for practitioners working with personality disordered offenders.

In 2010 BPT were successful in tendering for the delivery of domestic abuse interventions to men as part of a family court recommendation or requirement (CAFCASS). The work covered a large geographical area of Hertfordshire, Bedfordshire and Northampton. We were successful in retendering for this work in 2013 and in addition were successful in winning the tender to deliver the SPIP programme (Separated Parenting Information Programme) for Milton Keynes, Luton and Bedford, Hemel Hempstead, St Albans and Watford family courts.

BPT also run domestic abuse projects for the local authorities in Bedford and Central Bedfordshire and for the Troubled Families in Luton, the joint working arrangements have supported domestic abuse partnership strategic planning across the county.

In 2010 BPT was funded by the local authority to deliver and research the effectiveness of a parenting programme linked to domestic abuse called the Caring Dads programme, the initial 2 year study findings were very successful and supported significant changes in attitudes and beliefs linked to violence in the home, as a result BPT have developed a responsible mums programme to run alongside this intervention, this has been externally funded by the Troubled Families initiative as it matched current aims and objectives of this project.

The Womankind project continues in its development with a focus this year on the development of a service within Bedford. BPT has adopted a different delivery model which is more cost effective and matches delivery requirements within the north of the county. We have developed a partnership with Family Groups, which is a local charity. Bedford and Luton Women are now supervised within a women-only environment. The Womenkind project has evidenced greater levels of customer satisfaction in Luton via a research project supervised by Cambridge University.

Accountable Officer

26 June 2014

Results 2013–14

Customer Results

Ref	Description of Target/Measure	Target	Result
OM07	Proportion of victims to be contacted within 8 weeks of an offender receiving 12 or more months' imprisonment for a serious sexual or violent offence. (reported 3 months in arrears)	90%	100%
OM32	Proportion of Victims satisfied with the service they received from the Victims Liaison Unit	87%	81%
OM29	Percentage of Offenders with overall positive experiences of engagement	67%	75%
INT08	Number of unemployed offenders under supervision who sustain employment for 4 weeks	150	158
INT09	The percentage of offenders in employment at termination of their order or licence	44%	59%

People Results

Description of Target/Measure	Result
Minority Ethnic representation in the workforce (contribution to regional target)	24.55%
Resignation/dismissal by grade and ethnic group (contribution to national target)	
Black/Black British: Caribbean:	20% (1) Admin 9% (1) PSO/Ops 50% (1) Support Staff
Black/Black British: African:	20% (1) Admin
Asian/Asian British: Indian	18% (2) PSO/Ops
Asian/Asian British: Bangladeshi	20% (1) Admin
Mixed: White & Asian	20% (1) Admin
White British:	20% (1) Admin 64% (7) PSO/Ops 88% (7) PO 100% (1) Middle Mgr 100% (3) ACO
White Other	9% (1) PSO/Ops
Refusal/Not Stated	50% (1) PO 50% (1) Support Staff
8 out of 30 leavers were from ethnic minorities – 26.67%	
Career progression by grade and ethnic group	
White British	100% (1) Support Staff 100% (3) PSO/Ops 100% (2) Middle Mgr
0 out of 6 career progressions were from ethnic minorities (0.0%)	
Staff sickness not to exceed an average of 9 days per member of staff per year	8.50 days

Key Performance Results

Ref	Description of Target/Measure	Target	Result
OM39	The % of OASys final reviews (terminations) to be completed within the appropriate timescales for all Tier 2, 3, 4 and PPO offenders	90%	90%
OM40	The percentage of PSRs completed within the timescales set by the court	95%	99%
OM04	Licence recall requests to reach NOMS Post Release Section within 24 hours of the decision by the Offender Manager	95%	100%
OM27	Percentage of parole eligible cases in which the Parole Assessment Report is provided within the required timescale	85%	91%
OM05	Initiate breach proceedings in accordance with National Standards within 10 working days in 90% of cases	90%	86%
Local	30% or less of reports for Court are SDR (Standard Delivery Reports)	30%	28%
OM26	Proportion of OASys assessments sampled which are either Good or Satisfactory	90%	91%
OM20	Compliance: the proportion of orders & licences that terminate successfully	73%	81%
INT05	Completions of unpaid work requirements	514	511
INT03	Number of accredited offending behaviour programmes completed by offenders	60	51
INT01	Number of accredited sex offender treatment programmes completed by offenders	14	17
INT02	Number of accredited programmes for domestic violence completed by offenders	30	30
OM17	Offenders living in settled and suitable accommodation at the end of their order or licence (broken down by type of settled accommodation)	80%	88%

Workload and Activity Statistics

Commencements by type of order/licence

Order/Licence	2013–14	2012–13	2011–12	2010–11	2009–10	2008–09
Community Rehabilitation Order	0	0	1	4	5	2
Community Punishment Order	0	0	2	7	11	28
Community Punishment and Rehabilitation Order	0	0	2	4	15	6
Community Orders	864	973	1,177	1,214	1,248	1,283
Suspended Sentence Order	366	378	423	470	349	351
Youth Rehabilitation Order	18	28	44	32	0	0
Throughcare (TC)						
Lifer	5	8	8	8	6	1
Young Offender TC	78	95	101	132	99	95
Sex Offender Ex TC	0	1	1	0	0	3
Return to Prison	0	1	4	9	7	6
Adult Custody 12 months + formerly Stat aftercare	359	363	361	447	367	277
Extended Determinate Sentence	11	2	0	0	0	0
Extended Public Protection	1	1	8	2	9	4
Indeterminate Public Protection	0	0	2	11	12	0
Voluntary Supervision	59	154	86	0	0	0

Caseload at 31/03/2014 compared to previous years by type of order/licence

Order/Licence	2013–14	2012–13	2011–12	2010–11	2009–10	2008–09
Community Rehabilitation Order	0	0	1	3	6	9
Community Punishment Order	0	0	1	2	3	18
CPRO – rehabilitation	0	0	1	1	10	7
Community Order	666	712	825	851	972	931
Suspended Sentence Order	341	331	342	375	305	332
Youth Rehabilitation Order	17	20	28	16	0	0
Voluntary Cases	96	0	64	0	0	0
Licences – Pre Release						
Lifer (Including Young Lifer)	108	108	102	103	98	93
Young Offender TC	68	65	58	58	61	60
Sex Offender Ex TC	8	8	9	0	0	8
Adult Custody 12 months + formerly Stat aftercare	659	621	611	626	579	442
Extended Determinate Sentence	11	2	0	0	0	0
Extended Public Protection	18	18	22	25	31	25
Indeterminate Public Protection	76	75	78	67	59	49
Licences – Post Release						
Lifer	14	16	19	15	14	13
Young Offender TC	32	46	53	46	44	55
Sex Offender Ex TC	2	2	2	0	0	15
Return to Prison	0	0	2	1	4	2
Discretionary Conditional Release	10	14	16	22	38	120
Adult Custody 12 months + formerly Stat aftercare	300	352	377	316	365	202
Extended Public Protection	3	5	11	10	8	5
Indeterminate Public Protection	8	8	5	4	2	1

Reports Produced (SDR, FDR, Oral) by court type

	2013–14	2012–13	2011–12	2010–11	2009–10	2008–09
Reports – all courts	1,838	2,277	2,143	2,187	2,187	2,195
Total FDRs/oral produced	1,116	1,359	1,538	1,261	1,094	896

Community Punishment/Unpaid Work hours ordered/worked

	2013–14	2012–13	2011–12	2010–11	2009–10	2008–09
Hours ordered	97,509	109,015	128,935	132,614	140,810	126,548
Hours worked	76,056	93,072*	102,799*	118,576*	101,839*	94,646*

* Excludes travelling time and stand downs. Includes allowance for Skills for Life Programme.

2. Management Commentary

Statutory background

Probation Trusts were established under the Offender Management Act 2007 (OM Act). Each Trust is a corporate body under the OM Act and a Non-Departmental Public Body (NDPB) which reports to the NOMS. This Trust came into existence on 1 April 2010 (following transition from Bedfordshire Probation Board which was established in 2001).

These accounts have been prepared in accordance with the Government Financial Reporting Manual (FRm) issued by HM Treasury (HMT) and in accordance with the accounts direction, on page 57, issued by the Secretary of State under the OM Act.

Principal activities

Bedfordshire Probation Trust's principal activities are described under the Annual Report Operational and Performance Review on pages 4 to 7.

Operational Performance during 2013–14

An analysis of performance outcomes is summarised in the Annual Report on pages 4 to 7.

Results for the year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 24. The Statement of Changes in Taxpayers' Equity is shown on page 27.

Operating costs

The net operating cost before tax for 2013–14 stands at £389k compared to £462k (Restated; **Note 28**) for 2012–13. The reason for the decrease is due mainly to the management of budgets before pension adjustments were included. In **Note 2** Segmental Analysis; there was a £243k Operating surplus for 2013–14 compared to a £3k deficit for 2012–13. This reflects the change in how the budgets have been managed.

Statement of Financial Position and Statement of Cash Flows

The Statement of Financial Position and Statement of Cash Flows are on pages 25 and 26.

The net liabilities position has increased from £14,013k at 31 March 2013 to £14,168k at 31 March 2014. The largest single movement in net liabilities is £389k due to pension valuations.

Payment of creditors

In the year to 31 March 2014, BPT paid 1,720 trade invoices with a value of £3.5m gross. The percentage of undisputed invoices paid within 30 days by BPT was 83% compared to 87% in 2012–13.

Treatment of Pension Liabilities

Past and present employees of BPT are covered by the provisions of the Local Government Pension Scheme (LGPS). This is a funded defined benefit scheme meaning that retirement benefits are determined independently of the investments of the scheme, and employers are obliged to make additional contributions where assets are insufficient to meet retirement benefits.

On 1 June 2014 BPT's existing pension liabilities and corresponding assets transferred to the Greater Manchester Pension Fund (GMPF).

BPT is no longer required to pay employer contributions to the fund.

The responsibility for funding the past service liabilities and all future contributions associated with those original employees who are active members of the LGPS transferred with the employee to the new

employer the Community Rehabilitation Company (CRC) or the National Probation Service (NPS). The MoJ ensures that the past service liabilities are 100% funded on an ongoing basis from the date the employees transferred to the CRC.

The Secretary of State for Justice has provided a guarantee to the GMPF in respect of the CRCs' participation in the GMPF for pension liabilities that transfer to the CRCs.

The responsibility for funding the past service liabilities associated with the original employees who are deferred or pensioner members of the LGPS transferred to the NPS under the Secretary of State for Justice.

Further information can be found in **Note 4** to the Accounts.

Sickness absence data

The average levels of absence due to staff sickness were 8.5 days across BPT (2012–13 10.6 days).

Personal data related incidents

There were no significant personal data related incidents in 2013–14, which were formally reported to the Information Commissioner's Office (ICO).

All staff undertake a compulsory Information Assurance training course when joining BPT and an annual refresher course.

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 Audit Certificate of the Comptroller and Auditor General.

