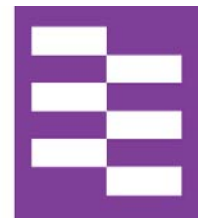


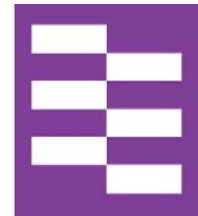
**Gloucestershire
Probation Trust**



Gloucestershire Probation Trust

**Annual Report and Accounts
2013–2014**

**Gloucestershire
Probation Trust**



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Annual Report and Accounts
2013–2014

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Vision, Mission & Values

Vision

To be an innovative and ambitious organisation that is trusted by the communities of Gloucestershire; to do what is best to reduce harm from offending behaviour; and to uphold the rights of victims.

Mission

Our mission is to transform the lives of offenders thereby protecting the public and preventing harm to future victims. Gloucestershire Probation Trust (GPT), is one of the highest ranked Trusts and one that punches above its weight by:

- Investing in the professionalism of our people
- Growing through collaboration and partnership
- Innovating continuously
- Delivering consistent quality.

Values

- We believe that people should take responsibility for their actions and we believe in enabling individuals to change and achieve their potential.
- We believe in treating all those with whom we work with the respect, fairness and dignity that we would expect for ourselves as members of GPT and as fellow citizens.
- We believe in being accountable to the communities of Gloucestershire and working in close partnership with other local Criminal Justice partners and others working to reduce reoffending.
- We believe in creating a culture of openness, enquiry and trust.
- We believe GPT is an organisation in which we can take pride and in which the contribution of all staff is recognised.

Foreword

This is the final full year of trading for Gloucestershire Probation Trust. In January 2013, the Secretary of State announced a major consultation on transforming rehabilitation which led to the offender Rehabilitation Bill receiving Royal Assent on 13th March 2014. The implications of this Bill are that Trusts would be dissolved on 31 May 2014 and that a new National Probation Service would be created to manage high risk offenders and provide assessments for courts whilst 21 newly formed Combined Rehabilitation Companies (CRC), would be created to manage low risk offenders. These 21 CRCs are currently subject to a competitive tendering process, the outcome of which will be announced in the early autumn of 2014.

The final date of trading for Trusts is 31 May 2014 and the all probation staff are assigned to one of these two businesses from 1 June 2014.

Despite the radical changes to the organisation of Gloucestershire Probation Trust (GPT), staff have continued to deliver across all aspects of our work to a high standard. The constant theme for all our work has been, and will continue to be, on delivering improved outcomes for offenders, their victims and the communities of Gloucestershire.

Our goal of working more closely with our partners to become a more outward focussed organisation has been achieved and we are aligning ourselves with partners so that we focus at all times on “***Doing what is best to reduce further harm from offending behaviour for Gloucestershire communities.***” We believe this goal is best achieved by GPT leading Gloucestershire’s reducing re-offending agenda and being at the heart of local commissioning.

John Bensted
Chief Executive Officer
11 June 2014

1. Operational & Performance Review 2013–14

Our Achievements in 2013/14

Gloucestershire Probation Trust is a highly effective and efficient organisation. The evidence is clear:

- GPT is a top performer in actually reducing reoffending and has consistently been in the top 5 Trusts throughout 2013/14 as measured by Ministry of Justice (MoJ).
- GPT is a highly efficient organisation and has maintained very solid performance despite year on year reductions in budget.
- GPT delivers quality interventions achieving the high target set by MoJ.
- GPT excels at ensuring offenders successfully complete their supervision.
- GPT delivers real outcomes for offenders exceeding targets set for getting offenders into stable accommodation (6% above target) and into employment, training or education (13% above target).
- GPT delivers 100% on public protection measures such as Multi Agency Public Protection Arrangements (MAPPAs) and victim feedback.

GPT is also deeply embedded in the many partnerships within Gloucestershire and is highly regarded by the Police, the Local Authority, the Health Service and many Voluntary Community Services (VCS) agencies. In 2013–14, GPT played a central role in reducing crime in Gloucestershire and was pivotal in the following areas of partnership work:

- Leading on MAPPAs and Integrated Offender Management (IOM)
- Leading the development of a new Young Offender Unit
- Commissioning a new Drug and Alcohol Service and Personality Disorder Service for the County.
- Commissioning ISIS, a nationally respected centre for Women Offenders.

John Bensted
Chief Executive Officer
11 June 2014

2. Management Commentary

Statutory background

The 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 National Offender Management Service (NOMS). This Trust came into existence on 1 April 2010 (following transition from Gloucestershire 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

As per the Trust's arrangements/activities. These include the following:

- Reduce Reoffending and Protect the Public
- Deliver Desistance: Reduce Reoffending
- Increased Public Protection
- Continue to improve our Performance and Quality of delivery
- Develop our People
- Maximise our Resources, by delivering better outcomes for less money
- Strengthening GPT's Capability in a Competitive Environment.

Operational Performance during 2013–14

An analysis of performance outcomes is summarised in the Annual Report on page 4 under 'Our Achievements'.

Results for the year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 22. The Statement of Changes in Taxpayers' Equity is shown on page 25.

Operating costs

The net operating cost before tax for 2013–14 stands at £435,000 compared to £200,000 for 2012–13. The FRS17/IAS19 service cost for 2013/14 has risen as a percentage of payroll from the previous year, although this was anticipated last year. 2013–14 27.8%, 2012–13 26.5%. The 2013/14 service cost is based on financial conditions at the **start** of the year i.e. assumptions as at 31 March 2013. These were less favourable than the previous year assumptions (i.e. those at 31 March 2012) leading to a higher current service cost.

Statement of Financial Position and Statement of Cash Flows

The Statement of Financial Position and Statement of Cash Flows are on pages 23 and 24.

The net liabilities position has increased from £12.2m at 31 March 2013 to £14.6m at 31 March 2014. The largest single movement in net liabilities is £2,267k due to the adverse position of the pension fund.

Payment of creditors

In the year to 31 March 2014, the Trust paid 1,424 invoices with a value of £2,007,683. The percentage of undisputed invoices paid within 30 days by the Trust was 99.30% compared to 99.05% in 2012–13. Target was 95%.

Treatment of Pension Liabilities

Past and present employees of the Trust 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 the Trust's existing pension liabilities and corresponding assets transferred to the Greater Manchester Pension Fund (GMPF). The Trust will no longer trade after 31 May 2014 and therefore cease payments into 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 6.5 days across the Trust (2012–13 10 days).

Personal data related incidents

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

In the event that an incident occurs, a risk assessment would be carried out to assess who, if anyone should be notified and to ensure measures were in place to mitigate risk to individuals and prevent recurrence of the incident. All staff undertake a compulsory Information Assurance training course when joining the Trust 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 31 May 2014. The operations of the Trust have been divided between the National Probation Service and a Community Rehabilitation Company, both public sector bodies. The assets and liabilities of the Trust 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.

Trusts have been formally notified that they will cease trading on 31 May 2014. In place of the Trusts, the Probation Service will be split, with the National Probation Service managing higher risk offenders and lower risk offenders being managed by probation staff who will transfer to the newly formed Community Rehabilitation Companies. The CRC will be bid for by the private sector during 2014–15 with the operations being managed by the private sector thereafter who will be paid on a payment by results basis. The expectation is that this will collectively reduce re-offending nationally. The proportion of staff transferring to the CRC/NPS for Gloucestershire is approximately 39.7%:60.3%.

All probation staff have been assigned to one of these two businesses from 1 June 2014.

Sustainable development

The Trust 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 CRC covering Gloucestershire, Wiltshire and Avon and Somerset Trusts includes a business plan to encompass the work of the Trusts. The plan includes the main objective which is to reduce reoffending and to rehabilitate offenders into the community.

Where the NPS operates for managing high risk offenders, a separate business plan will exist to encompass similar values and objectives.

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 (NPS) 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 (CRCs). 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 the Trust 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 the Trust 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 the Trust 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 (FRM), it is appropriate for the Trust to prepare the 2013–14 Annual Report and Accounts on a going concern basis.

Communications and employee involvement

Gloucestershire Probation Trust encourages all staff to become involved in all areas of its work. Staff feedback and staff representation are of great importance and relevance in helping GPT to achieve its

objectives. We have a weekly news bulletin informing staff of recent developments which enables everyone to be informed of changes as they occur. Members of the Unions and their representatives meet with the Senior Leadership Team six times a year. Our staff are highly valued and respected as individuals and as our representatives when they attend external meetings on our behalf. All staff have access to a wide range of training and development opportunities.

