

**West Yorkshire
Probation Trust**



West Yorkshire Probation Trust

**Annual Report and Accounts
2013–2014**

**West Yorkshire
Probation Trust**



West Yorkshire Probation Trust
Annual Report and Accounts
2013–2014

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

Ordered by the House of Commons to be printed 7 July 2014

© **West Yorkshire Probation Trust (2014)**

The text of this document (this excludes, where present, the Royal Arms and all departmental and agency logos) may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not in a misleading context.

The material must be acknowledged as West Yorkshire Probation Trust copyright and the document title specified. Where third party material has been identified, permission from the respective copyright holder must be sought.

Any enquiries regarding this publication should be sent to us at West Yorkshire Probation Trust, Cliff Hill House, Sandy Walk, Wakefield WF1 2DJ.

This publication is available at **www.gov.uk/government/organisations/national-probation-service**

Print ISBN 9781474103770

Web ISBN 9781474103787

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

ID 13051427 07/14

Printed on paper containing 75% recycled fibre content minimum.

Contents

All Abbreviations in this report can be referenced in the Glossary – page 62.

Vision, Mission & Values	2
Foreword	3
1. Operational & Performance Review 2013–14	4
2. Management Commentary	12
3. Remuneration Report	18
4. Statement of Accounting Officer’s Responsibilities	21
5. Governance Statement	22
6. The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament	26
7. Accounts	28
8. Sustainability Report	58
Glossary	62

Vision, Mission & Values

Changing lives and protecting victims

West Yorkshire Probation Trust is an enterprising, influential and thriving organisation at the heart of the criminal justice system.

We rehabilitate offenders, which reduces reoffending and protects the public preventing harm to future victims.

We are committed to public service, making a positive difference to our local communities. We work together with others to cut crime and are trusted by our courts to make their sentences work.

We draw on more than a century of unrivalled professional experience and have a national reputation for our expertise and excellent results.

We will

Deliver effective services through efficient use of resources and fair treatment of staff.

Develop innovative services to meet new challenges and opportunities.

Develop and deliver services collaboratively through partnership and strategic alliances.

Remain committed to ensuring that victims and offenders have a voice (or are integral) to our organisation (or services).

Invest in developing the professional expertise and knowledge of our staff.

Our values are at the heart of everything we do...

We believe strongly in public service values supported by our organisation's core values.

- **Respect** – we believe that people do their best when their differences are valued and they are treated with respect.
- **Integrity** – we believe in keeping our promises and providing transparent explanations for our actions.
- **People can change** – we believe in enabling individuals to achieve their potential.
- **Excellence** – we believe in the pursuit of excellence in all that we do.
- **Working together** – we believe that engaging with individuals, partners and communities is key to our work.
- **Social responsibility** – we believe we have a duty to make a positive difference to our local communities.

Foreword

It is with a mixture of pleasure, pride and great sadness that we present the Annual Report for 2013–2014. Pride and pleasure because the year has been another successful one for the West Yorkshire Probation Trust (WYPT) Team and sadness as this will be the final full year Annual Report for the Trust.

In accordance with Government policy, the 35 Probation Trusts are being closed to be replaced by a National Probation Service (NPS) which will manage high risk offenders and 21 Community Rehabilitation Companies (CRCs) which will manage medium and low risk offenders. The CRCs are limited companies with a single shareholder, the Government, and will, within a year, be transferred out of public ownership. Potential future shareholders have already been shortlisted.

As a consequence, WYPT will cease operating from 1 June 2014.

Despite the turbulence, uncertainty and large additional workload arising from the restructuring, WYPT has continued to deliver the highest possible standards of performance and proficiency. Re-offending rates have continued to reduce which has made a significant contribution to community safety.

Our staff continue to introduce innovative and successful methods of supporting our service users to turn their lives around and maintain a crime-free and more productive life. Our achievements have been recognised by such diverse agencies such as the Butler Trust, Stonewall, the Howard League, Investors in People, European Foundation for Quality Management (EFQM) and the National Offender Management Service (NOMS). WYPT staff members recently collected three out of nine Butler Trust Awards at Buckingham Palace and HRH Princess Ann has been so impressed by WYPT's continuous success that she will be visiting the Trust to see our work at first hand.