As at the date of the Audit Certificate, the following reportable events had occurred.

The Probation Trust ceased trading on 1 June 2014. The operations of BPT have been divided between the National Probation Service and a Community Rehabilitation Company, both public sector bodies. The assets and liabilities of BPT have been split on a practical basis that reflects the future use of assets, services provided and the allocation of employees. Refer to **Note 27** of the Accounts for further details. The split of Full Time Equivalent roles was approximately 52% to the National Probation Service and 48% to the Community Rehabilitation Company.

Sustainable development

BPT falls within the scope of reporting under the Greening Government commitment. As such we have produced a separate sustainability report showing performance against sustainability targets for greenhouse gas emissions, waste minimisation and management and the use of finite resources and their related expenditure. The Sustainability Report is shown on pages 59 to 63.

Future developments

The Annual Report provides commentary on the future of the probation services in the context of the Government consultation.

Going Concern

In March 2012 the Secretary of State announced the start of consultation exercises on the future of probation services in England and Wales and on planned reforms to community sentences. The results of these consultations, that ended on 13 February 2013, were published in "Transforming Rehabilitation: A strategy for Reform", on 9 May 2013 by the Secretary of State for Justice. This outlined plans to contract out probation services more widely and increase the use of Payment by Results.

As part of the transformation all Probation Trusts ceased trading from 1 June 2014. A Statutory Instrument to dissolve the Probation Trust, under section 5(1) (c) of the Offender Management Act 2007, will be made by the Secretary of State for Justice subject to the negative resolution procedure.

On 1 June 2014, a National Probation Service was created to protect the public from the most dangerous offenders and manage the provision of probation services across England and Wales. The NPS remains part of the public sector.

The remaining services are divided into 21 contract areas, which align closely with local authorities and Police and Crime Commissioner Areas. They are served by 21 new Community Rehabilitation Companies. They are fully owned by the Secretary of State for Justice on behalf of the Ministry of Justice.

On 1 June 2014 a Transfer Order effected the transfer of the existing assets, liabilities and staff of BPT to the NPS and CRC public sector bodies in a practical way that reflects the services that each provides. Some assets and liabilities remained in BPT to be settled as soon as practically possible.

MoJ/NOMS has committed to fund and ensure all current services will continue under the new structure, including the CRC in private ownership, using the same assets and resources, for the foreseeable future.

A tender process is currently under way with a successful bidder(s) to take ownership of the CRCs starting from winter 2014–15. As part of the sale, the contracts will influence the operations of the CRCs ensuring continuity of services beyond this date. Services will continue to be commissioned by MoJ/NOMS under this arrangement.

As the functions previously provided by BPT will continue to be provided by public sector entities and commissioned by the public sector when the CRC is in private ownership, the Accountable Officer with the support of senior management has concluded therefore that within the context of the Financial Reporting Manual (FReM), it is appropriate for BPT to prepare the 2013–14 Annual Report and Accounts on a going concern basis.

Communications and employee involvement

The Annual Report provides commentary on employee involvement under the Organisational Development section and there is also commentary on Communications especially with regards future changes and the impact on employees.

Staff diversity

The Annual Report provides commentary on staff diversity under the Organisational Development section.

Audit

In accordance with the direction given by the Secretary of State, these accounts have been prepared in accordance with the FReM. The Comptroller and Auditor General is appointed by statute to audit BPT and reports on the truth and fairness of the annual financial statements and the regularity of income and expenditure. The Audit Certificate of the Comptroller and Auditor General is attached to the Accounts on page 22.

Total audit fees reported in the Accounts are £36k. The audit fees for 2013–14 are made up of:

- £14k for internal audit and
- £22k for external audit.

As Accountable Officer, I have taken all steps to ensure that:

- I am aware of any relevant audit information,
- the Auditor is aware of that information, and
- there is no relevant audit information of which the Auditor is unaware.

The Bedfordshire Probation Trust Management Board

The governance arrangements within BPT for the period April 2013 to March 2014 are described in the Annual Governance Statement on pages 18 to 21.

The Chair and other members of the Board were all appointed by the Secretary of State.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 15 and 16.

Membership of the Board is set out in the table below:

Position	Name	Date appointment commenced / ended
Chief Executive	Linda Hennigan	Appointed 07/05/07
Chair	Jon Ruddick	Appointed 01/12/09
Board Member	Barbara Jones	Appointed 01/02/09
Board Member	Dave Sutton	Appointed 19/07/10
Board Member	Neville White MBE	Appointed 01/04/04
Board Member	Linda Wood	Appointed 01/02/10

At the Annual General Meeting on 10 April 2013 John Atkinson was re-appointed as Trust Secretary for a further year and Deborah Keith was appointed as Trust Treasurer for a year. Deborah Keith resigned as Trust Treasurer on 11 September 2013 and Andrew Pomeroy was appointed as Trust Treasurer on the same day. These appointments were continued at the 27 March 2014 Annual General Meeting until transfer.

There have been no conflicts of interest in relation to the management team during 2013–14.

My thanks and appreciation is extended to all past and present members of the Board for their hard work and effort during this reporting year.

Accountable Officer

26 June 2014

3. Remuneration Report

Appointments

The Chair, the Chief Executive, and other members of BPT Board are all appointed by the Secretary of State in line with the Offender Management Act 2007.

The salary and pension entitlements of the senior managers and non-executive directors of the Bedfordshire Probation Trust were as follows:

A) REMUNERATION – AUDITED

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

Officials	Salary (£000)		Bonus payments (£000)		Benefits in kind (to nearest £100)		Pension benefits (£000)		Total (£000)	
	2013–14	2012–13	2013–14	2012–13	2013–14	2012–13	2013–14	2012–13	2013–14	2012–13
Linda Hennigan	75–80	75–80	0–5	0–5	None	None	27	25	105–110	100–105
Jon Ruddick	15–20	15–20	None	None	None	None	None	None	15–20	15–20
Barbara Jones	0–5	0–5	None	None	None	None	None	None	0–5	0–5
Dave Sutton	0–5	0–5	None	None	None	None	None	None	0–5	0–5
Neville White MBE	0–5	0–5	None	None	None	None	None	None	0–5	0–5
Linda Wood	0–5	0–5	None	None	None	None	None	None	0–5	0–5

(The pension figure ignores the effect inflation proofing would have had on benefits had they been deferred as at 31/03/12 and 31/03/13.)

All appointed Trust Board members receive non-pensionable remuneration of £15.40 per hour from 1 April 2010, with the exception of the Chief Executive and the Chair. BPT at its discretion may pay a travelling allowance and any other relevant expenses incurred.

The total remuneration of the highest paid Director and the median total remuneration for other staff are shown in the table below.

	Total Full-time Equivalent Remuneration	
	2013–14	2012–13
Highest paid Director (pay band)	£75,000–£80,000	£75,000–£80,000
Median for other staff	£23,616	£23,840
Pay multiple ratio	3.28:1	3.25:1

The median remuneration is the total remuneration of the staff member(s) lying in the middle of the linear distribution of the total staff, excluding the highest paid Director. The pay multiple ratio is the ratio between the total remuneration of the highest paid Director and the median for other staff.

Salary

'Salary' includes the gross salary and car allowance.

Bonus

The bonus paid to the Chief Executive was calculated in accordance with National Terms and Conditions, whereby the Chair assesses achievement against a set of criteria agreed at the start of the financial year. The payment disclosed was authorised by the Chair.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. The benefits received are in respect of costs for accommodation, travel and the pecuniary liability in respect of tax paid under the employer PAYE settlement agreement with HM Revenue and Customs.

B) PENSION BENEFITS – AUDITED

Name	Total accrued pension at pension age as at 31 March 2014 & related lump sum	Real increase/ (decrease) in pension and related lump sum at pension age	CETV at 31 March 2014	CETV at 31 March 2013	Real increase/ (decrease) in CETV after adjustment for inflation and changes in market investment factors
	£000s	£000s	£000s	£000s	£000s
Linda Hennigan	P20 to 25 LS 50 to 55	0 to 2.5 Nil	367	340	18

This scheme provides benefits on a ‘final salary’ basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60th of pensionable salary for service from 1 April 2008 with no automatic lump sum. For pensionable service up to 31 March 2008, benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3/80ths of final pay of every year of total membership is payable on retirement. The scheme permits employees to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. Members pay contributions of between 5.5% and 7.5% of pensionable earnings. Employers pay the balance of the cost of providing benefits, after taking into account investment returns.

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 CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service Pension arrangements and for which the Civil Service Vote has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries, 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 drawn.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses current market valuation factors for the start and end of the period.

Accountable Officer
26 June 2014

4. Statement of Accountable Officer's Responsibilities

Under the Schedule 1, paragraph 13(1) (b) of the OM Act 2007, the Secretary of State has directed the BPT to prepare for each financial year, a statement of accounts detailing the resources acquired, held or disposed of during the year and the use of resources by BPT during the year. The accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of BPT and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the Government FReM 2013–14 and in particular to:

- Observe the Accounts Direction issued by the Secretary of State, 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 FReM 2013–14 have been followed, and disclose and explain material departures in the financial statements; and
- Prepare the financial statements on a going concern basis, unless it is inappropriate to do so.

The Secretary of State has appointed the Chief Executive as the Accountable Officer of BPT. The responsibilities of the Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding BPT's assets, are set out in Managing Public Money published by HM Treasury.

5. Governance Statement

Scope and responsibility

The Accountable Officer's responsibility is the maintenance of a sound system of governance that supports the achievement of BPT's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which they are personally responsible, in accordance with the responsibilities assigned to the Accountable Officer in Managing Public Money.

BPT negotiates an annual contract with NOMS, an Executive Agency of the Ministry of Justice, agrees a business plan to deliver the terms of the contract sets a budget to deliver the plan and subsequently scrutinises expenditure and delivery.

BPT's Board works in line with an annual plan and meets regularly in public and in line with Government recommendations and has a Non-Executive Chair and four Non-Executive Board Members in addition to the Accountable Officer. During 2013–14 all planned Board meetings and Committee meetings took place with a quorate attendance.

Name	Role	Board Meetings (9 Held)	Audit Committee (4 Held)
		Attended	Attended
Linda Hennigan	Chief Executive	8	Non-Voting Member 3
Jon Ruddick	Chair	9	Non-Voting Member 3
Barbara Jones	Board Member	9	4
Dave Sutton	Board Member	8	4
Neville White MBE	Board Member	9	4
Linda Wood	Board Member	9	2 (Member Effective from: 10 th April 2013)
Deborah Keith/Andrew Pomeroy	Trust Treasurer	9	4
John Atkinson	Trust Secretary	9	Not a Member

The Board operates to deliver a contracted set of services and achieve nationally set objectives, against which it is assessed by the NOMS. In addition there is further quarterly accountability to NOMS for the delivery of objectives in the contract. All systems for governance have been established in line with the *Corporate Governance Code*. Annually, at its AGM, the Board reviews its performance against its Terms of Reference.