Staff diversity

Gloucestershire Probation Trust has been committed to having a workforce as diverse as the community it serves. This has enabled GPT to deliver the best possible service to the community in Gloucestershire. Promoting equality and respecting people's differences has been at the core of the work of the Probation Service and GPT has had a crucial role in building the confidence of the diverse communities it serves.

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 the Trust 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 20.

Total audit fees reported in the Accounts are £31,978. The audit fees for 2013–14 are made up of:

- £21,186 External Audit and
- £10,792 Internal 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 Gloucestershire Probation Trust Management Board

The governance arrangements within the Trust for the year April 2013 to March 2014 included the following meetings:

- Board
- Combined Committee (Finance, contract Management and Quality)
- Audit & Risk Committee
- Joint Negotiating Consultative committee (JNCC)
- Health & Safety Committee

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

Part way through the year the Board resolved to replace the three Combined Committees with two new committees, namely the Business Plan performance Committee and the Organisational Development Group, each of whom met from July 2013 onwards.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 10 and 11.

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

Position	Name	Served all year
Chief Executive	John Bensted	Yes
Chair	Tony FitzSimons	Yes
Board Member	Michael Howe	Yes
Board Member	Sidney Pritchard	Yes
Board Member	Colin Youngson	Yes
Board Member	Peter Todd	Yes
Board Member	Claire Feehily	Yes
Board Secretary	Andrew Cooper	Yes

Each member of the Board has declared that there is no conflict of interest for them as individuals.

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
11 June 2014

3. Remuneration Report

Appointments

The Chair, the Chief Executive, and other members of the Trust Board are all appointed by the Secretary of State in line with the commissioner for public appointments “Guidance on appointments to public bodies”.

The salary and pension entitlements of the senior managers and non-executive directors of the Gloucestershire 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.

	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
Officials										
John Bensted Chief Executive Officer	70–75	70–75	Nil	Nil	201	Nil	20	18	90–95	85–90
Tony FitzSimons Chair	15–20	15–20	Nil	Nil	Nil	Nil	Nil	Nil	15–20	15–20
Michael Howe Board Member	0–5	0–5	Nil	Nil	Nil	Nil	Nil	Nil	0–5	0.5
Sidney Pritchard Board Member	0–5	0–5	Nil	Nil	Nil	Nil	Nil	Nil	0–5	0.5
Colin Youngson Board Member	0–5	0–5	Nil	Nil	Nil	Nil	Nil	Nil	0–5	0.5
Peter Todd Board Member	0–5	0–5	Nil	Nil	Nil	Nil	Nil	Nil	0–5	0.5
Claire Feehily Board Member	0–5	0–5	Nil	Nil	Nil	Nil	Nil	Nil	0–5	0.5

John Bensted will be leaving the Trust on 31 July 2014. His exit package will be £92k.

All appointed Trust Board members receive non-pensionable remuneration of £15.40 per hour from 1 April 2013, with the exception of the Chief Executive and the Chair. The Trust 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)	£70,000–£75,000	£65,000–£70,000
Median for other staff	£19,983	£19,380
Pay multiple ratio	3.60:1	3.54:1

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, bonuses and overtime.

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

	Total accrued pension at pension age as at 31 March 2014 & related lump sum £000s	Real increase/ (decrease) in pension and related lump sum at pension age £000s	CETV at 31 March 2014 £000s	CETV at 31 March 2013 £000s	Real increase/ (decrease) in CETV after adjustment for inflation and changes in market investment factors £000s
John Bensted	Pension £37 Lump sum £80	0–2.5	749	701	48

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
John Bensted
11 June 2014

4. Statement of Accountable Officer's Responsibilities

Under the Schedule 1, paragraph 13(1) (b) of the Offender Management Act 2007, the Secretary of State has directed the Gloucestershire Probation Trust 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 the Trust 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 the Trust 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 Financial Reporting Manual 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 Financial Reporting Manual 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 the Trust. 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 the Trust's assets, are set out in Managing Public Money published by HM Treasury.

5. Governance Statement

Introduction

I was appointed as the first substantive Chief Executive of Gloucestershire Probation Trust in September 2010. Thus this Governance statement is being completed as an experienced Accountable Officer.

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Gloucestershire Probation Trust policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting and through the Financial Memorandum.

The 2013–14 Business Plan was entitled “Deliver Today-Plan for Tomorrow”. The Government’s proposals in *Transforming Rehabilitation* were the most radical in a generation and 2013/14 was a challenging year for GPT staff. We were absolutely committed to delivering not just “business as usual” but also to further improve the quality and depth of our mission to transform the lives of the people we work with. We were equally committed to planning and preparing for the changes.

GPT Strategic Direction

The ambitious plan set out a very clear direction for staff and partners by focussing on four key strategic priorities which enabled us to deliver business as usual whilst planning for the future. At this time of great uncertainty, managers and staff remained steady and focussed on the day job.

In 2013/14, we committed to continue to maintain a focus on just 4 strategic priorities.

Strategic Priority 1: *Reduce Reoffending and Protect the Public*

We will transform lives by delivering high quality services whilst continuously focussing on positive outcomes.

Strategic Priority 2: *Develop our People*

We will develop a confident and skilled leadership group that enables and empowers a skilled, motivated and committed workforce that is prepared for change.

Strategic Priority 3: *Maximise our Resources*

We will target our resources effectively by having the right people in the right places with the right skills delivering improved outcomes.

Strategic Priority 4: *Strengthening GPT’s Capability in a Competitive Environment*

We will position GPT to get the best outcome for staff, the people we work with and the communities of Gloucestershire by strengthening our reputation as a professional “can do”, organisation that has the ambition to know more, be more and do more.

Governance Framework

GPT Board oversees the governance of all strategic activity and the underlying framework. In order to streamline the Governance Framework, the Board merged 2 Committees at the start of the year, namely the Quality Committee and the Contract Committee into the Business Plan and Performance Committee (BPPC).

- Board Meetings – six meetings during the year.
- Audit & Risk Committee – six meeting during the year. To regularly review of the Business Plan Risk Register.
- Business Plan and Performance Committee. To oversee the NOMS contract and to maintain a focus on performance and quality.

- In addition a new Improvement and Development Group was established by the Director of Operations which included the Board Chair.
- Health and Safety Committee. six meeting during the year. To regularly review of all Violent and Aggressive incidents.
- JNCC – six meeting during the year. This forum has ensured a strong focus on maintaining strong relationships with staff.
- Organisational Development Group – sub group of the Board that oversees all aspects of staff and organisational development.

Board Performance/Self Assessment

The GPT Board has continuously striven to review its own performance, undertaking review activities such as interaction between the Executive and non Executive, monitoring effectiveness of the work plans of the committees. Indeed, the Board agreed an Internal Audit this year to review the Business Planning process.

Oversight and Assurance arrangements

- **Key Responsibility 1:** To set the strategic direction and aims for GPT which ensures the long-term sustainability of the organisation and best meets the needs of Gloucestershire.
- **Key Responsibility 2:** To influence decisions that impact on GPT by engaging nationally and locally.
- **Key Responsibility 3:** To set the priorities for GPT through the annual Business Plan which best deliver agreed services within the available resources.
- **Key Responsibility 4:** To assure that GPT delivers against its Business Plan, Service Level Agreements and Contracts.
- **Key Responsibility 5:** To assure that GPT is compliant with relevant legislation and standards.
- **Key Responsibility 6:** To develop GPT's capacity, capability and range of services to improve its long-term sustainability and best meet the needs of Gloucestershire.

Risk Management

The Purpose of the System of Internal Control

The system of internal control 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 internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of departmental 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 internal control has been in place for the year ended 31st March 2014 and up to the date of approval of this Annual Report and Accounts and accords with Treasury guidance.

Capacity to Handle Risk

I have operated within Risk Management processes as a Senior Manager for the past 12 years and as Chief Executive have successfully overseen continuous high performance. I have ensured that Senior and Middle Managers have maintained a robust approach to risk management processes. As Accountable Officer I take lead responsibility for the Trust's risk management processes. Board members, notably those on the Audit and Risk Committee, have a clear commitment to risk assessment and risk management.

The Audit and Risk Committee (A&RC) and Internal and External Auditors liaise with me as Accountable Officer to ensure that best practice is followed. Good practice is pursued through a range of groups and functions, e.g.

- Regular review of performance overseen by the BPP Committee.
- 6 monthly review of statistics on outcomes and diversity.
- Managers' training programme and action learning groups.
- Local and regional quality audits on public protection practice.