Stonewall has placed WYPT in the top 50 companies in recognition of our Diversity policies and practices. We are particularly proud of this especially as there are only two Probation Trusts in Stonewall's top 100 companies' list and only 1 (WYPT) in the top 50 – also the highest ranking of any organisation in Yorkshire and Humberside!

We have every right to be proud of the achievements of all of our staff over many years. The values and professional standards which have guided and motivated probation work in the County have stood the test of time and paid dividends year after year. From the days of the Probation Boards through to the last day of the Trust, our staff have worked diligently, capably, professionally and successfully for the common good. The community has much to thank them for!

.....
Stan Hardy
Chair of the Trust Board
11 June 2014

.....
Sue Hall
Chief Executive Officer
11 June 2014

1. Operational & Performance Review 2013–14

Review of Business Plan priorities – 2013–2014

STRATEGIC PRIORITIES – 12 Month Review

The Trust's Strategic Priorities were revised mid-year to reflect the impact of the Transforming Rehabilitation (TR) agenda. The revisions were agreed at the WYPT Board on 22 January 2014.

1. Transforming Rehabilitation – Corporate

1.1	Put in place arrangements to manage the implementation of the TR programme to meet national requirements.	<p>A Transition Steering Group (TSG) was set up in June 2013 with 5 workstreams managing the transition work, each led by a senior manager. Governance arrangements have been agreed with the Board. TSG has met on a weekly basis to review progress and plan for upcoming tasks.</p> <p>The Trust is on course to meet the milestones agreed with the Ministry of Justice (MoJ) Transition Team.</p>
1.2	Revise the Trust's strategy and risk management plan to take account of the TR programme.	Achieved. Both were revised in November 2013. The Risk Register is reviewed on a monthly basis.
1.3	Ensure comprehensive exit planning arrangements are put in place and implemented.	The exit plan is managed by the Head of Legal Services and reviewed on a weekly basis. This will continue after 1 June until the Trust is dissolved.
1.4	Develop a business plan, budget and workforce plan business plan for the new West Yorkshire CRC.	The Chief Executive designate for the CRC was appointed in January. Other key appointments were made in February and March 2014, and work of these draft plans has commenced. Whilst a budget was submitted to NOMS in March 2014, the other plans are required for May.

2. Operations

TR

2.1	Ensure that all cases have been appropriately allocated at the point of transition to the new arrangements.	<p>Following the assignment of staff to the NPS and CRC in February/March, new cases have been allocated in line with offender managers' new role. At the point of transition on 1 June, the majority of cases will have in the appropriate organisation. However where cases are nearing the end of the order or there is a significant public safety issue, cases will remain with the existing offender manager. By the autumn it is anticipated that all but a small number of cases will have been reallocated. We have devised a tool to monitor progress.</p>
-----	-------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

TR

2.2	Ensure that staff are properly prepared and trained to take on their new roles post-transition.	<p>Training has been delivered in accordance with the national timetable. The new operational processes will be piloted in West Yorkshire in May, once the training schedule has been completed. Feedback from the training has been positive. A Frequently Asked Question section has been set up on OLI (Online Information), and it is noticeable that the volume of questions is reducing markedly.</p> <p>Staff briefings will continue as further information about processes is published.</p>
2.3	Ensure that robust procedures are in place between the NPS and the CRC to manage risk escalation and enforcement post-transition.	The Best Process Team have ensured new processes are mapped and available to staff with relevant guidance following their training. See above. We are in addition running an advance pilot of the risk escalation procedures, as these are the most significant changes to practice.