Accountability for performance and use of public funds is enhanced by the role of an Audit Committee, which receives regular reports from both internal and external auditors. The Audit Committee also has the responsibility to review risk management arrangements and to escalate any matters of particular concern to the NOMS National Audit Committee and or BPT Board.

In addition BPT operates a Resources Committee. This Committee provides strategic guidance and oversight for substantial commissioning and contracting decisions and monitors financial planning and the progress of the efficiency and other cost saving initiatives. The Committee's remit also includes organisational development and human resources.

The Audit Committee and Resources Committee are chaired by Non-Executive Board Members.

During 2013–14 the Board kept the governance arrangements under review so that the requirements of the Transforming Rehabilitation programme could be best met whilst still ensuring that BPT's ongoing strategic and operational responsibilities were achieved. This included a review of risks arising from the

Justice Secretary's decision to delay all Trusts' abolition by two months, from 31 March 2014 until the 31 May 2014. This decision, made in January 2014, did affect BPT's resource and risk planning and did have some impact on programmes and finances. Published performance results show that this was managed successfully.

Membership of the Board, and the Accountable Officer, remained the same for the 2013–14 accounting period.

The Chair and four Non-Executive Board Members agreed to extend their appointments, until the 31 July 2014, firstly in order to work with the Accountable Officer to oversee the transition from BPT to the new providers of probation services. The handover was to be made on 31 May/01 June 2014. Secondly, final arrangements regarding responsibilities in respect of the wind up of BPT's 2014–15 accounts and related matters are yet to be determined but it is anticipated that the Board will oversee these until at least the 31 July 2014.

Change in Accountable Officer

As part of the Transforming Rehabilitation programme all staff have been transferred across to either the National Probation Service or a Community Rehabilitation Company in BPT's case this company is called BeNCH. The Chief Executive and Accountable Officer left to take up a new appointment on the 2 May 2014. This timing was agreed by the Board at its meeting of the 27 March 2014 subject to satisfactory arrangements being made to appoint an appropriate Accountable Officer for the remainder of BPT's term.

Following discussions with the Director of Probation and the Chief Executive of Hertfordshire Probation Trust it was agreed to appoint the Chief Executive of Hertfordshire as Bedfordshire Probation Trust's Accountable Officer for the remainder of May 2014. In line with BPT's governance arrangements details were confirmed and accepted by all parties in subsequent written communications. The outgoing and incoming Accountable Officers met and agreed the handover detail in order to ensure continuity of accountability.

The purpose of the system of governance

The system of governance is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of governance is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of governance has been in place in BPT for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

The past year has seen sustained performance by BPT and a successful programme of audit activity which provides assurance about the effectiveness of the governance structure. This has been continually tested by the additional risks arisen from the Transforming Rehabilitation agenda.

Capacity to handle risk

The SMT has embedded the consideration of risk into its everyday business. A detailed business case which incorporates a risk assessment will be undertaken if required before any significant strategic or operational decision is taken and if appropriate will be reported to the Board. The Team scrutinises and learns from a considerable array of well developed performance monitoring information. Where performance is at odds with expectations, management action plans are developed. The Team has developed a strategic financial plan and a balanced scorecard which incorporates information concerning both performance and financial information.

The risk and control framework

Policy documents and strategic reports to the Probation Trust Board and Audit Committee incorporate a risk assessment to ensure that risk is properly considered and appropriate actions are identified and allocated.

The key elements of the risk policy are:

- adoption of a 5 x 5 risk scoring matrix and identification of risk appetite;
- annual strategic risk review undertaken and scored by the SMT and reported to the Board as an integral part of BPT's Area planning process and placed in a register;
- risk reviews built into each unit plan and an annual operational risk review scored by middle managers which is then integrated into the risk register;
- regular review of strategic risks by the SMT, including update of risk scores and controls;
- risk reviews on specific topics are undertaken as required;
- The risk register is reviewed regularly and reported to the Audit Committee.
- It has been necessary to keep business as usual and transition risk separate as they continually overlap.

The organisation risk register contained six risks at 31 March 2014. One pertains to the potential for data losses and the other four relate to different aspects of the Government's proposed changes for Probation Trusts as they pertain to Trusts.

The roles and responsibilities of the Audit Committee are reviewed annually and its Terms of Reference include the review of risk management arrangements. Throughout 2013–14 the Audit Committee was instrumental in scrutinising new risks and monitoring the management of risks. As Accountable Officer, I monitor the effectiveness of this Committee in ensuring its contribution to the internal control framework. This incorporates the process of agreeing and monitoring the annual audit plans, and the work of internal and external auditors in delivering the plan. Audit reports are received and their recommendations are regularly discussed by Committee members. Regular monitoring reports are received to update the Committee on the progress made on implementing audit recommendations.

The Ministry of Justice Internal Audit and Assurance Unit have undertaken all planned audits during the year. Four audits were undertaken in 2013–14 of which two received a green rating, one received an Amber/Green rating and one received an Amber/Red rating.

We are not aware of any data losses of a reportable level during 2013–14.

The Ministry of Justice Internal Audit and Assurance Unit have provided an audit opinion for 2013–14 as follows:

It is in this context that I am able to report that our work identified moderate/significant rated findings that are isolated to specific systems and processes and when taken in aggregate we believe they are not pervasive to the system of internal control as a whole. Consequently I can give reasonable assurance on the adequacy and effectiveness of the system of governance, risk management and internal control.

Review of effectiveness

The Accountable Officer has responsibility for reviewing the effectiveness of the governance system and its compliance with the *Corporate Governance Code*. The effectiveness of the system of governance is informed by the work of the internal auditors and the executive managers within BPT 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. BPT Board and the Audit Committee have advised the Accountable Officer on the implications of the result of the effectiveness of

the governance system. Given the move to dissolve BPT the emphasis has been on control rather than forward management of the systems of governance.

The processes and sources of assurance reviewed to inform the 2013–14 Governance Statement are as follows:

Board and Audit Committee

- Regular budget monitoring reports to the Board;
- Regular performance reports to the Board;
- Well controlled internal audit opinion for Governance;
- Programme of work for the Audit Committee;

Risk

- Regular review and reporting of strategic risks to SMT and Audit Committee;
- Audit Committee Terms of Reference include review of risk management arrangements;
- Review of Strategic and Operational Risks for completion of 2013–14 Trust Business Plan;
- Review of 2013–14 Trust Plan including risks;
- The risk maturity spectrum is risk defined;
- As the transfer programme has moved closer to fruition the emphasis has moved from Business Plan to Transition Programme with continual updates as to the process.

Internal Audit

- Internal Audit annual report 2013–14;
- Of the four audits taken on this year one received a green rating, two received an amber/green rating and one received an amber/red rating.
- Progress on implementation of Internal Audit recommendations as reported to Audit Committee;
- Identification of process/system weaknesses to be targeted in 2013–14 Internal Audit Plan;

External Audit

- National Audit Office conclusion on basis of the accounts;

Other Scrutiny

- Implementation and monitoring of key areas for improvement as identified in response to Benchmarking and Activity Costing data and or other financial monitoring;
- A range of other management Action Plans including operational improvement plan, performance plan, operational development plan, finance plan, local delivery unit plan;
- Review of and further development of the Balanced Scorecard;
- Segregation of Performance data;
- Monitoring of National Standards;
- National Performance Measures – PTRS, contract delivery;
- Staffing indicators and HR monitoring.
- All of which have made it easier to move towards the transition plan and relevant exit management updates.

Accountable Officer

26 June 2014

6. The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of Bedfordshire Probation Trust for the year ended 31 March 2014 under the Offender Management Act 2007. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Chief Executive and auditor

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Chief Executive is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Offender Management Act 2007. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Bedfordshire Probation Trust's affairs as at 31 March 2014 and of the net operating cost after taxation for the year then ended; and
- the financial statements have been properly prepared in accordance with the Offender Management Act 2007 and Secretary of State directions issued there under.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Offender Management Act 2007; and
- the information given in the Operational and Performance Review and Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

Without qualifying my opinion, I draw attention to the disclosures in **Note 1.4** to the financial statements regarding going concern. BPT closed on 31 May 2014 with its functions, assets and liabilities being transferred to new public sector entities. In accordance with the Government Financial Reporting Manual the financial statements have been prepared on a going concern basis.

Sir Amyas C E Morse
Comptroller and Auditor General

03 July 2014

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

7. Accounts

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2014

		2013–14	2012–13
	Notes	£000	<i>Restated</i> £000
Expenditure			
Staff costs	3(a)	7,194	6,996
Other expenditure	6	2,546	2,509
Total Expenditure		9,740	9,505
Income	7	(9,983)	(9,608)
Net operating costs		(243)	(103)
Net interest cost on pension scheme	4(c)	632	565
Net operating costs before taxation		389	462
Taxation	5	98	0
Net operating costs after taxation		487	462

Other Comprehensive Expenditure

		2013–14	2012–13
	Notes	£000	<i>Restated</i> £000
Items that will not be reclassified to net operating costs:			
Net (gain)/loss on revaluation of property, plant and equipment	8	(1)	(3)
Re-measurement of post employment benefits	23	(331)	2,752
Total comprehensive expenditure for 31 March 2014		155	3,211

The notes on pages 28 to 57 form part of these accounts.

Statement of Financial Position

As at 31 March 2014

	Notes	2013–14 £000	2012–13 £000
Non-current assets			
Property, plant and equipment	8	61	82
Total non-current assets		61	82
Current assets			
Trade and other receivables	12(a)	1,108	1,339
Cash and cash equivalents	13	333	561
Total current assets		1,441	1,900
Total assets		1,502	1,982
Current liabilities			
Trade and other payables	14(a)	(595)	(1,340)
Provisions	15	(64)	(31)
Taxation payables	14(a)	(609)	(611)
Total current liabilities		(1,268)	(1,982)
Non-current assets less net current assets/(liabilities)		234	0
Non-current liabilities			
Pension liability	4(c)	(14,402)	(14,013)
Total non-current liabilities		(14,402)	(14,013)
Assets less liabilities		(14,168)	(14,013)
Taxpayers' equity			
General fund	23	(14,185)	(14,029)
Revaluation reserve – property, plant and equipment	24(a)	17	16
		(14,168)	(14,013)

The financial statements on pages 24 to 27 were approved by the Board on 26 June 2014 and were signed on its behalf by

Accountable Officer

26 June 2014

The notes on pages 28 to 57 form part of these accounts.