- Review of Her Majesty's Inspectorate of Probation reports.
- Serious Further Offence Reviews.
- Membership of Multi-Agency Public Protection Arrangements Strategic Management Board.
- Review of complaints.
- Safety Committee review of violent and/or racial incidents.
- Regional performance improvement initiatives.

The work of internal and external audit, overseen by the Audit and Risk Committee, is a key element in giving assurance that risks are being managed effectively through current change.

Newly Identified Risk

The rapid closure of HMP Gloucester in early 2013 represented a new risk both financially and to reducing reoffending. Firstly, GPT had to absorb the costs of these staff into the 2013/14 budget and secondly offenders serving custodial sentences were located in establishments further afield thus making resettlement more complex.

Risk and Control Framework

GPT has a structured annual business planning process informed by NOMS Commissioning Intentions Document and other guidance on business priorities and performance targets.

Key organisational risks are identified by the Board, Senior Leadership Team (SLT) and middle managers as part of business planning at the year start and at least quarterly thereafter. The Executive jointly review and update the Risk Register prior to the Audit and Risk Committee. Each risk is assigned a risk owner who has the responsibility to put in place and monitor their management plan to contain the risk. High level projects are also risk assessed, risk owners assigned and risks recorded in a register with accompanying contingency actions, overseen by the project leader. The process enables ongoing risks to be identified and controls are implemented.

The Audit and Risk Committee reviews the annual audit planning process to identify and agree specific areas of risk to be addressed by internal auditors and to understand the target areas selected by external auditors to give assurance that risk has been assessed and managed. A senior manager is allocated responsibility for the audit exercise including receipt of the auditor's report and implementation of recommendations. Progress on implementation is tracked and regularly reported to the Audit and Risk Committee.

Leadership

GPT ensures that effective leadership makes good quality offender management more likely. In 2013–14 GPT introduced a new Leadership Framework, namely the Leadership Challenge, which focussed on 5 key leadership behaviours. The SLT and all middle managers undertook separate 2 day training events at the start of the year and this was followed up by a half day workshop for all staff which included a familiarisation of the framework.

GPT benefits from forward thinking strategic planning arrangements, the effectiveness of close multi agency working, including MAPPA and from the very positive working relationships with the Courts and sentencers.

Systems are in place for the Board and Chief Executive in GPT to exercise clear leadership via established communication channels, team links and visits. A Leadership Forum meets regularly where clear messages are disseminated to all staff. In addition this year the CEO has issued a weekly staff update to keep staff briefed on the TR Programme.

The Trust's business planning process is undertaken by the SLT in conjunction with the Board with the Chief Executive drafting the Business Plan and risk register before it being signed off by the Board and sent the to NOMS regional representative. The plan is cascaded to staff via a communications bulletin

and briefings to the middle manager group. Objectives for team and individual performance are set through the appraisal process and managed at quarterly appraisal review meetings for all staff. I have ensured that senior managers participate in a quarterly review of high level risks.

All staff holding line management responsibilities are expected to perform to the highest standards and ensure their teams achieve objectives and hold staff to account for any shortfalls. Thus middle managers play a pivotal role on leading the organisation.

Policy and Strategy

Policies have been reviewed as required during the year. Policies that have been reviewed and approved by the Board and Unions include the following;

- Redundancy Policy
- Disciplinary Policy
- Bullying and Harassment Policy
- Environmental Sustainability Policy
- Whistleblowing Policy
- Grievance Policy

A process for ensuring all Probation Instructions are addressed is in place to identify lead officer responsibility and review progress and/or completion.

People

As previously mentioned, the Government's proposals to *Transform Rehabilitation* (TR) are the most radical in a generation. This has been an exceptionally challenging year for GPT staff but we have been absolutely committed to planning and preparing for these changes. We have adopted a clear communication strategy of consulting, informing and discussing with staff the full range of issues arising from TR. Gloucestershire Probation staff have shown exceptional flexibility and determination in rising to the challenges and uncertainty around the Transforming Rehabilitation agenda. Staff have become increasingly professional and self reliant throughout the year and proved that they are able to maintain performance throughout. At the time of writing we have completed the staff assignment and all staff have now been allocated to either the National Probation Service or the new Community Rehabilitation Company.

Communication with staff has been the highest priority this year with numerous staff briefings and workshops as well as 2 staff conferences.

Furthermore we have continued to embed professional judgement and the new national training programme for effective engagement with offenders Skills for Effective Engagement and Supervision (SEEDS).

Partnership and Resources

The partnership landscape in Gloucestershire has undergone a thorough review partly in response to the reduced budget of Public Sector Gloucestershire but also to integrate partnership work more purposefully to deliver better outcomes. Gloucestershire Probation Trust plays a central role in a number of key Gloucestershire partnerships, involving the full array of statutory partners such as the Police, Her Majesty's Courts & Tribunals Service (HMCTS), Prisons, Health, and Local Authorities. Gloucestershire also has a thriving Voluntary and Community Sector (VCS) with whom we have a number of very important formal and informal arrangements.

We have continued to be actively involved in a number of other partnerships including:

- Safeguarding Children and Adult Boards
- Gloucestershire Safer Stronger Justice Commission
- Health and Well Being Board
- Supporting People Partnership Board

- MAPPA
- Gloucestershire Criminal Justice Board

We have also actively successfully developed bids and commissioned the following projects:

- Volunteering and Mentoring
- Working with Offenders with Personality Disorders
- Multi Agency unit working with young offenders
- Restorative Justice
- Development of a project working (funded by the PCC) with short sentence prisoners, under 12 months

Closure of HMP Gloucester

As part of the MoJ prison closure programme, HMP Gloucester was decommissioned in January 2013 and finally closed in February 2013. This rapid closure led to GPT staff having to absorb the seconded team of 5 back into the organisation.

Funding to Locally Governed Organisations/Partnerships

Like all other Probation Trusts, GPT contributes to a number of statutory organisations and partnerships. There have been changes this year to the funding of the Youth Offending Team. Previously we have seconded a Probation Officer and contributed financially. But this year Gloucestershire County Council have commissioned GPT to set up and deliver a completely new approach to working with young offenders. This partnership is overseen by the Gloucestershire Youth Justice Board and GPT are represented on this Board. In addition we contribute to MAPPA and second staff and have a Service Level Agreement (SLA) with the Police. MAPPA work is overseen by the Strategic Management Board which this year is chaired by GPT. We also contribute financially to the Gloucestershire Safeguarding Children's Board.

Processes

Process improvements are identified, prioritised and addressed through the Process Management Group, a joint meeting between administrative and operational managers. We have continued to implement the Specification Benchmarking & Costing (SBC) programme.

During the year the Audit & Risk Committee (A&RC) undertook a further nationally recognised self assessment which indicated that A&RC is meeting most of the good practices areas in the checklist. There were areas for improvement identified, mainly relating to governance best practice rather than scrutiny of the Trusts main operational activities.

Commentary on Performance

GPT maintained strong solid performance throughout 2013/14 as measured by the Probation Trust Rating System (PTRS). GPT achieved Level 3 in all domains of PTRS and at the Q4 Review with NOMS staff it was noted this represents a "solid good level performance".

Parliamentary Funding

The Trust receives funding from NOMS and ensures that the funding it receives is used for the purposes approved and intended by Parliament.

Quality Data

The quality of data used by the Board and Board Sub Committees is regularly seen by the NOMS Senior Commissioning Manager as a matter of course and is therefore a rigorous standard.

Security Lapses

There were no ICT or data security lapses in 2013/14 although there was an attempted break in to Twyver House but no losses.

Results

A risk and control framework is in place to give assurance on the management of risk in respect of performance results. All NOMS targets are monitored monthly, published on the intranet and reviewed by the senior management team. The report is scrutinised by the Board through the Audit and Risk Committee and various Board Sub Committees. These sub committees have themselves been reviewed within the Board leading to a greater alignment of the work and a review of the Terms of reference.

Review of Effectiveness

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control.

My review of the effectiveness of the system of internal control is informed by the work of the MoJ Internal Audit Division, (Internal Auditors), the executive managers within the Probation Trust 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.