Performance

2.4	Ensure all Probation Trust Rating System (PTRS) measures and contract delivery requirements are scored green.	All PTRS domains have continued to remain in green throughout. NOMS have accepted our explanation for the reduction against the contract delivery requirement relating to the timeliness of final reviews.
2.5	Continue to deliver statistically significant reductions in reoffending.	Achieved. Proven reoffending for adult offenders within 12 months is currently 34.6% (2012 cohort). This is a reduction of 5.7 percentage points or 14% from 2005 (40.3%).
2.6	Meet all Multi-Agency Public Protection Arrangements (MAPPA) Key Performance Indicators.	All key performance indicators are in green.
2.7	Design and implement a new quality assurance framework that meets future needs.	Achieved. The quality assurance framework has been rated excellent by NOMS and is currently being implemented across the Trust.
2.8	Ensure PREview costs are below the national and Metropolitan Area average.	The 2012/13 PREview actuals exercise has been completed. WYPT had some exceptions where the unit cost was over the national average (and the average for metropolitan areas). The reasons for these exceptions are known and where appropriate plans are in place to improve efficiencies.

Service Delivery

2.9	Demonstrate that Post Sentence Assessment (PSA) is fully embedded.	<p>There is an ongoing project to ensure continuous improvement of processes and practice. A dashboard is being used to enable detailed monitoring of key measures.</p> <p>Reduced reoffending rates, reduced breaches, and improved breach rates are all indicators that PSA is being embedded.</p>
2.10	Develop PSA to adapt to new structures and requirements.	WYPT continues to be involved in various discussions with the MoJ and in the national court project group aiming to ensure PSA is preserved in new structures following transition. The MoJ has offered assurances on this issue. The new rehabilitation activity requirement effectively models our approach. Where necessary, we have made minor adaptations to PSA, but it will remain unchanged in the core elements.

Service Delivery

2.11	Establish a single business unit for Bradford and Calderdale Local Delivery Units (LDUs).	Completed.
2.12	Deliver commitments from the 2013–14 commissioning round.	Progress is being made against all the community commissioning intentions. This has been captured in an update provided to NOMS.
2.13	Review the management and regime of Approved Premises.	<p>A review of Management roles and responsibilities was undertaken. A new rota and shift pattern was developed and was negotiated with unions.</p> <p>A new centralised referral process was rolled out in the new year.</p> <p>The development of a PIPE (Psychologically Informed Plan Environment) continues at Holbeck.</p> <p>The pace of these changes has been adversely affected by TR and some changes are currently in hiatus until such time as there is greater clarity about the shape of the NPS.</p> <p>Public protection regimes in PREview demonstrate low cost in WYPT (cheapest Metropolitan area).</p>
2.14	Design a structure and operating model for the management of low and medium risk cases.	A low/medium risk team was established in one LDU. This has worked well, and so other LDUs have been following suit. Action for Change is a key element of the operating model for low and medium risk cases, and referrals have remained high.

3. Finance and ICT (Information, Communication & Technology)**TR**

3.1	Produce unqualified financial accounts to be laid on time in the House of Commons.	Achieved – laid 1/7/2013.
3.2	Identify Trust assets and liabilities (including contracts) and determine migration to the appropriate body.	Achieved as planned by February 2014.
3.3	Undertake financial planning and implement payroll and other systems for CRC.	This is well underway and on track for business readiness on 1 June 2014.
3.4	Lead on implementing appropriate financial governance for CRC.	This is well underway and on track for business readiness on 1 June 2014
3.5	Implement ICT Change Plan.	The Trust is managing the ICT Plan and delivering to timetable. However, there is a heavy reliance on national ICT changes happening on time by MoJ. Work will continue throughout May and June.

Costing and Pricing

3.6	To further develop PREview to delivery robust unit costs to facilitate national benchmarking with other Probation Trusts.	Achieved.
3.7	To develop a deeper understanding of costs – in line with our costing and pricing strategy to support pricing related decision making and scenario planning for the future.	Strategy prepared in May 2013 and approved by the Board. It is available for the Mutuals Development Team to use.