Statement of Cash Flows

For the year ended 31 March 2014

		2013–14	2012–13
	Notes	£000	£000
Cash flows from operating activities			
Net operating costs	23	(487)	(444)
Adjustments for non-cash transactions	6	56	47
Adjustments for pension cost	4(c)	720	(604)
(Increase)/decrease in receivables	12(a)	231	(213)
Increase/(decrease) in payables	14(a)	(747)	658
Net cash outflow from operating activities		(227)	(556)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	0	(25)
Proceeds on disposal of property, plant and equipment	8	(1)	0
Net cash outflow from investing activities		(1)	(25)
Net financing			
		0	0
Net increase/(decrease) in cash and cash equivalents in the period			
		(228)	(581)
Cash and cash equivalents at the beginning of the period	13	561	1,142
Cash and cash equivalents at the end of the period	13	333	561
Increase/(decrease) in cash		(228)	(581)

The notes on pages 28 to 57 form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2014

	Notes	General Fund £000	Revaluation Reserve £000	Total £000
Balance as at 1 April 2012		(10,815)	13	(10,802)
Prior period adjustment	23/24	0	0	0
As restated at 1 April 2012		(10,815)	13	(10,802)
Changes in taxpayers' equity for 2012–13 (restated)				
Net operating cost after taxation	SocNE	(462)	0	(462)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)	0	3	3
Transferred to General Fund from property, plant and equipment revaluation reserve	24(a)	0	0	0
Net gain/(loss) on revaluation of intangibles	24(b)	0	0	0
Transferred to General Fund from tangibles revaluation reserve	24(b)	0	0	0
Movement in donated assets	23	0	0	0
Transferred from revaluation reserve	23	0	0	0
Re-measurement of post employment benefits	23	(2,752)	0	(2,752)
Net NOMS financing received in year	23	0	0	0
Balance as at 31 March 2013		(14,029)	16	(14,013)
Changes in taxpayers' equity for 2013–14				
Net operating cost after taxation	SocNE	(487)	0	(487)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)	0	1	1
Transferred to General Fund from property, plant and equipment revaluation reserve	24(a)	0	0	0
Net gain/(loss) on revaluation of intangibles	24(b)	0	0	0
Transferred to General Fund from tangibles revaluation reserve	24(b)	0	0	0
Movement in donated assets	23	0	0	0
Transferred from revaluation reserve	23	0	0	0
Re-measurement of post employment benefits	23	331	0	331
Net NOMS financing received in year	23	0	0	0
Balance as at 31 March 2014		(14,185)	17	(14,168)

The notes on pages 28 to 57 form part of these accounts.

Notes to the accounts

1. Statement of accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the 2013–14 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM follow International Financial Reporting Standards (IFRS) as at the reporting date to the extent that it is meaningful and appropriate to the public sector.

Where the FRoM permits a choice of accounting policy, the policy which has been judged to be the most appropriate to the particular circumstances of the Probation Trust for the purpose of giving a true and fair view has been selected. The Probation Trust's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

BPT has not adopted any Standards or Interpretations in advance of the required implementation dates. It is not expected that adoption of Standards or Interpretations which have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements.

The functional and presentation currency of BPT is the British pound sterling (£).

1.2 Accounting convention

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

1.3 Changes in accounting policies and restatement of comparatives

New and amended standards adopted
IAS 1 'Presentation of Financial Statements – Other Comprehensive Income' (effective for accounting periods beginning on or after 1 July 2012).

The impact on BPT is that items presented in Other Comprehensive Expenditure will be grouped on the basis of whether they may subsequently be reclassified to net operating costs.

IAS 19 'Employee Benefits' was revised in June 2011 (effective for accounting periods beginning on or after 1 January 2013).

The changes have been made retrospectively in line with the transitional provisions of IAS 19 (revised 2011) and in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'.

Those that impact on BPT are:

- interest cost and expected return on plan assets are replaced with 'net interest', which is calculated by applying the same discount rate to the net defined benefit liability/(asset); and
- amended disclosures including the presentation of defined benefit costs, plan assets and reconciliation of net pension liability/(asset) as presented in **Note 4**.

The changes to IAS 19 apply retrospectively, giving rise to a prior period adjustment to net operating costs and other comprehensive expenditure. Net pension assets and liabilities are unchanged. The effect of the prior period adjustment on each line in the primary statements is set out in **Note 28**.

1.4 Going concern

The Statement of Financial Position at 31 March 2014 shows negative Taxpayers' Equity, which largely reflects the accumulated movement of the pension liability falling due in future years. MoJ/NOMS has committed to funding the pension liabilities transferred to the CRCs, relating to past service, and the future financing of all other liabilities in the NPS and CRCs falling due past 31 March 2014.

On 1 June 2014, BPT ceased trading.

On this date the operations of BPT transferred to the Secretary of State for Justice on behalf of the Ministry of Justice. They are administered by a new National Probation Service (NPS) and 21 Community Rehabilitation Companies (CRCs).

The existing assets, liabilities and staff of BPT were split between these entities in a practical way that reflects the services that each body provides. Some assets and liabilities remained in BPT to be settled as soon as practically possible.

A Statutory Instrument to dissolve the Probation Trust, under section 5(1) (c) of the Offender

Management Act 2007, will be made by the Secretary of State for Justice subject to the negative resolution procedure.

A tender process is currently under way with a successful bidder(s) to take ownership of the CRCs starting from winter 2014–15. As part of the sale, the contracts will influence the operations of the CRCs ensuring continuity of services beyond this date. Services will continue to be commissioned by MoJ/NOMS under this arrangement.

As the functions previously provided by BPT will continue to be provided by public sector entities and commissioned by the public sector when the CRC is in private ownership, the Accountable Officer with the support of senior management has concluded therefore that within the context of the Financial Reporting Manual (FReM), it is appropriate for BPT to prepare the 2013–14 Annual Report and Accounts on a going concern basis.

1.5 Property, plant and equipment

Property, plant and equipment, including subsequent expenditure on existing assets, is initially recognised at cost and is restated at each Statement of Financial Position date using the Price Index Numbers for Current Cost Accounting (Office for National Statistics). The minimum level for capitalisation of a tangible non-current asset is £5,000, inclusive of any irrecoverable VAT element, where appropriate.

Where significant purchases of individual assets which are separately beneath the capitalisation threshold arise in connection with a single project they are treated as a grouped asset.

All land and building assets used by the Probation Trust are managed and owned centrally by NOMS and are recorded on their Statement of Financial Position. The cost of using those assets is included within **Note 6**, other expenditure under “accommodation, maintenance & utilities”. The charge to the Probation Trust does not represent the full cost incurred by NOMS.

Revaluation

The revaluation reserve reflects the unrealised element of the cumulative balance of revaluation and indexation adjustments in non-current assets (excluding donated assets). Gains on revaluation are credited to the revaluation reserve and shown

in other comprehensive expenditure, unless they reverse a revaluation decrease on the same asset. Reversals are credited to net operating costs in the SoCNE to the extent of the amount previously expensed, and any excess is credited to the revaluation reverse.

1.6 Depreciation

Non-current assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Assets in the course of construction are depreciated from the point at which the asset is brought into use.

Asset lives are currently in the following ranges:

Information technology	5 years depending on individual asset type
Plant & machinery	3 to 15 years depending on individual asset type
Transport equipment	7 years depending on individual asset type
Furniture, fixtures & fittings	5 years depending on individual asset type

1.7 Impairment

All non-current assets are assessed annually for indications of impairment as at 31 March. Where indications of impairment exist, the asset value is tested for impairment by comparing the book value to the recoverable amount. In accordance with IAS 36 the recoverable amount is determined as the higher of the “fair value less costs to sell” and the “value in use”. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and written down to the recoverable amount and an impairment loss is recognised in the SoCNE. Any reversal of an impairment charge is recognised in the SoCNE to the extent that the original charge, adjusted for subsequent depreciation, was previously recognised in the SoCNE. The remaining amount is recognised in the Revaluation Reserve. Under IAS 36, Intangible Assets under construction should be tested for impairment annually.

1.8 Intangible non-current assets

BPT recognises intangible non-current assets only if it is probable that future service potential will flow to BPT and the cost of the asset can be measured reliably. Intangibles comprise internally developed software for internal use, software developed by third parties and licenses for purchased software.

The minimum level for capitalisation of an intangible non-current asset is £5,000, inclusive of any irrecoverable VAT element, where appropriate.

Expenditure is capitalised where it is directly attributable to bringing an asset into working condition. Internal staff costs are expensed to the SoCNE, as are those of contractors and interims undertaking ongoing roles that might otherwise be filled by civil servants. The costs of external consultants engaged on projects are capitalised where appropriate.

The useful lives of intangible assets are assessed to be finite. As there is no active market for these intangible assets, their fair value is assessed at re-valued amount less any accumulated amortisation and accumulated impairment losses.

The re-valued amount and indications of impairment are determined from an annual appraisal of the assets' underlying business case using discounted future economic benefits (cost savings). The net present value of the project is compared with the total current cost, and impaired accordingly.

Intangible assets are amortised using the straight-line method over their anticipated useful lives. The useful lives of the software range from 3 to 10 years. Licences are amortised over the length of the licence.

As there is no active market for these intangible assets, their fair value is assessed at the re-valued amount less any accumulated amortisation and accumulated.

Intangible assets are restated at each Statement of Financial Position date using Services Producer Price Index published by the Office for National Statistics.

1.9 Non-current assets held for sale

Non-current assets held for sale are identified as assets whose carrying amount will be recovered through sale rather than through continuing use. Depreciation on non-current assets held for sale ceases upon reclassification. Depreciation is re-instated and retrospectively applied to any assets which are subsequently not sold and re-classified as in-use.

1.10 Inventories

Stocks of stationery and other consumable stores are not considered material and are written off in the SoCNE as they are purchased.

1.11 Operating income

Income is accounted for applying the accruals convention and is recognised in the period in which services are provided.

Operating income is income that relates directly to the operating activities of the Probation Trust. This comprises income under BPT's contract with NOMS for the provision of Probation Services, rent receivables, income from EU sources, income from other Trusts, from within the MoJ Group, from other Government Departments and miscellaneous income. Fees and charges for services are recovered on a full cost basis in accordance with the Treasury's Fees and Charges guide.

With effect from 1 April 2011, NOMS has confirmed that Trusts can now retain bank interest received. Trusts are no longer required to surrender this to HM Treasury via NOMS and MoJ.

1.12 Other Expenditure

In 2012–13 the SoCNE was analysed between administration and programme income and expenditure. The classification of expenditure and income for both Administration and Programme followed the definition set out in the FReM by HM Treasury. Administration costs reflect the costs of running the Probation Trust together with associated operating income. Programme costs are defined as projects which are fully or partially funded from outside the Ministry of Justice. However for 2013–14 all programme expenditure for both prior and current year is shown as Other Expenditures. All programme income for both prior and current year is shown within one classification. This change has been made for fairer presentation of the accounts. Further details are shown in **Note 3, Note 6, Note 7 and Note 28.**

On consolidation into NOMS Agency Accounts, all expenditure and income is classified as programme, except the audit fee which is administration expenditure.

1.13 Pensions

Past and present employees are covered by the provisions of the Local Government Pension Scheme (LGPS). This is a funded defined benefit scheme. Retirement benefits are determined independently of the investments of the scheme and employers are obliged to make additional contributions where assets are insufficient to meet retirement benefits.