During 2013/14 the following systems were audited by the MoJ Internal Audit Division (some reports in draft due to recent issue) and GPT is responding actively to the issues raised:

Audit review	Overall conclusion
Overall Assessment	Our work only identified low rated findings and we do not consider it necessary for any of these weaknesses to be reported as significant control issues in the annual Governance Statement. Consequently we can give a high level of assurance on the adequacy and effectiveness of the system of governance, risk management and internal control
Financial Controls	Green
Business Planning	Amber/Green
Staff Supervision	Green
Implementation of SEEDS	Green

- Red: Weaknesses in risk management and control are widespread and system objectives are not achieved
- Amber Red: A major weakness or a number of significant weaknesses in control with prompt improvement in the design and/or operation of control required. System objectives only partly achieved and risks are not effectively managed.
- Amber Green: Although there are some weaknesses in control design or operation of controls, they do not require significant improvement in order to manage risks to the achievement of system objectives.
- Green: Sound system of risk management and control likely to achieve system objectives. Controls are operating as intended and are proportionate to the risk.

The opinion of internal auditors on the adequacy and effectiveness of the systems of risk management, internal control and governance in GPT is currently outlined as above.

Statement of the Effectiveness of Internal Control

The control structure is generally found to be effective throughout GPT. Data reports are being built and refined in the new Finance and HR systems which will enable enhanced regular oversight by the Board and Audit Committee.

Conclusion

The ongoing learning and assessment of the systems of internal control have been well received in 2013–14 and the systems will be adopted by the new organisational structures of the NPS and CRC.

Governance

Board Attendance

An attendance register is held at all Board and Committee meetings, held by the Board Secretary. Attendance at GPT Board Meetings 2013/14 was as follows:

Date	Tony FitzSimons	John Bensted	Claire Feehily	Mike Howe	Sid Pritchard	Peter Todd	Colin Youngson
19.06.13	Y	Y	Y	Y	N	Y	Y
24.07.13	Y	Y	Y	Y	Y	Y	Y
04.09.13	Y	Y	Y	Y	Y	Y	Y
16.12.13	Y	Y	N	N	N	Y	Y
29.01.14	Y	Y	Y	N	Y	Y	N
21.03.14	Y	Y	Y	Y	Y	Y	Y

Corporate Governance Code and Effectiveness of the Board

The Board has continued to follow the Corporate Governance Code for Government. It has acted effectively in providing support to and scrutiny of the Trust's operations. Board and Committee meetings have been held regularly throughout the year and attendance at all meetings, which is monitored by the Board Secretary, has been good.

In response to the Transforming Rehabilitation proposals, the Board decided early in the year that it needed to review its committee structure, to ensure the most effective ways of receiving assurance on both the TR change process and the continued delivery of operational business. The Board showed innovation and creativity in modifying the reporting processes required, to allow the Executive and senior Managers appropriate scope to concentrate on the TR processes, while ensuring that all critical performance and contract delivery measures continued to be met and operating information reported regularly and in a timely fashion.

The revised Committee structure has worked extremely well and the Board has been able to play a full and effective part in ensuring that the Trust continued to perform strongly throughout the year, while delivering all required TR processes effectively and on time.

Board members have played a strong role, collectively and individually, in providing support to the Executive, while fulfilling their critical scrutiny and assurance roles within the governance structure of the Trust.

John Bensted

Chief Officer and Accountable Officer for the Trust Board

11 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 Gloucestershire 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 the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; 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 Gloucestershire 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 thereunder.

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. The Trust 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

1 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)	5,747	5,200
Other expenditure	6	1,986	1,981
Total Expenditure		7,733	7,181
Income	7	(7,840)	(7,480)
Net operating costs		(107)	(299)
Net interest cost on pension scheme	4(c)	542	499
Net operating costs before taxation		435	200
Taxation	5	0	0
Net operating costs after taxation		435	200

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	24	8	(2)
Net (gain)/loss on revaluation of intangibles	24	(1)	0
Items that may be reclassified subsequently to net operating costs:			
Net (gain)/loss on revaluation of available for sale financial assets		0	0
Re-measurement of post employment benefits	23	1,908	1,385
Total comprehensive expenditure for 31 March 2014		2,350	1,583

The notes on pages 26 to 56 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	40	66
Intangible assets	9	2	4
Deferred tax asset	19	0	0
Trade and other receivables	12(a)	0	0
Total non-current assets		42	70
Current assets			
Assets classified as held for sale	11	0	0
Deferred tax asset	19	0	0
Trade and other receivables	12(a)	580	717
Cash and cash equivalents	13	217	31
Total current assets		797	748
Total assets		839	818
Current liabilities			
Trade and other payables	14(a)	(410)	(361)
Provisions	15	0	0
Taxation payables	14(a)	(603)	(557)
Total current liabilities		(1,013)	(918)
Non-current assets plus/less net current assets/(liabilities)		(174)	(100)
Non-current liabilities			
Trade and other payables	14(a)	0	0
Provisions	15	0	0
Pension liability	4(c)	(14,409)	(12,142)
Total non-current liabilities		(14,409)	(12,142)
Assets less liabilities		(14,583)	(12,242)
Taxpayers' equity			
General fund	23	(14,588)	(12,254)
Revaluation reserve – property, plant and equipment	24(a)	4	12
Revaluation reserve – intangible assets	24(b)	1	0
		(14,583)	(12,242)

The financial statements on pages 22 to 25 were approved by the Board on 11 June 2014 and were signed on its behalf by

..... Accountable Officer

11 June 2014

The notes on pages 26 to 56 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	(435)	(200)
Adjustments for non-cash transactions	6	30	34
Adjustments for pension cost	4(c)	359	203
(Increase)/decrease in receivables	12(a)	137	(118)
Increase/(decrease) in payables	14(a)	95	(45)
Utilisation of provisions	15	0	0
Less movements in property, plant and equipment payable	14(a)	0	0
Net cash outflow from operating activities		186	(126)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	0	(11)
Purchase of intangibles	9	0	0
Proceeds on disposal of property, plant and equipment	8	0	0
Proceeds on disposal of intangibles	9	0	0
Net cash outflow from investing activities		0	(11)
Cash flows from financing activities			
Net financing received in year	23	0	0
Net financing		0	0
Net increase/(decrease) in cash and cash equivalents in the period			
		186	(137)
Cash and cash equivalents at the beginning of the period	13	31	168
Cash and cash equivalents at the end of the period	13	217	31
Increase/(decrease) in cash		186	(137)

The notes on pages 26 to 56 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		(10,670)	10	(10,660)
As restated at 1 April 2012		(10,670)	10	(10,660)
Changes in taxpayers' equity for 2012–13 (restated)				
Net operating cost after taxation	SocNE	(200)	0	(200)
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	(1)	(1)
Net gain/(loss) on revaluation of intangibles	24(b)	0	0	0
Transferred to General Fund from tangibles revaluation reserve	24(b)			
Movement in donated assets	23	0	0	0
Transferred from revaluation reserve	23	1	0	1
Re-measurement of post employment benefits	23	(1,385)	0	(1,385)
Net NOMS financing received in year	23	0	0	0
Balance as at 31 March 2013		(12,254)	12	(12,242)
Changes in taxpayers' equity for 2013–14				
Net operating cost after taxation	SocNE	(435)	0	(435)
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	(9)	(9)
Net gain/(loss) on revaluation of intangibles	24(b)	0	1	1
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	9	0	9
Re-measurement of post employment benefits	23	(1,908)	0	(1,908)
Net NOMS financing received in year	23	0	0	0
Balance as at 31 March 2014		(14,588)	5	(14,583)

The notes on pages 26 to 56 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.

The Trust 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 the Trust 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 the Trust 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 the Trust 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, the Trust ceased trading.

On this date the operations of the Trust 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 the Trust were split between these entities in a practical way that reflects the services that each body provides. Some assets and liabilities remained in the Trust 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 mandate 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 the Trust 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 (FRM), it is appropriate for the Trust 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 £10,000, 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	7–8 years depending on individual asset type
Plant & equipment	3 to 15 years depending on individual asset type
Vehicles	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

The Trust recognises intangible non-current assets only if it is probable that future service potential will flow to the Trust 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 the Trust'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.

Remeasurement 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 the Trust, 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

The Trust 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. The Trust 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 the Trust 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 the Trust’s expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that the Trust is exposed to 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 the Trust’s Management Board. The segments reflect the Trust’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

Operational Unit	2013–14	2012–13
	Net Expenditure £000	Net Expenditure £000
Offender Management	3,516	3,094
Interventions	1,565	1,616
Support	1,909	1,692
Youth Offender Training	100	135
Hostel	623	548
Women's safety work		15
BASS Funding		31
Income received from other Boards	3	
Community Punishment	17	
Total Net Expenditure	£7,733	£7,131
Total Contract Income	(£7,300)	(£7,131)
Income from reimbursed costs	(540)	
Pension adjustment		(299)
Total Income	(7,840)	(7,430)
Underspend	£107	299

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	4,571	4,321	250	4,375
Social security costs	319	314	5	322
Other pension costs	954	949	5	753
Sub-total	5,844	5,584	260	5,450
Less recoveries in respect of outward secondments	(97)	(97)	0	(250)
Total staff costs	5,747	5,487	260	5,200

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**. The change in other pension costs relates primarily to additional contributions in the year.