Corporate Governance

3.8	To undertake financial risk appraisals of new organisational forms.	Risk assessment of potential partners were undertaken prior to ethical walls being imposed on 6 August.
3.9	To review and implement key Financial Policies and Procedures that are aligned with the future needs of the organisation. These will provide unambiguous clarity and direction, will maintain financial integrity and be available.	A local Trust Finance Manual based on a new National Manual was approved in May 13. A number of Finance Improvement Projects have been delivered, focusing where it will benefit the CRC.

Developments in ICT

3.10	To implement the new national offender assessment tool Offender Assessment Systems (OASys) and a new national probation case management system (nDelius), ensuring data quality and data migration is successful.	Achieved.
3.11	To develop a medium term Information Systems Strategy and supporting ICT Strategy to underpin and deliver the Information Strategy.	Priorities have been approved by the Executive ICT Steering Group and a Delivery Action Plan has been delivered throughout the year.

4. Human Resources (HR)**TR**

4.1	Ensure timely and fair implementation of People Transition in line with national guidance.	Achieved. All staff have been assigned to the new organisations and appeals have been completed.
4.2	To ensure communication, involvement and procedural justice in managing any transition to new forms of organisation.	Achieved. HR have worked closely with Communications colleagues and Local Trade Unions to deliver this.
4.3	Personnel files cleansed and migrated to appropriate organisation.	Achieved. This work was completed by 31 March 2014, two months in advance of the transfer date.

Sustaining Service Delivery in a Time of Change

4.4	To have the right people with the right skills in the right place at the right time through the Workforce Plan and the Organisational Development Plan.	Achieved via workforce plan and organisational development plan.
4.5	To support our staff to maximise their skills and talent through continuous professional development so that they will have the opportunity to contribute to excellent service delivery in a variety of organisations.	Achieved with an average of 6 days training per employee recorded.
4.6	To manage attendance and wellbeing to ensure that people are happy, healthy and at work, with most people attending for work reliably so that average absence per employee is less than nine days.	Average absences days lost to sickness was 9 days for 2013/14.

Excellent Leadership and Management in a Time of Change

4.7	To ensure our leaders seek opportunities to be visible and to listen to colleagues during this period of significant change.	Executive Visibility Programme and exchange meetings have been delivered and have been well received.
4.8	To invest in middle manager learning and development so they lead and inspire their teams to do the best possible work they can.	Middle manager learning development programme completed plus SHL psychometric assessment programme and follow up individual feedback provided.

Supporting Colleagues in a Time of Change

4.9	To prepare colleagues for change by continuing work on managing change and personal choices in a time of change.	<p>Provided updates to colleagues about the national developments and provided challenge to TR Programme when aspects appeared to mitigate against procedural fairness. Maintained good relations with Trade Union colleagues.</p> <p>Change Management and Developing Resilience events plus coaching for managers provided.</p> <p>Information provided about Transfer of Undertakings Protection of Employment (TUPE) principles and Cabinet Office Statement of Practice.</p>
-----	------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Value for Money

4.10	To review major HR contracts to ensure value for money.	<p>Achieved.</p> <p>Occupational Health contract reviewed and renewed with AXA at a lower price than previous contract. The Employee Assistance Programme (EAP) contract reviewed and new provider selected.</p>
------	---------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

5. Legal Services**TR**

5.1	To ensure the provision of sound governance, contracting and legal advice at all stages of the Trust's plans to develop its future in the delivery of competed rehabilitation services across its area.	<p>The Exit Management Plan has been drafted in a workable format and is being used to guide the Trust. We have also advised upon and policed the ethical walls which are central to the fair competition rules. Furthermore, we have complied with requests in a timely manner e.g. completion of the contracts section of the "As Is" spreadsheet.</p>
-----	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Contracting and Procurement

5.2	Launch the Contracting and Procurement Staff Manual and train key staff within the Trust to support the organisation in achieving good quality and value in the purchase of contracted services.	Completed.
5.3	Provide legal and contracting expertise to support procurement activity including Official Journal of the European Union (OJEU) projects.	Achieved. We have conducted a number of procurement exercises this year of various levels of complexity and size, for example, the Waking Night Cover procurement exercise and the Women's Services procurement exercise, which were both OJEU projects.
5.4	<p>Achieve full functionality of the In-tend software including:</p> <ul style="list-style-type: none"> ● Procurement ● Contract management ● Contract database 	Achieved. The software has been implemented and used successfully in procurement exercises such as Waking Night Cover and Women's Services.