The pension fund is subject to an independent triennial actuarial valuation to determine each employer's contribution rate (Disclosure of Stakeholder Pensions Schemes is not included in these accounts). The last formal actuarial valuation was as at 31 March 2013.

The liability recognised in the SoFP in respect of defined benefit pension plans at the reporting date is the present value of the defined benefit obligation less the fair value of plan assets. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rates as advised by the scheme actuary.

Re-measurement gains and losses are recognised within Other Comprehensive Expenditure in the period in which they arise.

Where a central government entity has a share of a local government (or other) pension scheme liability on its statement of financial position, then that entity will use a discount rate determined by the appropriate authority (for example CIPFA or a qualified independent actuary) in valuing its share and not the rate advised annually by HM Treasury. The pension fund actuary has used roll forward estimated asset value figures in producing the IAS 19 pension liability and other disclosures.

1.14 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by BPT, the asset is recorded as a tangible non-current asset and a debt is recorded to the lessor of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the SoCNE over the period of the lease at a constant rate in the relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the SoCNE on a straight-line basis over the term of the lease.

A distinction is made between finance leases and operating leases. Finance leases are leases where substantially all of the risks and rewards incidental to ownership of leased non-current assets are transferred from the lessor to the lessee when assessed against the qualitative and quantitative criteria in IAS 17. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Finance leases

Finance lease rights and obligations are initially recognised at the commencement of the lease term as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments determined at the inception of the lease. Minimum lease payments are allocated between interest expense and reduction of the outstanding lease liability, according to the interest rate implicit in the lease or the HM Treasury rate where a rate could not extrapolated from the lease.

Finance lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or before the end of the succeeding year is disclosed as a current liability, and the remainder of the lease liability is disclosed as a non-current liability.

Operating leases

Leases other than finance leases are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the SoCNE on a straight-line basis.

1.15 Provisions

Provisions represent liabilities of uncertain timing or amount. Provisions are recognised when the Probation Trust has a present legal or constructive obligation, as a result of past events, for which it is probable or virtually certain that an outflow of economic benefits will be required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury.

1.16 Value Added Tax

For the Probation Trust most of the activities are within the scope of VAT and, in general, output tax is charged and input tax on purchases is recoverable. Capitalised purchase cost of non-current assets are stated net of recoverable VAT. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.17 Corporation Tax

BPT is a “corporate body” in accordance with the Offender Management Act 2007 supplying court work and offender management services to NOMS and the Ministry of Justice, and as a result, HMRC has confirmed that it is subject to corporation tax. BPT is therefore subject to Corporation Tax (CT) on its profits and ‘profit’ for this purpose means income and chargeable gains. These accounts include estimates of corporation tax liabilities.

1.18 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash in hand, that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

1.19 Financial instruments

As the cash requirements of BPT are met through the estimates process, financial instruments play a more limited role in creating 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 BPT’s expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that BPT is exposed too little credit, liquidity or market risk.

1.20 Segmental analysis of spend as reported to the Management Board

The segmental analysis presents the financial information based on the structure reported to BPT’s Management Board. The segments reflect BPT’s own individual structure allowing the Board to have a clear view on the costs of front-line operations. This is in accordance with IFRS 8 Segmental Reporting. Further detail is shown in **Note 2.**

2. Statement of Operating Costs by Operating Segment

	2013–14	2012–13
	£000	£000
Operating Segments		
Luton LDU	3,410	3,310
Bedford LDU	3,353	3,377
Projects	963	826
Operating Expenditure	7,726	7,513
Back Office Costs	1,968	2,098
Total Expenditure	9,694	9,611
Operating Segments		
Luton LDU	(89)	(120)
Bedford LDU	(323)	(90)
Projects	(788)	(533)
Back Office	(43)	(22)
NOMS Contract	(8,782)	(8,843)
Total Income	(10,025)	(9,608)
Net Operating Costs/(Income) before Pension adjustments	(331)	3
Pension Adjustments	88	(106)
Net Operating Income after Pension adjustments	(243)	(103)
Net Interest cost on Pension Scheme	632	565
Net Operating Costs Before Tax	389	462
Taxation	98	0
Net Operating Costs After Taxation	487	462
Net gain on revaluation of Property Plant and Equipment	(1)	(3)
Pension Actuarial Loss	(331)	2,752
Total Comprehensive Expenditure for the year ended 31 March 2014	155	3,211

The reporting segments reflect the operational organisation.

The increase in project income/costs has been due to the new Personality Disorder Project and the continuation of the Womenkind Projects. The further increase in Bedford LDU has occurred as Next Steps costs have been brought together within Bedford LDU and the increase in programmes run through the Bedford LDU.

3. Staff numbers and related costs

3a. Staff costs consist of:

	2013–14			2012–13
	Total	Permanently- employed staff	Others	Total
	£000	£000	£000	£000
Wages and salaries	5,829	5,456	373	5,788
Social security costs	423	423	0	423
Other pension costs	984	984	0	785
Sub-total	7,236	6,863	373	6,996
Less recoveries in respect of outward secondments	(42)	(42)	0	0
Total staff costs	7,194	6,821	373	6,996

Restatement of comparatives

In the prior year costs were split between administration and programme related costs. For 2013–14 all staff costs have been aggregated in to one classification. This has no impact on total staff costs. See also **Note 1.12**.

The Local Government Pension Scheme is a funded multi-employer defined benefit scheme. The Probation Trust's share of the underlying assets and liabilities are shown below in **Note 4**.

0 persons (2012–13: 0 persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £0 (2012–13: £0).

3b. Average number of persons employed

The average number of full time equivalent persons (including senior management) employed during the year was as follows:

2013–14			2012–13
Total	Permanently- employed staff	Others	Total
FTEs	FTEs	FTEs	FTEs
186	176	10	189
186	176	10	189

3c. Reporting of compensation schemes – exit packages

Exit packages cost band	2013–14			2012–13		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	0	1	1	0	2	2
£10,000–£25,000	0	0	0	0	0	0
£25,000–£50,000	0	0	0	0	0	0
£50,000–£100,000	0	0	0	0	0	0
£100,000–£150,000	0	0	0	0	0	0
£150,000–£200,000	0	0	0	0	0	0
£200,000+	0	0	0	0	0	0
Total number of exit packages by type	0	1	1	0	2	2
Total resource cost £000	0	5	5	0	2	2

Redundancy and other departure costs have been paid in accordance with BPT compensation scheme. The additional costs of any early retirements are met from BPT and not the pension scheme and are included in the above figures. Ill health retirement costs are met from the pension scheme and are excluded from the above table.

4. Pensions costs

BPT contributes 19.2% of employees' gross salary to the Bedfordshire Pension Fund, which is a Local Government Pension Scheme, administered by Bedford Borough Council and is a defined benefit statutory scheme.

4a. Pension costs

A full actuarial valuation will be carried out at 31 March 2013 by Hymans Robertson LLP. For 2013–14, employer's contributions of £863k were payable to the Bedford Local Government Pension Scheme (2012–13 £891k) at a rate of 19.2% (2012–13 19.2%). The schemes' Actuary reviews employer contributions every three years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. Future contributions are referred to in **Note 27**.

Partnership accounts are excluded under IAS19.

4b. The major assumptions used by the actuary were:

	2013–14	2012–13
	%	%
Inflation assumption	2.8%	2.8%
Rate of increase in salaries	3.6%	5.1%
Rate of increase for pensions in payment and deferred pensions	2.8%	4.5%
Discount rate	4.3%	4.5%

Mortality Assumptions:

Life expectancy is based on the Fund's VitaCurves with improvements from 2010 in line with the Medium Cohort and a 1.25% per annum underpin. These assumptions have not changed from 2012–13. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	22.4 years	24.3 years
Future Pensioners*	24.4 years	26.8 years

*Figures assume members aged 45 as at the last formal valuation date.

4c. Movements in the defined benefit obligation during the year

	2013–14		Total £000
	Present value of obligation £000	Fair value of plan assets £000	
Plan assets	0	21,480	21,480
Funded liabilities	(35,196)	0	(35,196)
Unfunded liabilities	(297)	0	(297)
Opening balance at 1 April (restated)	(35,493)	21,480	(14,013)
Current service costs	(984)	0	(984)
Past service costs (including curtailments)	0	0	0
Gains and losses on settlements	0	0	0
	(984)	0	(984)
Net Interest (cost)/income	(1,598)	966	(632)
Remeasurements			
Returns on plan assets, excluding amounts included in interest cost/(income)	0	114	114
Gain/(loss) from change in demographic assumptions	(802)	0	(802)
Gain/(loss) from change in financial assumptions	1,548	0	1,548
Experience gains/(losses)	(529)	0	(529)
Change in asset ceiling, excluding amounts included in interest cost	0	0	0
	217	114	331
Foreign exchange differences	0	0	0
Effect of business combinations on disposals	0	0	0
Contributions			
Employers	0	872	872
Plan participants	(303)	303	0
Unfunded benefits	0	24	24
Payments from plans			
Benefit payments	1,186	(1,186)	0
Unfunded benefit payments	24	(24)	0
Closing balance at 31 March	(36,951)	22,549	(14,402)
Plan assets	0	22,549	22,549
Funded liabilities	(36,660)	0	(36,660)
Unfunded liabilities	(291)	0	(291)
Closing balance at 31 March	(36,951)	22,549	(14,402)

	2012–13 (Restated)		Total £000
	Present value of obligation £000	Fair value of plan assets £000	
Plan assets	0	18,252	18,252
Funded liabilities	(30,099)	0	(30,099)
Unfunded liabilities	0	0	0
Opening balance at 1 April	(30,099)	18,252	(11,847)
Current service costs	(785)	0	(785)
Past service costs (including curtailments)	0	0	0
Gains and losses on settlements	0	0	0
	(785)	0	(785)
Net interest (cost)/income	(1,448)	883	(565)
Remeasurements			
Returns on plan assets, excluding amounts included in interest cost	0	1,064	1,064
Gain/(loss) from change in demographic assumptions	0	0	0
Gain/(loss) from change in financial assumptions	(3,896)	0	(3,896)
Experience gains/(losses)	80	0	80
Change in asset ceiling, excluding amounts included in interest cost	0	0	0
	(3,816)	1,064	(2,752)
Foreign exchange differences	0	0	0
Effect of business combinations on disposals	0	0	0
Contributions			
Employers	0	1,936	1,936
Plan participants	(303)	303	0
Unfunded benefits	0	0	0
Payments from plans			
Benefit payments	934	(934)	0
Unfunded benefit payments	24	(24)	0
Closing balance at 31 March	(35,493)	21,480	(14,013)
Plan assets	0	21,480	21,480
Funded liabilities	(35,196)	0	(35,196)
Unfunded liabilities	(297)	0	(297)
Closing balance at 31 March	(35,493)	21,480	(14,013)