1 person (2012–13: 1 person) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £17,105 (2012–13: £19,180).

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
FTE	FTE	FTE	FTE
149	146	3	140
149	146	3	140

The number of FTE has risen in the year as vacancies identified at the end of 2012–13 have been filled during 2013–14. The FTE is in line with that allocated by the Transforming Rehabilitation team.

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	0	0	0	1	1
£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	1	1	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	1	1
Total resource cost £000	0	92	92	0	6	6

Redundancy and other departure costs have been paid in accordance with the Trust compensation scheme. The additional costs of any early retirements are met from the Trust and not the pension scheme / are met from the pension scheme (delete as appropriate) and are included in the above figures. Ill health retirement costs are met from the pension scheme and are excluded from the above table. Please explain savings as a result of VEDs/compulsory redundancies.

4. Pensions costs

Gloucestershire Probation Trust participates in the Local Government Pension Scheme administered by Gloucestershire County Council. Until 31 March 2014, the scheme was a defined benefit scheme meaning that the retirement benefits are determined independently of the investments of the scheme. Employers are obliged to make additional contributions where assets are insufficient to meet retirement benefits. Benefits accrued at the rate of one eightieth of pensionable salary for each year of service. In addition a lump sum equivalent to three eightieths of final pay of every year of total membership is payable on retirement. Members paid contributions ranging from 5.5–7.5% of pensionable earnings.

From 1 April 2014 the scheme changed to a Career Average Revalued Earnings (CARE). Benefits accrue at the rate of 1/49th of pensionable salary for each year of service. The revaluation rate is based on CPI (rather than salary). Members pay contributions between 5.5% and 12.5% of pensionable earnings. Members can now pay 50% contributions for a 50% benefit. Normal pension age will be equal to the individual members' state pension age (Minimum 65 years).

Employers pay the balance of the cost of providing the benefits, after taking into account investment returns. The closing valuation for 31 March 2013 was estimated in April 2013 by the scheme's actuaries Hyman Robertson. The valuation of the fund at 31 March 2013 is a net liability of £14,409,000 (31 March 2012 was a net liability of £12,142,000).

4a. Pension costs

Disclosure requirements about contributions arrangements / policy that affects future contributions.

- For 2013–14, employers' contributions of £931,000 were payable to the LGPS (2012–13 £753,000) in a range from 26.5% to 27.8%.
- The schemes' Actuary reviews employer contribution rates every three years in the triennial review which looks at the numbers of pensioners, their life expectancy and the future income and return on the fund's assets to meet future obligations.
- The latest triennial review results were published in October 2013 and the effects have been incorporated under IAS19.
- On 1 June 2014 the Trust's existing pension liabilities and corresponding assets will transfer to the Greater Manchester Pension Fund (GMPF). The Trust is no longer required to pay employer contributions to the fund.
- Future contributions are referred to in **Note 27**.

Partnership accounts are excluded under IAS19.

The approximate employer's pension contributions for the three years as recommended by the scheme's actuaries would be:

- Employer's contributions for 2013–14 were 27.8% of salaries; and,
- Employer's contributions for 2014–15 will be 30.5% of salaries; and
- Employer's contributions for 2015–16 will be 33.2% of salaries.

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

	2013–14	2012–13
	%	%
Inflation assumption	3.6%	2.8%
Rate of increase in salaries	4.1%	4.6%
Rate of increase for pensions in payment and deferred pensions	2.8%	2.8%
Discount rate	4.3%	4.5%

Mortality Assumptions

The mortality assumptions adopted for this year's exercise are consistent with those used for the formal funding valuation as at 31 March 2013. The post retirement mortality assumptions are in line with Club Vita analysis which was carried out at the formal funding valuation as at 31 March 2013. These are a bespoke set of Vita Curves that are specifically tailored to fit the membership and profile of the Fund and are based on the data provided to Hymans for the purpose of the last formal valuation. Hymans have also applied median cohort improvements and a 1% p.a. underpin, from 2013. The mortality assumptions adopted for this year's exercise are consistent with those used for the formal funding valuation as at 31 March 2010. The post retirement mortality assumptions are in line with Club Vita analysis which was carried out at the formal funding valuation as at 31 March 2010. These are a bespoke set of Vita Curves that are specifically tailored to fit the membership and profile of the Fund and are based on the data provided to Hymans for the purpose of the last formal valuation. Hymans have also applied median cohort improvements and a 1% p.a. underpin, from 2010.

Vita curves with improvements in line with CMI 2010 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25%p.a. Based on these assumptions, the average future life expectancies at age 65 as 22.5 years for current male pensioners, 24.6 years for current female pensioners and 24.4 years for future male pensioners and 27.0 years for future female pensioners.

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

	2013–14		
	Present value of obligation	Fair value of plan assets	Total
	£000	£000	£000
Plan assets	0	25,166	25,166
Funded liabilities	(37,308)	0	(37,308)
Unfunded liabilities	0	0	0
Opening balance at 1 April (restated)	(37,308)	25,166	(12,142)
Current service costs	(931)	0	(931)
Past service costs (including curtailments)	0	0	0
Gains and losses on settlements	0	0	0
	(931)	0	(931)
Net Interest (cost)/income	(1,674)	1,132	(542)
Re-measurements			
Returns on plan assets, excluding amounts included in interest cost/(income)	0	705	705
Gain/(loss) from change in demographic assumptions	(801)	0	(801)
Gain/(loss) from change in financial assumptions	(930)	0	(930)
Experience gains/(losses)	(882)	0	(882)
Change in asset ceiling, excluding amounts included in interest cost	0	0	0
	(2,613)	705	(1,908)
Foreign exchange differences	0	0	0
Effect of business combinations on disposals	0	0	0
Contributions			
Employers	0	1,114	1,114
Plan participants	(271)	271	0
Unfunded benefits	0	0	0
Payments from plans			
Benefit payments	1,354	(1,354)	0
Unfunded benefit payments	0	0	0
Closing balance at 31 March	(41,443)	27,034	(14,409)
Plan assets	0	27,034	27,034
Funded liabilities	(41,443)	0	(41,443)
Unfunded liabilities	0	0	0
Closing balance at 31 March	(41,443)	27,034	(14,409)

	2012–13 (restated)		Total £000
	Present value of obligation £000	Fair value of plan assets £000	
Plan assets	0	21,657	21,657
Funded liabilities	(32,211)	0	(32,211)
Unfunded liabilities	0	0	0
Opening balance at 1 April	(32,211)	21,657	(10,554)
Current service costs	(753)	0	(753)
Past service costs (including curtailments)	0	0	0
Gains and losses on settlements	0	0	0
	(753)	0	(753)
Net interest (cost)/income	(1,542)	1,043	(499)
Re-measurements			
Returns on plan assets, excluding amounts included in interest cost	0	2332	2,332
Gain/(loss) from change in demographic assumptions	0	0	0
Gain/(loss) from change in financial assumptions	(3,767)	0	(3,767)
Experience gains/(losses)	50	0	50
Change in asset ceiling, excluding amounts included in interest cost	0	0	0
	(3,717)	2,332	(1,385)
Foreign exchange differences	0	0	0
Effect of business combinations on disposals	0	0	0
Contributions			
Employers	0	1,049	1,049
Plan participants	(265)	265	0
Unfunded benefits	0	0	0
Payments from plans			
Benefit payments	1,180	(1,180)	0
Unfunded benefit payments	0	0	0
Closing balance at 31 March	(37,308)	25,166	(12,142)
Plan assets	0	25,166	25,166
Funded liabilities	(37,308)	0	(37,308)
Unfunded liabilities	0	0	0
Closing balance at 31 March	(37,308)	25,166	(12,142)