Staffing

5.5	Complete the review of the Legal Services Department Structure taking account of: <ul style="list-style-type: none"> • The commitment to staff to complete the review and evaluation of all outstanding job descriptions and person specifications. • The potential impact of TR on Corporate Services/Legal Services. • The commencement in post of the new Legal Services Manager. • Review of new business support arrangements implemented in the final quarter of 2012/13. 	Achieved. The review of the Legal Services Department Structure has been completed.
-----	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

Operational Legal Support

5.6	Develop data protection practice specifically around access to offender personal data.	Due to the increased workload associated with the TR Programme, this objective has been put on hold.
5.7	To review and develop as appropriate enforcement practice in Legal Services to ensure it is aligned with best practice and technological solutions.	Steps were taken from April 2013 to December 2013 to procure breach case management software. However further development has been postponed in the light of the TR programme.

6. Business Development**TR**

6.1	Develop a new mutual organisation to deliver rehabilitation services to meet the needs of TR.	Resolutions (WY) Ltd is the registered name of the WYPT Mutual.
6.2	Succeed in delivering a winning bid within a joint venture for the provision of rehabilitation services at prime provider level.	The joint venture organisation has been registered as Prospects Resolutions Ltd. The Joint Venture has successfully passed the Pre Qualifying stage (PQQ) and is on track to deliver a bid for the CRC in June 2014.

Communication and Engagement

6.3	Develop and implement the communication and engagement strategy ensuring the effective engagement of both our internal and external stakeholders.	<p>Strategy drafted and being followed where appropriate, although major elements have now been overtaken by the TR agenda. Proactive work is much reduced. External publications are being reviewed and stopped where appropriate (e.g. the next Sentencing Matters will be the last for WYPT). Resources have been refocused on internal communications and crisis media.</p> <p>New communications approach for TR has been developed (and agreed by TSG).</p> <p>Specific issues have been addressed including:</p> <ul style="list-style-type: none"> • a replacement for OLI. • TR Briefings. <p>We are now developing an external communications plan that incorporates the exit planning for the Trust.</p>
-----	---------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Information and Performance

6.4	Through the implementation of the information strategy, enhance our information systems and our capability to provide informed analysis to evidence our performance outcomes.	<p>Information Strategy Progress report presented to ICT Steering Group in August. Recommendations were accepted, including a pragmatic approach to what is possible in the short to medium term given Transforming Rehabilitation.</p> <p>A significant project on process redesign and improvement was delivered.</p>
-----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Our Partnerships

6.5	Develop a robust approach to partnership development including partner selection process and engagement plan.	Partners selection process established and implemented for the selection of a partner for the TR competition.
6.6	Develop a provider model that delivers services in partnership with a range of local and national partners.	A new model of operational design is being developed with 5 workstreams established. This modelling is competition sensitive as this will form the basis for our response to the ITN (January 2014).

Research

6.7	<p>To deliver a programme of high quality research that:</p> <ul style="list-style-type: none"> • Enhances the reputation of the Trust and supports business development. • Generates ideas and promotes innovation; keeping West Yorkshire Probation Trust at the cutting edge of effective practice. • Ensures West Yorkshire Probation policy is based on sound evidence of effective practice. • Promotes learning and continuous improvement through effective evaluation of policy and practice. 	<p>A number of research reports have been delivered that have had a significant impact on practice:</p> <ul style="list-style-type: none"> • Impact of PSA • Action for Change evaluation • Professional Judgment • Offender Manager/Interventions interface • MAPPA • Positive Futures impact <p>Research underway includes:</p> <ul style="list-style-type: none"> • Equality and diversity performance • Getting the best from the women's services contract • What works to reduce reoffending <p>The Research Team is also supported the process redesign project (Head of Analysis, Research & Communication is project leader).</p>
-----	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Probation Trust Rating System (PTRS) 2013–14