4d. Plan assets are comprised as follows

	2013–14				2012–13			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
	£000	£000	£000		£000	£000	£000	
Equity instruments								
Consumer	256	0	256	%	269	0	269	%
Energy and utilities	373	0	373	%	335	0	335	%
Financial institutions	473	0	473	%	487	0	487	%
Health and care	376	0	376	%	322	0	322	%
Information technology	291	0	291	%	305	0	305	%
Manufacturing	182	0	182	%	148	0	148	%
Other	220	0	220	%	248	0	248	%
	2,171	0	2,171	10%	2,114	0	2,114	10%
Debt instruments	0	0	0	%	0	0	0	%
	0	0	0	%	0	0	0	%
Property								
UK	1,309	452	1,761	%	666	930	1,596	%
Overseas	0	21	21	%	0	51	51	%
Property funds	0	0	0	%	0	0	0	%
	1,309	473	1,782	8%	666	981	1,647	8%
Derivatives	0	0	0	%	0	0	0	%
	0	0	0	%	0	0	0	%
Cash and cash equivalents	0	1,483	1,483	7%	0	711	711	3%
Investment funds								
Equities	355	8,662	9,017	%	384	7,911	8,295	%
Bonds	1,955	2,157	4,112	%	1,900	2,592	4,492	%
Hedge funds	0	0	0	%	0	773	773	%
Commodities	0	0	0	%	0	362	362	%
Infrastructure	0	0	0	%	0	0	0	%
Other	3,984	0	3,984	%	3,086	0	3,086	%
	6,294	10,819	17,113	76%	5,370	11,638	17,008	79%
Other	0	0	0	%	0	0	0	%
Total	9,774	12,775	22,549	100%	8,150	13,330	21,480	100%

4e. Sensitivity analysis

Change in assumptions at year ended 31 March 2014	Approximate % increase to Employer Liability	Approximate Monetary Amount
		£000
0.5% decrease in Real Discount Rate	10%	3,705
1 year increase in member life expectancy	3%	1,109
0.5% increase in the Salary Increase Rate	3%	1,202
0.5% increase in the Pension Increase Rate	7%	2,459

5. Taxation

	2013–14	2012–13
	£000	£000
UK corporation tax	98	0
Total	98	0

Probation Trusts are corporate bodies under the OM Act 2007, supplying court work and offender management services to the Ministry of Justice. BPT is therefore subject to Corporation Tax on its profits and 'profit' for this purpose means income and chargeable gains.

6. Other Expenditure

	2013–14		2012–13 <i>Restated</i>	
	£000	£000	£000	£000
Accommodation, maintenance and utilities	790		863	
Travel, subsistence and hospitality	154		168	
Professional services	106		166	
IT services	357		346	
Communications, office supplies and services	129		182	
Other staff related	131		184	
Offender costs	583		448	
Other expenditure	204		69	
External Auditors' remuneration – statutory accounts	22		23	
Internal Auditors' remuneration	14		13	
		2,490		2,462
Non-cash items				
Depreciation of tangible non-cash assets	17		16	
Profit/(loss) on disposal of tangible non-cash assets	6		0	
Other provisions provided for in year	33		31	
		56		47
Total		2,546		2,509

Restatement of comparatives

In the prior year costs were split between administration and programme related costs. For 2013–14 all costs have been aggregated in to one classification. This has no impact on total costs. See also **Note 1.12**.

7. Income

	2013-14		2012-13 <i>Restated</i>	
	£000	£000	£000	£000
Income receivable from the sponsoring department – NOMS	9,003		9,035	
		9,003		9,035
Other income from NOMS		3		23
Other income from other Government departments		829		482
Miscellaneous income		147		67
		9,982		9,607
Interest received:				
From bank	1		1	
Total interest received		1		1
Total income		9,983		9,608

Restatement of comparatives

In the prior year income was split between administration and programme related income. For 2013-14 all income has been aggregated in to one classification. This has no impact on total income. See also **Note 1.12**.

8. Property, plant and equipment

	2013–14		
	Plant and machinery	Transport equipment	Total
	£000	£000	£000
Cost or valuation			
As at 1 April 2013	58	104	162
Additions	0	0	0
Disposals	0	(15)	(15)
Transfers	0	0	0
Reclassifications	0	0	0
Impairments	0	0	0
Indexation/revaluation	1	1	2
As at 31 March 2014	59	90	149
Depreciation			
As at 1 April 2013	32	48	80
Charge in year	3	14	17
Disposals	0	(10)	(10)
Transfers	0	0	0
Reclassifications	0	0	0
Impairments	0	0	0
Indexation/revaluation	1	0	1
As at 31 March 2014	36	52	88
Carrying value as at 31 March 2014	23	38	61
Carrying value as at 31 March 2013	26	56	82
Asset financing			
Owned	23	38	61
Finance leased	0	0	0
Carrying value as at 31 March 2014	23	38	61

8. (Continued)

	2012–13		
	Plant and machinery	Transport equipment	Total
	£000	£000	£000
Cost or valuation			
As at 1 April 2012	32	98	130
Additions	25	0	25
Disposals	0	0	0
Transfers	0	0	0
Reclassifications	0	0	0
Impairments	0	0	0
Indexation/revaluation	1	6	7
As at 31 March 2013	58	104	162
Depreciation			
As at 1 April 2012	29	31	60
Charge in year	2	14	16
Disposals	0	0	0
Transfers	0	0	0
Reclassifications	0	0	0
Impairments	0	0	0
Indexation/revaluation	1	3	4
As at 31 March 2013	32	48	80
Carrying value as at 31 March 2013	26	56	82
Carrying value as at 31 March 2012	3	67	70
Asset financing			
Owned	26	56	82
Finance leased	0	0	0
Carrying value as at 31 March 2013	26	56	82

9. Intangible assets

	2013-14	
	Licences	Total
	£000	£000
Cost or valuation		
As at 1 April 2013	11	11
Additions	0	0
Disposals	(11)	(11)
Reclassifications	0	0
Indexation/revaluation	0	0
Transfers	0	0
Impairments	0	0
As at 31 March 2014	0	0
Amortisation		
As at 1 April 2013	11	11
Charge in year	0	0
Disposals	(11)	(11)
Reclassifications	0	0
Indexation/revaluation	0	0
Transfers	0	0
Impairments	0	0
As at 31 March 2014	0	0
Carrying value as at 31 March 2014	0	0
Carrying value as at 31 March 2013	0	0
Asset financing		
Owned	0	0
Finance leased	0	0
Carrying value as at 31 March 2014	0	0

9. (Continued)

	2012–13	
	Licences	Total
	£000	£000
Cost or valuation		
As at 1 April 2012	11	11
Additions	0	0
Disposals	0	0
Reclassifications	0	0
Indexation/revaluation	0	0
Transfers	0	0
Impairments	0	0
As at 31 March 2013	0	0
Amortisation		
As at 1 April 2012	11	11
Charge in year	0	0
Disposals	0	0
Reclassifications	0	0
Indexation/revaluation	0	0
Transfers	0	0
Impairments	0	0
As at 31 March 2013	0	0
Carrying value as at 31 March 2013	0	0
Carrying value as at 31 March 2012	0	0
Asset financing		
Owned	0	0
Finance leased	0	0
Carrying value as at 31 March 2013	0	0

10. Impairments

There were no impairments in the year (2012–13 – £0).

11. Assets held for sale

There were no assets held for sale at the reporting date.

12. Trade receivables and other current assets

12a. Analysis by type

	2013–14	2012–13
	£000	£000
Amounts falling due within one year		
Trade receivables	0	25
VAT	0	0
Deposits and advances	0	0
Receivables due from Trusts	0	0
Receivables, Accrued Income and Prepayments due from NOMS Agency	902	1,115
Receivables, Accrued Income and Prepayments due from MoJ Group	0	0
Receivables, Accrued Income and Prepayments due from other Government departments	161	157
Other receivables	23	16
Prepayments	22	23
Accrued income	0	3
	1,108	1,339
Amounts falling due after more than one year		
Trade receivables		
Deposits and advances	0	0
Other receivables	0	0
Prepayments and accrued income	0	0
	0	0
Total	1,108	1,339

12b. Intra-Government receivables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2013–14	2012–13	2013–14	2012–13
	£000	£000	£000	£000
Balances with other central Government bodies (inc. parent department)	918	1,120	0	0
Balances with local authorities	9	148	0	0
Balances with NHS bodies	136	6	0	0
Balances with public corporations and trading funds	0	0	0	0
	1,063	1,274	0	0
Balances with bodies external to Government	45	65	0	0
Total	1,108	1,339	0	0

13. Cash and cash equivalents

	2013–14	2012–13
	£000	£000
Balance at 1 April	561	1,142
Net change in cash and cash equivalents	(228)	(581)
Balance at 31 March	333	561
The following balances at 31 March are held at:		
Government Banking Service	0	0
Commercial banks and cash in hand	333	561
Balance at 31 March	333	561

14. Trade payables and other current liabilities

14a. Analysis by type

	2013–14	2012–13
	£000	£000
Amounts falling due within one year (excluding taxation)		
Trade payables	78	16
Other payables	0	0
Accruals	139	329
Deferred income	122	461
Staff payables	84	107
Bank overdraft	0	0
Payables due to Probation Trusts	1	36
Payables, Accruals and Deferred Income due to NOMS Agency	47	0
Payables, Accruals and Deferred Income due to MoJ Group	0	0
Payables, Accruals and Deferred Income due to other Government departments	124	386
Unpaid pensions contributions due to the pensions scheme	0	5
Long-term liabilities due within one year	0	0
Non-current asset accruals	0	0
	595	1,340
Tax falling due within one year		
VAT	384	611
Corporation tax	98	0
Other taxation and social security	127	0
	609	611
Total amounts falling due within one year	1,204	1,951
Amounts falling due after more than one year		
Staff payables	0	0
Other payables	0	0
	0	0
Total	1,204	1,951

14b. Intra-Government payables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2013–14	2012–13	2013–14	2012–13
	£000	£000	£000	£000
Balances with other central Government bodies (inc. parent department)	657	647	0	0
Balances with local authorities	124	550	0	0
Balances with NHS bodies	0	33	0	0
Balances with public corporations and trading funds	0	0	0	0
	781	1,230	0	0
Balances with bodies external to Government	423	721	0	0
Total	1,204	1,951	0	0

15. Provisions for liabilities and charges

	2013–14				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Balance at 1 April	0	0	31	0	31
Provided in year	0	0	33	0	33
Provisions not required written back	0	0	0	0	0
Provision utilised in the year	0	0	0	0	0
Unwinding of discount	0	0	0	0	0
Balance as at 31 March	0	0	64	0	64

	2013–14				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Analysis of expected timing of discount flows					
Not later than one year	0	0	64	0	64
Current liability	0	0	64	0	64
Later than one year and not later than five years	0	0	0	0	0
Later than five years	0	0	0	0	0
Non-current liability	0	0	0	0	0
Balance as at 31 March	0	0	64	0	64

	2012–13				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Balance at 1 April	0	0	0	0	0
Provided in year	0	0	31	0	31
Provisions not required written back	0	0	0	0	0
Provision utilised in the year	0	0	0	0	0
Unwinding of discount	0	0	0	0	0
Balance as at 31 March	0	0	31	0	31

	2012–13				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Analysis of expected timing of discount flows					
Not later than one year	0	0	31	0	31
Current liability	0	0	31	0	31
Later than one year and not later than five years	0	0	0	0	0
Later than five years	0	0	0	0	0
Non-current liability	0	0	0	0	0
Balance as at 31 March	0	0	31	0	31

BPT has made provision in relation to seven personal injury claims outstanding as at 31 March 2014. The provision reflects potential costs adjusted by Management's assessment of their likelihood of success. The Probation Trust provides for future estimated redundancy and pension capital costs of specific staff, where agreements are in place at 31 March, under BPT's voluntary redundancy scheme.