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	1,551	0	1,551	6%	1,330	0	1,330	5%
Energy and utilities	890	0	890	3%	858	0	858	3%
Financial institutions	1,350	0	1,350	5%	1,193	0	1,193	5%
Health and care	302	0	302	1%	273	0	273	1%
Information technology	42	0	42	0%	91	0	91	0%
Manufacturing	649	0	649	2%	547	0	547	2%
Other	1,003	0	1,003	4%	861	80	941	3%
	5,787	0	5,787	21%	5,153	80	5,233	21%
Debt instruments								
UK Government	2,426	0	2,426	9%	2,624	0	2,624	11%
Corporate bonds (investment grade)	1,294	0	1,294	5%	1,324	0	1,324	5%
Corporate bonds (non-investment grade)	86	0	86	0%	72	0	72	0%
Other	196	90	286	1%	91	0	91	0%
	4,002	90	4,092	15%	4,111	0	4,111	16%
Property								
UK	1,226	282	1,508	6%	1,165	165	1,330	5%
Overseas	0	94	94	0%	0	95	95	0%
Property funds	0	0	0	0%	0	0	0	0%
	1,226	376	1,602	6%	1,165	260	1,425	6%
Derivatives								
Inflation	0	0	0	0%	0	0	0	0%
Interest rate	0	0	0	0%	0	0	0	0%
Foreign exchange	5	0	5	0%	0	0	0	0%
Other	(1)	0	(1)	0%	(2)	0	(2)	0%
	4	0	4	0%	(2)	0	(2)	0%
Cash and cash equivalents	458	0	458	20%	470	0	470	2%
Investment funds								
Equities	868	11,775	12,643	47%	953	10,698	11,651	46%
Bonds	1,166	27	1,193	4%	1,095	29	1,124	4%
Other	0	1,255	1,255	5%	0	1,154	1,154	5%
	2,034	13,057	15,091	56%	2,048	11,881	13,929	55%
Other	0	0	0	%	0	0	0	%
Total	13,511	13,523	27,034	100%	12,945	12,221	25,166	100%

4e. Sensitivity analysis

	+0.1% £000	0% £000	-0.1% £000
Adjustment to discount rate			
Present value of total obligation	40,703	41,443	42,183
Projected service cost	227	967	1,707

	+1yr £000	none £000	-1yr £000
Adjustment to mortality age rate assumption			
Present value of total obligation	40,200	41,443	42,686
Projected service cost	-276	967	2,210

	+0.1% £000	0% £000	-0.1% £000
Adjustment to inflation			
Present value of total obligation	41,237	41,443	41,649
Projected service cost	761	967	1,173

The sensitivity analysis above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of changes in key assumptions occurring at the end of the reporting period.

In each case, only the assumption mentioned is altered while holding all other assumptions constant. In practice this is unlikely to occur and change in some assumptions may be correlated.

5. Taxation

There is no Corporation tax due for the year (2012–13 £nil).

6. Other Expenditure

	2013-14		2012-13 <i>Restated</i>	
	£000	£000	£000	£000
Rentals under operating leases	40		36	
Interest charges	0		0	
Accommodation, maintenance and utilities	532		566	
Travel, subsistence and hospitality	111		183	
Professional services	24		39	
IT services	310		331	
Communications, office supplies and services	61		99	
Other staff related	282		129	
Offender costs	66		38	
Other expenditure	498		492	
External Auditors' remuneration – statutory accounts	21		21	
External Auditors' remuneration – other	0		1	
Internal Auditors' remuneration	11		12	
		1,956		1,947
Non-cash items	23		29	
Depreciation of tangible non-cash assets	3		5	
Amortisation of intangible non-cash assets	0		0	
Impairment of non-current assets	4		0	
Profit/(loss) on disposal of tangible non-cash assets	0		0	
Profit/(loss) on disposal of intangible non-cash assets	0		0	
Other provisions provided for in year	0		0	
Early retirement provisions not required	0		0	
		30		34
Total		1,986		1,981

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**.

For 2012–13 Other Expenditure has been restated to include programme costs of £88k.

7. Income

	2013-14		2012-13 <i>Restated</i>	
	£000	£000	£000	£000
Income receivable from the sponsoring department – NOMS	7,300		7,131	
Rent receivable from minor occupiers of Probation estate property:				
From within the departmental boundary	0		0	
From other Government departments	0		0	
From external tenants	0		0	
		7,300		7,131
EU income from NOMS		0		0
EU income from other Government departments		0		0
Other EU income		0		0
Other income received from Probation Trusts		8		7
Other income from NOMS		12		0
Other income from rest of MoJ Group		0		0
Other income from other Government departments		242		166
Miscellaneous income		278		176
		7,840		7,480
Interest received:				
From bank	0		0	
From car loans	0		0	
From other sources	0		0	
Total interest received		0		0
Total income		7,840		7,480

Restatement of comparatives

For 2012–13 Miscellaneous income has been restated to include income from programmes £64K. This is to comply with IAS19 guidance and has resulted in a prior period adjustment as set out in **Note 28**.

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					
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2013	11	107	97	0	0	215
Additions	0	0	0	0	0	0
Disposals	0	(48)	0	0	0	(48)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	1	0	0	0	1
As at 31 March 2014	11	60	97	0	0	168
Depreciation						
As at 1 April 2013	10	95	44	0	0	149
Charge in year	1	6	16	0	0	23
Disposals	0	(44)	0	0	0	(44)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
As at 31 March 2014	11	57	60	0	0	128
Carrying value as at 31 March 2014	0	3	37	0	0	40
Carrying value as at 31 March 2013	1	12	53	0	0	66
Asset financing						
Owned	0	3	37	0	0	40
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2014	0	3	37	0	0	40

8. (Continued)

	2012-13					
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2012	10	130	80	0	0	220
Additions	0	0	11	0	0	11
Disposals	0	(26)	0	0	0	(26)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	1	3	6	0	0	10
As at 31 March 2013	11	107	97	0	0	215
Depreciation						
As at 1 April 2012	8	103	28	0	0	139
Charge in year	1	15	13	0	0	29
Disposals	0	(26)	0	0	0	(26)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	1	3	3	0	0	7
As at 31 March 2013	10	95	44	0	0	149
Carrying value as at 31 March 2013	1	12	53	0	0	66
Carrying value as at 31 March 2012	2	27	52	0	0	81
Asset financing						
Owned	1	12	53	0	0	66
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2013	1	12	53	0	0	66

9. Intangible assets

	2013-14				
	Development	Software	Licences	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
As at 1 April 2013	0	30	0	0	30
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	1	0	0	1
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2014	0	31	0	0	31
Amortisation					
As at 1 April 2013	0	26	0	0	26
Charge in year	0	3	0	0	3
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2014	0	29	0	0	29
Carrying value as at 31 March 2014	0	2	0	0	2
Carrying value as at 31 March 2013	0	4	0	0	4
Asset financing					
Owned	0	2	0	0	2
Finance leased	0	0	0	0	0
Carrying value as at 31 March 2014	0	2	0	0	2

9. (Continued)

	2012-13				
	Development	Software	Licences	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
As at 1 April 2012	0	30	0	0	30
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2013	0	30	0	0	30
Amortisation					
As at 1 April 2012	0	21	0	0	21
Charge in year	0	5	0	0	5
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2013	0	26	0	0	26
Carrying value as at 31 March 2013	0	4	0	0	4
Carrying value as at 31 March 2012	0	9	0	0	9
Asset financing					
Owned	0	4	0	0	4
Finance leased	0	0	0	0	0
Carrying value as at 31 March 2013	0	4	0	0	4

10. Impairments

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

11. Assets held for sale

There were no assets held for sale at the reporting date (2012–13 – £Nil).