Overall PTRS metric	3
Public Protection	4
Reduce Reoffending	3
Sentence Delivery	3

Performance Results 2013–14

Domain	Metric	Performance	Grade
Reduce Reoffending (40%)	Reduce Reoffending	-11%	3
	Employment at Termination	44%	3
	Accommodation at Termination	86%	3
	OASys Quality	92%	3
	Offender Feedback	75%	3
Public Protection (30%)	MAPPA Effectiveness	100%	4
	Victim Feedback	98%	3
	OASys Quality	92%	3
Sentence Delivery (30%)	Orders or Licences Successfully Completed	73%	3
	Offender Feedback	75%	3

Performance Key

Exceptional Performance	4
Good Performance	3
Requiring Development	2
Serious Concerns	1

The 10% performance against reducing reoffending is an excellent result and means that our reoffending rate was 10% lower than predicted, and means the Trust is a top performer against this key measure.

Glossary

OMI	–	Offender Management Inspection
OASys	–	Offender Assessment Systems
MAPPA	–	Multi-Agency Public Protection Arrangements
ViSOR	–	Violent and Sex Offender Register
SMB	–	Strategic Management Board

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 NOMS. This Trust came into existence on 1 April 2010 (following transition from West Yorkshire Probation Board which was established in 2001).

These accounts have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury (HMT) and in accordance with the Accounts Direction, on page 56 issued by the Secretary of State under the OM Act.

Principal activities

WYPT covers the West Yorkshire police area, as defined in Schedule 1 of the Police Act 1996, serving a population of around 2.1 million. During the year, the Trust employed some 900 full time staff that worked from 18 buildings including 4 approved premises across the area.

The Chief Executive, as the Accounting Officer for WYPT is personally responsible for safeguarding the public funds for which she has charge; for ensuring propriety and regularity in the handling of those public funds and for the day to day operations and management of the organisation.

In accordance with the provisions of Section 2 of the OM Act it is the function of the Secretary of State to ensure that sufficient provision is made throughout England and Wales for 'the probation purposes'. The Secretary of State must have regard to the following aims in the exercise of his functions as far as they may be exercised for any of the probation purposes:

- The protection of the public.
- The reduction of re-offending.
- The proper punishment of offenders.
- Ensuring offenders' awareness of the effects of crime on the victims of crimes and the public.
- The rehabilitation of offenders.

In accordance with Section 1 of the OM Act, 'the probation purposes' means the purposes of providing for:

- Courts to be given assistance in determining the appropriate sentences to pass, and making other decisions, in respect of persons charged with or convicted of offences.
- The giving of assistance to persons determining whether conditional cautions should be given and which conditions to attach to conditional cautions.
- The supervision and rehabilitation of persons charged with or convicted of offences including in particular:
 - giving effect to community orders and suspended sentence orders
 - assisting in the rehabilitation of offenders who are being held in prison
 - supervising persons from prison on licence
 - providing accommodation in approved premises
- The giving of assistance to persons remanded on bail.
- The supervision and rehabilitation of persons to whom conditional cautions are given.
- The giving of information to victims of persons charged with or convicted of offences.

These aims are therefore the basis on which the Secretary of State has contracted with Trusts for the provision of probation services. WYPT has a contract with the Secretary of State for the provision of probation services for West Yorkshire. In providing the services the Trust is required to work collaboratively with the Secretary of State having regard to the aims set out above.

Operational Performance during 2013–14

An analysis of performance outcomes is summarised in the Annual Report on pages 4 to 11.

Results for the year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 28. The Statement of Changes in Taxpayers' Equity is shown on page 31.