As at 31 March 2014 no such agreements were in place.

16. Capital commitments

There were no capital commitments at the reporting date (2012–13 – £0).

17. Commitments under leases

17a. Operating leases

There are no operating leases (2012–13 – £0).

17b. Finance leases

There are no finance leases (2012–13 – £0).

18. Other financial commitments

There are no financial commitments (2012–13 – £0).

19. Deferred tax asset

There are no deferred tax assets (2012–13 – £0).

20. Financial instruments

As the cash requirements of BPT are met through the estimates process, financial instruments play a more limited role in creating 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 BPT's expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that BPT is exposed too little credit, liquidity or market risk.

BPT does not face any significant medium to long term financial risks.

21. Contingent liabilities

There are no contingent liabilities (2012–13 – £0).

22. Losses and special payments

22a. Losses statement

There were no Losses payments that fell within the given parameters for 2013–4 (2012–13 – £0; 3 cases where claims were abandoned).

22b. Special payments schedule

There were no Special Payments for 2013–14(2012–13 – £1k; 2 cases).

23. General fund

	2013–14	2012–13
	£000	£000
Balance at 1 April	(14,029)	(10,815)
Prior period adjustment (Note 28)	0	0
Balance restated at 1 April	(14,029)	(10,815)
Financing	0	0
Net transfers from Operating Activities:		
Statement of Comprehensive Net Expenditure	(487)	(444)
Movement in donated assets	0	0
Transferred from revaluation reserve	0	0
Re-measurement of post employment benefits	331	(2,770)
Balance at 31 March	(14,185)	(14,029)

24. Revaluation reserve

24a. Property, plant and equipment

	2013–14	2012–13
	£000	£000
Balance at 1 April	16	13
Prior period adjustment (Note 28)	0	0
Balance restated at 1 April	16	13
Arising on revaluations of PPE during the year (net)	1	3
Transferred to General Fund	0	0
Balance at 31 March	17	16

24b. Intangibles

There are no revaluation reserves (2012–13 £0).

25. Related party transactions

NOMS and the Ministry of Justice are regarded as a related party. During the year, BPT had various material transactions with the Ministry of Justice. Additionally, BPT had transactions with other Trusts', other government bodies and third party organisations.

During the year, none of the members of the Management Board, members of key management staff or other related parties, or their related parties has undertaken any material transactions with BPT.

26. Third-party assets

There are no third-party assets (2012–13 £0).

27. Events occurring 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 Audit Certificate of the Comptroller and Auditor General.

As at the date of the Audit Certificate, the following reportable events had occurred.

Dissolution of BPT

BPT ceased trading on 1 June 2014. A Statutory Instrument to dissolve BPT, under section 5(1) (c) of the Offender Management Act 2007, will be made by the Secretary of State for Justice subject to the negative resolution procedure.

The operations of BPT have been divided between the National Probation Service and a Community Rehabilitation Company, both public sector entities. MoJ/NOMS has committed to ensuring all services will continue under the new structure, using the same assets and resources, for the foreseeable future.

On 1 June 2014 a Transfer Order effected the transfer of existing assets, liabilities and staff of BPT to the NPS and CRC public sector bodies in a practical way that reflects the services that each provides. Some assets and liabilities remained in BPT to be settled as soon as practically possible.

A tender process is currently under way with a successful bidder to take ownership of the CRC in winter 2014–15.

The Accountable Officer with the support of senior management has concluded that there is no further impact on the financial statements other than those referred to in **Note 1.4**.

Basis of allocation of balances after BPT ceased trading on 1 June 2014

On 1 June 2014, the assets and liabilities of the Probation Trust were allocated between the NPS and CRC as follows:

Pensions

On 1 June 2014 BPT's existing pension liabilities and corresponding assets were transferred to the Greater Manchester Pension Fund (GMPF).

BPT is no longer required to pay employer contributions to the fund.

The responsibility for funding the past service liabilities and all future contributions associated with those original employees who are active members of the LGPS have transferred with the employee to the new employer (the CRC or the NPS) as referred to in **Note 1.4**. The MoJ ensures that the past service liabilities are 100% funded on an ongoing basis from the date the employees transferred to the CRC.

The Secretary of State for Justice has provided a guarantee to the GMPF in respect of the CRCs' participation in the GMPF for pension liabilities that transfer to the CRCs.

The responsibility for funding the past service liabilities associated with the original employees who are deferred or pensioner members of the LGPS have transferred to the NPS under the Secretary of State for Justice.

Leases and service contracts

Property and IT leases remain within the Ministry of Justice.

All other service contracts have been novated to the relevant entity based on where the services of that contract will be provided. Where the services are shared by both entities, the contract will in most cases be novated to the majority user.

Staff related balances

All staff related balances, not settled by BPT shortly after 1 June 2014, have been allocated to the relevant entity each member is transferred.

All other balances

Existing debtors and creditors that remain within BPT are to be settled from existing funds.

All other balances have been allocated on a practical basis taking in to account future use, staff member allocation and services provided by that entity.

Where an asset, liability or service is utilised by both entities it will likely remain within the NPS/NOMS.

The finalisation of the split of assets and liabilities has not been completed as at the date of this report. Therefore financial information is not available.

28. Prior period adjustments

IAS 19 *Employee Benefits* (Revised 2011)

In the current year, BPT has applied the 2011 amendments to IAS 19 *Employee Benefits* (revised 2011), which are mandatory for accounting periods beginning on or after 1 January 2013. The standard requires retrospective application, which has resulted in a prior period adjustment. The prior period comparatives have been restated accordingly.

The amendments relevant to BPT are:

The interest cost and expected return on plan assets are replaced with 'net interest', which is calculated by applying the same discount rate to the net defined benefit liability/ (asset). Retrospective application has had an impact on the amounts recognised in profit or loss and other comprehensive income in 2012–13. The net assets and liabilities are unchanged.

Specific transitional provisions are applied to first time application of IAS 19 (revised 2011). BPT has applied the relevant transitional provisions and restated the comparative figures.

Impact on total comprehensive expenditure for the year of application of IAS 19 Extract from the statement of comprehensive net expenditure

	2012–13 Restated
Extract from the 2012–13 accounts before restatement:	£000
Net operating expenditure after taxation	444
Other comprehensive expenditure	2,767
Total comprehensive expenditure	3,211
Restatement:	
Increase in programme expenditure (interest costs)	18
Decrease in re-measurement of defined benefit obligation (previously actuarial loss)	(18)
	0
Extract from the 2012–13 accounts after restatement:	
Net operating expenditure after taxation	462
Other comprehensive expenditure	2,749
Total comprehensive expenditure	3,211

Extract from the statement of changes in taxpayers' equity

	2012–13 Restated
Extract from the 2012–13 accounts before restatement:	£000
General fund balance as at 31 March 2013	(14,029)
Restatement:	
Increase in net operating expenditure	18
Decrease in re-measurement of defined benefit obligation (previously actuarial loss)	(18)
General fund balance as at 31 March 2013 after restatement	(14,029)

Accounts Direction

ACCOUNTS OF LOCAL PROBATION TRUSTS IN ENGLAND AND WALES ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE IN ACCORDANCE WITH PARAGRAPHS 13(1) and 14(2) OF SCHEDULE 1 TO THE OFFENDER MANAGEMENT ACT 2007

1. This direction applies to the Local Probation Trusts (BPTs) listed in the attached Appendix 1.
2. Each Trust shall prepare a statement of accounts for the financial year ended 31 March 2014 and subsequent financial years, in compliance with the accounting principles and disclosure requirements of the Government Financial reporting Manual (“the FReM”) issued by HM Treasury and which is in force for the relevant financial year.
3. The accounts shall be prepared so as to:
 - give a true and fair view of the state of affairs of BPT as at the financial year-end and of the comprehensive net expenditure, changes in taxpayers’ equity and cash flows for the financial year and have been properly prepared in accordance with the Offender Management Act 2007;
 - provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with NOMS Agency finance team and HM Treasury.
5. Additionally BPTs shall be required to comply with all Probation Communication Notices to the extent that they build on the requirement of the FReM subject to the directions in paragraph 4.
6. This direction supersedes that provided by the Secretary of State to Probation Trusts dated 6 March 2013.



Edward Kirby

On behalf of the Secretary of State for the Ministry of Justice
18 February 2014

Appendix 1

35 Probation Trusts:

Avon and Somerset
Bedfordshire
Cambridgeshire and Peterborough
Cheshire
Cumbria
Derbyshire
Devon and Cornwall
Dorset
Durham Tees Valley
Essex
Gloucestershire
Greater Manchester
Hampshire
Hertfordshire
Humberside
Kent
Lancashire
Leicestershire and Rutland
Lincolnshire
London
Merseyside
Norfolk and Suffolk
Northamptonshire
Northumbria
Nottinghamshire
South Yorkshire
Staffordshire and West Midlands
Surrey and Sussex
Thames Valley
Wales
Warwickshire
West Mercia
West Yorkshire
Wiltshire
York and North Yorkshire

8. Sustainability Report

(Not subject to audit)

Introduction

This is the third Sustainability Report for Bedfordshire Probation Trust, prepared in accordance with 2011–2012 guidelines laid down by HM Treasury in ‘Public Sector Annual Reports: Sustainability Reporting’ published at: www.hm-treasury.gov.uk/frem_sustainability.htm. Sustainability focus is on achieving government targets, reducing environmental impact and reducing costs. Priorities include reducing carbon emissions, water consumption and waste to landfill.

This report covers six buildings.

Shared occupations are not accounted for due to the limitations of extrapolating reliable sustainability data from service charges supplied by landlords. In addition, HM Courts & Tribunals Service is obliged to supply office space free of charge to probation trusts. As these are modest in size there is little, if any, benefit from isolating their sustainability data. We do not consider that the exclusion of these areas has a material impact on sustainability reporting for BPT as a whole.

Governance, responsibilities and internal assurance

Overall governance and assurance is managed by the Ministry of Justice Sustainable Development Team (MoJ SDT). The probation estate is managed by facilities contractors, acting on behalf of MoJ, who manage day to day estate operations including voluntary and mandated sustainability reporting. There are some limitations to the accuracy of our financial and non-financial sustainability data and we continue to improve the quality of our internal controls, for example through internal audit.