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	41	21
VAT	48	67
Deposits and advances	0	0
Receivables due from Trusts	0	7
Receivables, Accrued Income and Prepayments due from NOMS Agency	0	546
Receivables, Accrued Income and Prepayments due from MoJ Group	411	0
Receivables, Accrued Income and Prepayments due from other Government departments	6	21
Other receivables	0	5
Prepayments	25	35
Accrued income	49	15
	580	717
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	580	717

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)	460	620	0	0
Balances with local authorities	5	21	0	0
Balances with NHS bodies	0	0	0	0
Balances with public corporations and trading funds	0	0	0	0
	465	641	0	0
Balances with bodies external to Government	115	76	0	0
Total	580	717	0	0

13. Cash and cash equivalents

	2013–14	2012–13
	£000	£000
Balance at 1 April	31	168
Net change in cash and cash equivalents	186	(137)
Balance at 31 March	217	31
The following balances at 31 March are held at:		
Government Banking Service	0	0
Commercial banks and cash in hand	217	31
Balance at 31 March	217	31

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	21	27
Other payables	0	0
Accruals	172	138
Deferred income	49	5
Staff payables	0	19
Bank overdraft	0	0
Payables due to Probation Trusts	10	17
Payables, Accruals and Deferred Income due to NOMS Agency	0	44
Payables, Accruals and Deferred Income due to MoJ Group	2	0
Payables, Accruals and Deferred Income due to other Government departments	17	0
Unpaid pensions contributions due to the pensions scheme	139	111
Long-term liabilities due within one year	0	0
Non-current asset accruals	0	0
	410	361
Tax falling due within one year		
VAT	484	462
Corporation tax	0	0
Other taxation and social security	119	95
	603	557
Total amounts falling due within one year	1,013	918
Amounts falling due after more than one year		
Staff payables	0	0
Other payables	0	0
	0	0
Total	1,013	918

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)	617	618	0	0
Balances with local authorities	15	0	0	0
Balances with NHS bodies	0	0	0	0
Balances with public corporations and trading funds	0	0	0	0
	632	618	0	0
Balances with bodies external to Government	381	300	0	0
Total	1,013	918	0	0

15. Provisions for liabilities and charges

There were no provisions at the reporting date (2012–13 – £Nil).

16. Capital commitments

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

17. Commitments under leases

17a. Operating leases

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

17b. Finance leases

There are no finance leases (2012–13 – None).

18. Other financial commitments

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

19. Deferred tax asset

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

20. Financial instruments

As the cash requirements of the Trust 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 the Trust's expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that the Trust is exposed to little credit, liquidity or market risk.

21. Contingent liabilities

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

22. Losses and special payments

22a. Losses statement

There were no losses or payments during the year (2012–13 £Nil).

22b. Special payments schedule

There were no special payments during the year (2012–13 £Nil).

23. General fund

	2013–14 £000	2012–13 £000
Balance at 1 April	(12,254)	(10,670)
Prior period adjustment (Note 28)	0	0
Balance restated at 1 April	(12,254)	(10,670)
Financing	0	0
Net transfers from Operating Activities:	(435)	(200)
Statement of Comprehensive Net Expenditure	0	0
Movement in donated assets	9	1
Transferred from revaluation reserve	0	0
Re-measurement of post employment benefits	(1,908)	(1,385)
Balance at 31 March	(14,588)	(12,254)

With effect from 2011–12, donated non-current assets are capitalised at their current value on receipt, and this value is reflected in non-current assets in the SoFP. All donated assets are now credited to income in the year of donation unless there are qualifying conditions attached to the donation which requires the income to be deferred.

24. Revaluation reserve

24a. Property, plant and equipment

	2013–14	2012–13
	£000	£000
Balance at 1 April	12	10
Prior period adjustment (Note 28)	0	0
Balance restated at 1 April	0	10
Arising on revaluations of PPE during the year (net)	1	3
Transferred to General Fund	(9)	(1)
Balance at 31 March	4	12

The revaluation of the tangibles assets in the year reduced the value by £9k (2012–13 £1k).

24b. Intangibles

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

The revaluation of the intangibles assets in the year reduced the value by £Nil (2012–13 £Nil).

25. Related party transactions

NOMS and the Ministry of Justice are regarded as a related party. During the year, the Trust had various material transactions with the Ministry of Justice. Additionally, the Trust 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 the Trust.

26. Third-party assets

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

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 the Trust

The Trust ceased trading on 31 May 2014. A Statutory Instrument to dissolve the 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.

The operations of the Trust 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 the Trust 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 the Trust 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 the Trust ceased trading on 31 May 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 the Trust's existing pension liabilities and corresponding assets were transferred to the Greater Manchester Pension Fund (GMPF).

The Trust 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 the Trust 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 the Trust 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, the Trust 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 the Trust 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). The Trust 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
Extract from the 2012–13 accounts before restatement:	£000
Net operating expenditure after taxation	48
Other comprehensive expenditure	1,535
Total comprehensive expenditure	1,583
Restatement:	
Increase in programme expenditure (interest costs)	152
Decrease in re measurement of defined benefit obligation (previously actuarial loss)	(152)
	1,535
Extract from the 2012–13 accounts after restatement:	
Net operating expenditure after taxation	200
Other comprehensive expenditure	1,383
Total comprehensive expenditure	1,583

Extract from the statement of changes in taxpayers' equity

	2012–13
Extract from the 2012–13 accounts before restatement:	£000
General fund balance as at 31 March 2013	
Restatement:	(12,254)
Increase in net operating expenditure	152
Decrease in re measurement of defined benefit obligation (previously actuarial loss)	(152)
General fund balance as at 31 March 2013 after restatement	(12,254)

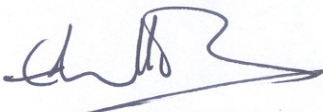
Administration and programme income and expenditure

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** and **Note 7**.

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 (the Trusts) 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 the Trust 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 the Trusts 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 [second/third] Sustainability Report for Gloucestershire 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 the Trust 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. 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

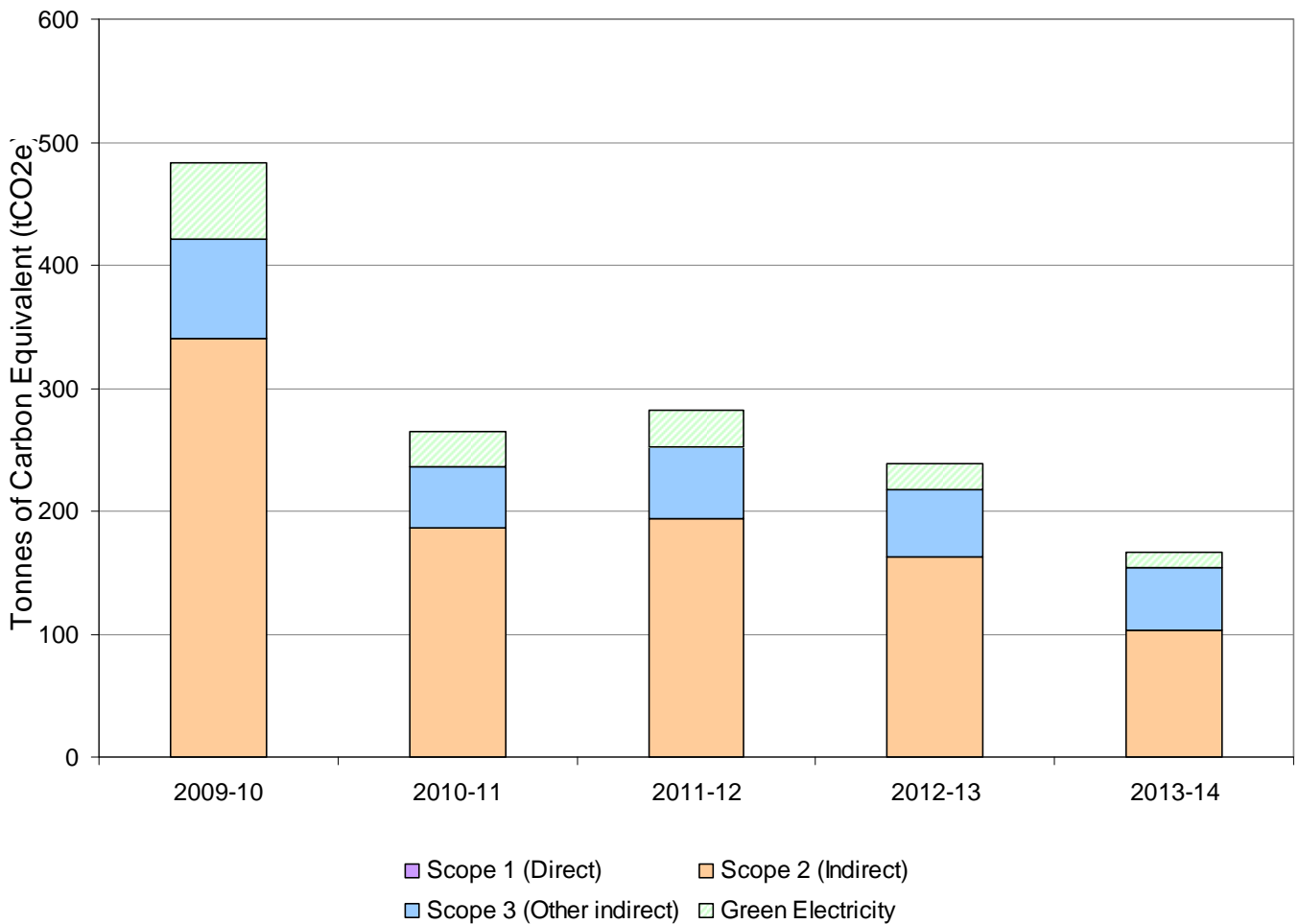
Gloucestershire Probation Trust has access to purchasing agreements for commodities from suppliers that make available recycled and low carbon products where appropriate.