Operating costs

The net operating cost before tax for 2013–14 stands at £4,362k compared to £3,801k for 2012–13. The reason for the increase is due to higher current service pension costs

Statement of Financial Position and Statement of Cash Flows

The Statement of Financial Position and Statement of Cash Flows are on pages 29 and 30.

The net liabilities position has decreased from £48.59m at 31 March 2013 to £34.41m at 31 March 2014. The largest single movement in net liabilities is a £14.18m reduction in pension liabilities due to re-measurement of post employment benefits.

Payment of creditors

In the year to 31 March 2014, the Trust paid 5,975 trade invoices with a value of £13.89m. The percentage of undisputed invoices paid within 30 days by the Trust was 92.4% compared to 95.2% in 2012–13.

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). From 1 June 2014 the Trust will only be required to pay employer contributions for the Chief Executive until July 2014.

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 CRC or the 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 9.0 days across the Trust (2012–13 11.1 days).

Personal data related incidents

No personal data related incidents were reported to the Information Commissioner's Office (ICO). However there were seven single data related incidents in 2013–14 resulting in six minor personal data loss incidents.

When an incident arises, a risk assessment is carried out to assess who, if anyone, should be notified and to ensure measures are 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. In 2013–14 the focus of the refresher was on the new Government Security Classification.

As at the date of the Audit Certificate, no reportable events had occurred.

Events after the reporting period

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

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

The Probation Trust ceased trading on 1 June 2014. The operations of the Trust have been divided between the NPS and a CRC, 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.

The proportion of staff transferring to the CRC/NPS is approximately:

- 54% CRC
- 46% NPS

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 58 to 61.

Mutuals

Since 6th August 2013, the Trust has supported management and staff in the development of a mutual (Resolutions (WY) Limited) and the creation of a joint venture (ProspectsResolutions Limited) with Prospects Limited to bid for the West Yorkshire CRC. Resolutions (WY) Limited has been registered at Companies House and has entered the Transforming Rehabilitation competition, in partnership, as a Tier 1 provider of services. Arrangements have been implemented to comply with Ethical Wall Safeguards has described on page 25 within the Governance Statement.

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

On 1 June 2014, a 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 CRCs. They are fully owned by the Secretary of State for Justice on behalf of the MoJ.

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 and are to be settled as soon as practically possible.

MoJ/NOMS have 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 Accounting Officer with the support of senior management has concluded therefore that within the context of the FReM, it is appropriate for the Trust to prepare the 2013–14 Annual Report and Accounts on a going concern basis.

Internal and external communications

Staff communications

The scale and pace of change facing the Trust and its staff around TR has required new approaches to communication. Our aims have been to:

- Communicate with staff honestly, openly and quickly.
- Be clear when we are communicating and when consulting.
- Listen to staff.
- Use a variety of communications channels to make sure messages get through.
- Comply with the national 'Principles of Competition', including internal ethical walls, designed to safeguard the integrity of the competition process.

Our intranet has continued to be a vital source of information for staff on both TR and operational issues. We have introduced fortnightly TR briefings keeping staff up to date with the latest developments. We have also run a series of briefings by executive members in local offices and consulted extensively with staff on TR issues where this has been possible and meaningful.

External engagement

Our aim has been to keep all external stakeholders informed and engaged throughout to minimise the impact of the changes on day to day operations and particularly on service users.

We have developed and implemented a communications exit plan for the Trust which has covered:

- Producing leaflets and other material for service users to explain the changes.
- Communicating with all contractors on the new arrangements.
- Revising or withdrawing all existing hard copy documents such as leaflets and posters.
- Regular communications with partners, members of parliament, the Court Service, West Yorkshire Police and other key stakeholders.
- Revising the external website in preparation for the launch of the CRC.

Staff diversity

The Trust operates an Equality and Diversity Policy which reflects our responsibilities in relation to the Equality Act 2010. This gives us particular duties in relation to people and groups with the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, maternity and pregnancy, race, religion and belief, sex (formerly known as gender) and sexual orientation. This includes a requirement to publish equalities information (via the Trust website) and develop equality objectives, to enable the elimination of discrimination and harassment, the advancement of equality of opportunity and fostering of good relations.