Greening Government Commitments

The Greening Government Commitments launched on 1 April 2011 require Departments, including probation trusts, to take action to significantly reduce environmental impact by 2014–2015 (compared to a 2009–2010 baseline). These commitments can be found at: <http://sd.defra.gov.uk/gov/green-government/commitments/>.

Climate Change adaption and Mitigation

The MoJ SDT has drafted a Statement for Climate Change Adaptation and set their built and non-built estate challenging objectives as follows:

- To enable the MoJ estate to evaluate risks to its strategy for programme delivery on vulnerable flood plains and evaluate its baseline for future adaptation of its targets and actions against climate change
- To enable the MoJ estate to prioritise its management of high risk sites and where necessary divert and recalculate important and fragile resources where they are vital to operational delivery
- To identify where stakeholders and central partners need to act to facilitate further or additional actions to protect against climate change
- To establish a strategic process by which MoJ can put in place measures necessary to adapt to future climate change.

Carbon Reduction Commitment (CRC)

CRC is managed by MoJ and associated carbon allowances are accrued by MoJ Corporate Estates.

Carbon Management Plan (CMP)

A CMP is a systematic approach to reducing greenhouse gas emissions; integrating technical, financial, corporate governance and communications within an overarching strategy. A CMP covers the entire probation estate across 35 Trusts and was developed in partnership with the Carbon Trust. The MoJ SDT is working to consolidate all CMPs, including those in place in the Prison Service and Courts & Tribunals to deliver a single cohesive approach with costed projects for each unit to provide an overarching framework to tackle climate change.

Our vision is to:

- be a low carbon business in which carbon management and sustainability are embedded within decision making,
- engage stakeholders and demonstrate best practice in meeting corporate sustainability targets.

The plan and statements will be kept under review and open to amendment in order to facilitate a continued improvement in meeting statutory obligations for climate change adaptation and reporting.

Environmental Management System (EMS)

MoJ SDT has an ongoing EMS implementation programme, and is looking to develop a more streamlined EMS that fully meets the requirements while reducing resource impacts on front line services.

Sustainable procurement

Bedfordshire Probation Trust has access to purchasing agreements for commodities from suppliers that make available recycled and low carbon products where appropriate.

Social and environmental awareness

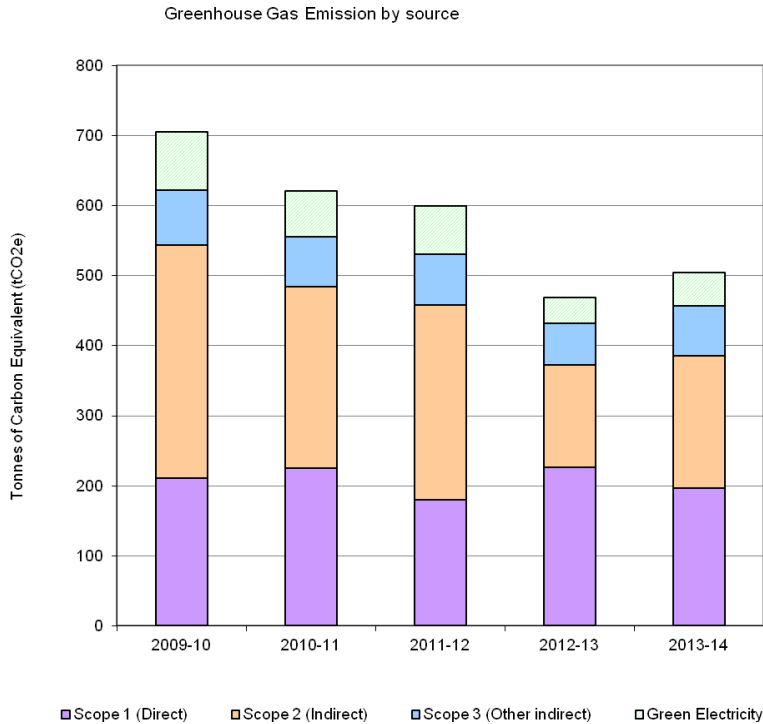
BPT is involved in a number of social and community partnerships promoting restorative justice, reducing reoffending and support further progress towards UK sustainability targets.

Performance summary

Due to the time lag in receiving performance data from the contractor, March 2014 figures have been estimated as an average of January and February data. Where other data is missing similar estimation techniques have been employed.

Greenhouse gas (GHG) emissions

		2009–10	2010–11	2011–12	2012–13	2013–14
Non-financial indicators (tCO ₂ e)	Scope 1 (direct): Site-based emissions & owned transport	210.7	225.3	179.3	225.7	196.5
	Scope 2 (indirect): Supplied energy (electricity and heat)	333.0	259.0	277.9	146.4	188.6
	Scope 3 (other indirect): Business travel & transmission losses from supplied energy	77.9	71.1	72.7	59.6	71.6
	Total gross GHG emissions	621.7	555.4	529.9	431.7	456.7
	Electricity: green/renewable	83.3	64.7	69.5	36.6	47.2
	Total net GHG emissions	538.4	490.6	460.4	395.1	409.6
Non-financial indicators (kWh)	Electricity: Grid, CHP & non-renewable	505,817	435,964	467,911	246,440	317,545
	Electricity: renewable	168,606	145,321	155,970	82,147	105,848
	Gas	1,000,639	1,079,820	829,677	1,116,607	985,871
	Other energy sources	0	0	0	0	0
	Total energy	1,675,062	1,661,105	1,453,558	1,445,194	1,409,264
Financial indicators	Expenditure on energy (£)	£85,609	£67,529	£89,995	£73,189	£76,398
	Expenditure on official business travel (£)	£170,979	£170,882	£170,785	£174,153	£148,922



Performance commentary (including targets)

Target: Is to reduce the carbon dioxide emission from the estate and business related transport by 2015 compared to the 2009–10 baseline. We are on target to hit this reduction by 2015. There have been estimates for Rail and Taxi travel mileage in the reports.

Controllable impacts commentary

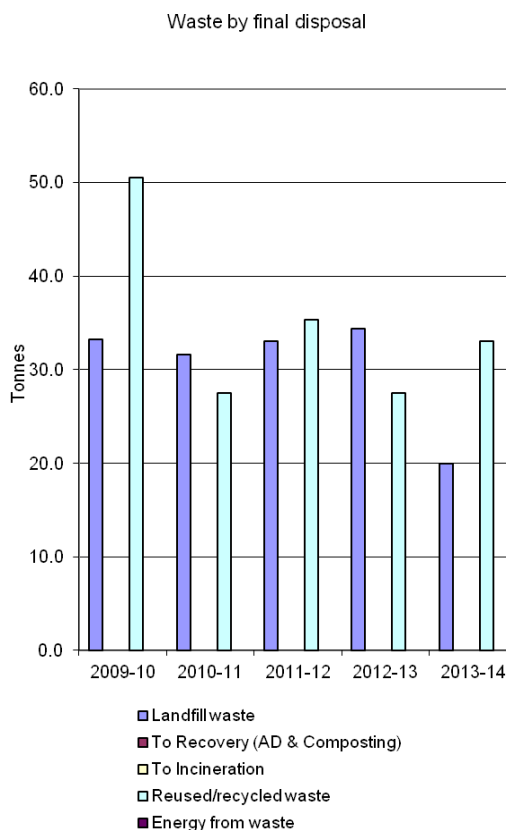
Business travel is predominantly within the county boundaries and primarily between Luton and Bedford. However, there has been an increase in travel to London and other NOMS or MoJ locations due to the Transforming Rehabilitation program. This has been kept to a minimum with the use of teleconferencing facilities; where appropriate. All travel still has to be approved by line managers.

Overview of influenced impacts

As per last year’s statement our buildings would benefit from an upgrade in terms of insulation and temperature control technologies. However, this is still cost prohibitive at the moment.

Waste

			2009–10	2010–11	2011–12	2012–13	2013–14
Non-financial indicators (tonnes)	Non-hazardous waste	Landfill waste	33.2	31.6	33.0	34.4	20.0
		To recovery (AD & composting)	0.0	0.0	0.0	0.0	0.0
		To incineration	0.0	0.0	0.0	0.0	0.0
		Reused/recycled waste	50.6	27.5	35.3	27.5	33.0
		Energy from waste	0.0	0.0	0.0	0.0	0.0
		Total waste arising		83.8	59.1	68.3	61.9
Financial indicators	Non-hazardous waste	Landfill waste	0	0	0	0	0
		To recovery (AD & composting)	0	0	0	0	0
		To incineration	0	0	0	0	0
		Reused/recycled waste	0	0	0	0	0
		Energy from waste	0	0	0	0	0
		Total waste costs (£)		£0	£0	£0	£0



Performance commentary (including targets)

Target: Is to reduce the amount of waste generated by 25% from the 2009–10 baseline. The reported figure demonstrates a reduction of 36%, exceeding the target.

Controllable impacts commentary

BPT is continuing to be mindful of its generation of waste and the impact this has on landfill.

Overview of influenced impacts

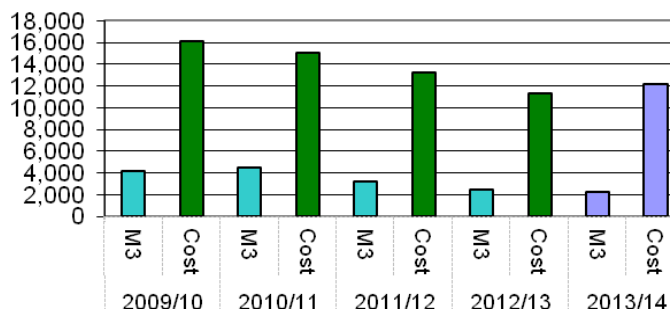
The introduction of recycling points last year has improved the focus on waste and the reduction of it.

Water

Non-financial indicators **Total water consumption (cubic metres: m³)**
 Financial indicators **Total water supply costs (£)**

2009–10	2010–11	2011–12	2012–13	2013–14
4,217	4,490	3,212	2,424	2,285
£16,092	£15,018	£13,233	£11,331	£12,208

Water (consumption and costs).



Performance commentary (including targets)

Target: Is to reduce water consumption below the 2009–10 baseline. However, the reduction from 22.5m³ per FTE in 2009–10 to the current 11.90m³ per FTE, will need to have greater focus on it if we are to hit the 4m³ to 6m³ per FTE from the Greening Report.

Controllable impacts commentary

Water is primarily used for washing crockery, drinking and for bathrooms. Some locations use water in the heating and ventilation systems.

Overview of influenced impacts

Whilst we are fully committed to reducing the water consumption of BPT more water is being drunk due to healthy living practices within society.

Paper

	2009–10	2010–11	2011–12	2012–13	2013–14
Cost (excluding VAT)	£13,082	£13,166	£13,250	£11,408	£6,215

Performance commentary (including targets)

Target: Is to reduce paper usage by 10% against the 2009–10 baseline. Reported data gives the reduction by over 50%.

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