Performance summary

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	0.0	0.0	0.0	0.0	0.0
	Scope 2 (indirect): Supplied energy (electricity and heat)	340.0	186.8	194.3	162.3	103.0
	Scope 3 (other indirect): Business travel & transmission losses from supplied energy	81.5	49.2	57.3	55.6	51.4
	Total gross GHG emissions	421.5	236.0	251.6	217.8	154.4
	Electricity: green/renewable	61.5	29.1	30.3	20.5	12.0
	Total net GHG emissions	360.0	206.9	221.3	197.4	142.5
Non-financial (kWh)	Electricity: Grid, CHP & non-renewable	373,637	196,139	203,795	137,780	80,545
	Electricity: renewable	124,546	65,380	67,932	45,927	26,848
	Gas					
	Other energy sources	404,906	324,978	338,482	371,581	254,696
	Total energy	903,089	586,496	610,209	555,288	362,089
Financial indicators	Expenditure on energy (£)	75,589	37,652	41,500	44,244	22,512
	Expenditure on official business travel (£)					

Greenhouse Gas Emission by source



Performance commentary (including targets)

Buildings occupied by Gloucestershire Probation Trust are:

- Twyver House, Bruton Way, Gloucester
- County Offices, St Georges Road, Cheltenham
- Coleford Magistrates’ Court, Gloucester Road, Coleford
- The Firs, 118 Caincross Road, Stroud
- Ryecroft Hostel, 78 Ryecroft Street, Gloucester
- From 1 April 2011 new Greening Government Commitments required us to reduce greenhouse gas emissions from a 09/10 baseline from the whole estate and business related transport. There was a rationalisation of the estate during 2013/14 with three buildings closing and one opening. Figures for Twyver House were not included in the 2012/13 figures but are in the figures for 2013/14.

Controllable impacts commentary

100% of our reported carbon dioxide emissions are from electricity and gas used in buildings.

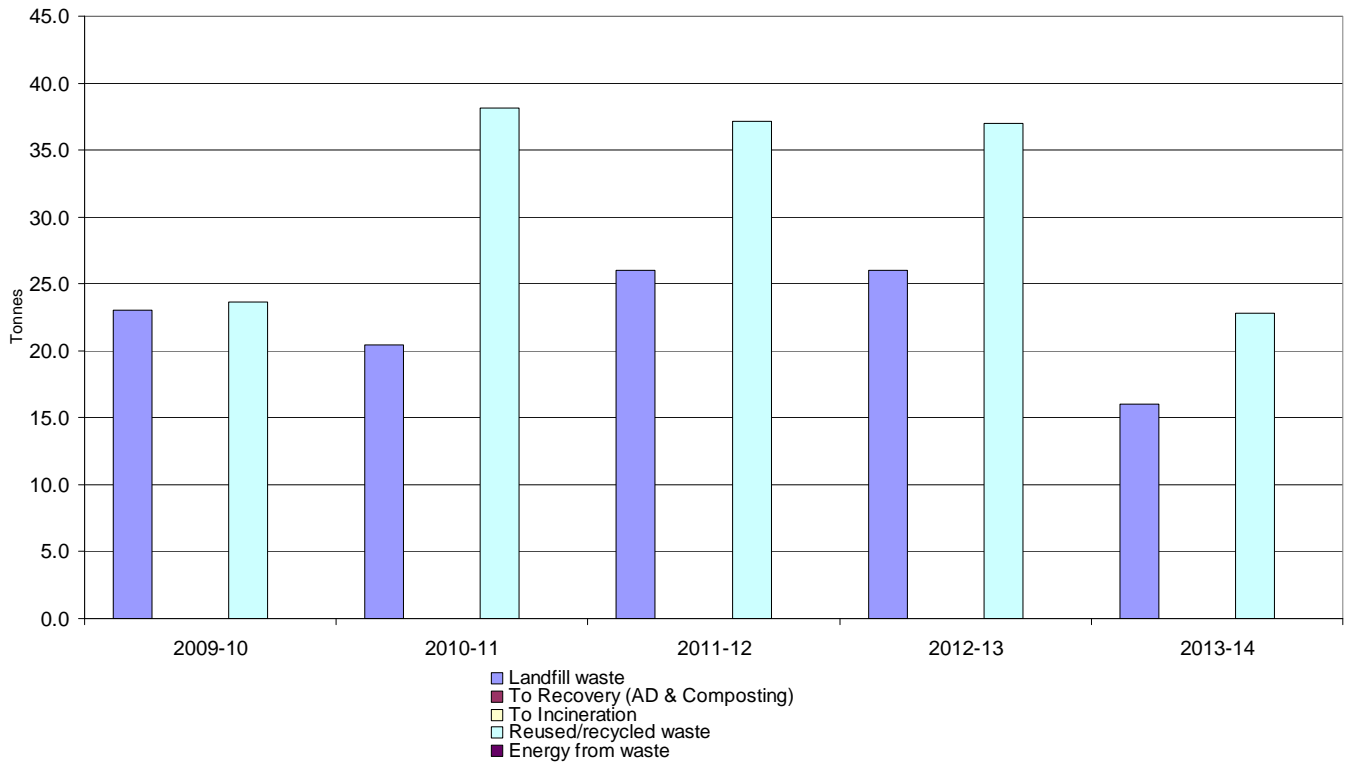
Overview of influenced impacts

The Trust carefully considers greenhouse emissions when reviewing its estate. During 2013/14 three buildings were consolidated into one which will have a positive impact on emissions.

Waste

			2009-10	2010-11	2011-12	2012-13	2013-14
Non-financial indicators (tonnes)	Non-hazardous waste	Landfill waste	23.0	20.5	26.0	26.0	16.0
		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	23.7	38.1	37.1	37.0	22.8
		Energy from waste	0.0	0.0	0.0	0.0	0.0
		Total waste arising	46.7	58.6	63.2	63.0	38.8
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	0

Waste by final disposal



Performance commentary (including targets)

The amount of waste reused or recycled in 2013/14 is below the target set in 2009/10. From 1 April 2011 new targets (GGC) require us to reduce the amount of waste we generate by 25% from a 2009/10 baseline and ensure that redundant ICT equipment is re-used (within government, the public sector or wider society) or responsibly recycled. Landfill data was not available in previous years.

Controllable impacts commentary

The Trust has a policy of using recycled paper where available and all waste paper is recycled.

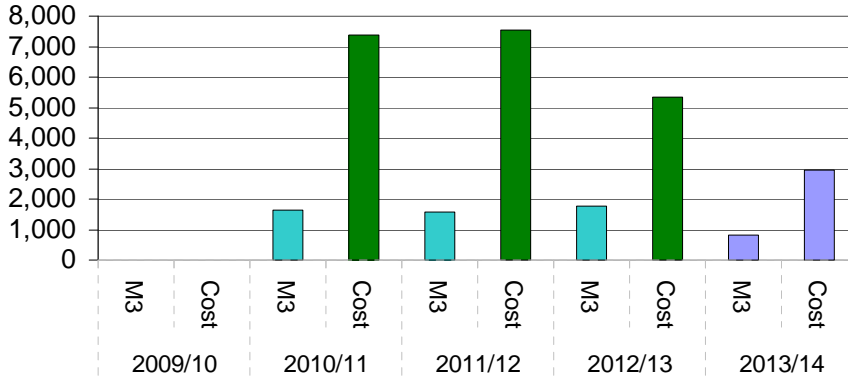
Overview of influenced impacts

All suppliers and partners are encouraged to manage office waste responsibly.

Water

		2009–10	2010–11	2011–12	2012–13	2013–14
Non-financial indicators	Total water consumption (cubic metres: m³)	0	1,642	1,558	1,768	820
Financial indicators	Total water supply costs (£)	0	7,391	7,545	5,332	2,967

Water (consumption and costs).



Performance commentary (including targets)

From 1 April 2011 new targets (GFC) require us to reduce water consumption from a 2009/10 baseline. Usage in 2013/4 was higher than in the previous year but is still significantly below the baseline.

Controllable impacts commentary

Water use is exclusively from washrooms and drinking.

Overview of influenced impacts

The Trust carefully considers water use when reviewing its estate.

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