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 of the National Audit Office 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 26.

Total audit fees reported in the Accounts for 2013–14 are £29,300 and relate to the statutory accounts only.

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

- I am aware of any relevant audit information.
- The Auditor is aware of that information.
- There is no relevant audit information of which the Auditor is unaware.

The West Yorkshire Probation Trust Management Board

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

- A Board consisting of six independent members nominated by the Secretary of State and two independent non-voting member and magistrate advisors to set the strategic direction and hold the Chief Executive to account.
- An Audit & Risk Management Committee to provide the Chief Executive with assurance regarding transparent governance, risk management and financial accountability and to challenge decisions where appropriate.
- The Chair and Chief Executive have quarterly meetings with the NOMS Regional Community Services Manager representing the NOMS Commissioner to monitor contractual performance and outcomes.
- An annual audit plan of work related topics scrutinised by the MoJ Internal Audit and Assurance Team.
- An annual audit of our accounts was conducted by the National Audit Office (our external auditors).

The Chair, Chief Executive and the four independent members of the Board were all appointed by the Secretary of State.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 18 to 21.

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

Position	Name	Date appointment commenced / ended (during 2013–14) where appropriate
Chief Executive	Ms Sue Hall	
Chair	Mr Stan Hardy	
Board Member	Mr Geoffrey Alvy	
Independent Advisor	Ms Anne Beckett JP	
Board Member	Mr Neville Thompson	
Board Member	Mr Peter Mayo-Smith	
Board Member	Mr Alan Caygill	
Independent Advisor	Mrs Jean Stafford JP	

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

.....
 Sue Hall
 Accounting Officer
 11 June 2014

3. Remuneration Report

Appointments

The Chair, the Chief Executive, and other members of the Board were 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 WYPT 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. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual).

	Salary (£000)		Bonus payments (£000)		Benefits in kind (to nearest £100)		Pension benefits £		Total (£000)	
	2013–14	2012–13	2013–14	2012–13	2013–14	2012–13	2013–14	2012–13	2013–14	2012–13
Ms S Hall, Chief Exec	100–105	100–105	0–5	0–5	5,100	7,000	20,000	46,000	130–135	155–160
Mr S Hardy, Chair	25–30	20–25	0	0	0	0	0	0	25–30	20–25
Mr G Alvy	0–5	0–5	0	0	0	0	0	0	0–5	0–5
Ms A Beckett JP	0–5	5–10	0	0	0	0	0	0	0–5	5–10
Mr Thompson	0–5	5–10	0	0	0	0	0	0	0–5	5–10
Mr P Mayo-Smith	0–5	0–5	0	0	0	0	0	0	0–5	0–5
Mr A Caygill	0–5	0–5	0	0	0	0	0	0	0–5	0–5
Mrs J Stafford JP	0–5	0–5	0	0	0	0	0	0	0–5	0–5

As a result of the closure of the Trust, an exit package for the Chief Executive has been determined and agreed nationally by NOMS, and is effective in July 2014. The cost of this departure (£133,000) is reported in **Note 3(c)** to the Accounts.

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

The Trust maintains a Register of Interests which can be obtained from the Trust (or from NOMS after the Trust is dissolved).

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)	£110,000–£115,000	£110,000–£115,000
Median for other staff	£27,373	£27,102
Pay multiple ratio	4.1:1	4.1:1

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 (Chair and Chief Executive) and hourly rates (Board Members).

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by Her Majesty Revenue and Customs (HMRC) 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 Pay-As-You-Earn (PAYE) settlement agreement with HMRC.

Mutuals

Listed below are senior staff members who have been involved in the development of a Mutual (Resolutions (WY) Limited) and the creation of a Joint Venture (ProspectsResolution Limited), with Prospects Services to bid for the West Yorkshire CRC.

Christine Cavanagh	Director
Jonathan Sheard	Assistant Chief Officer
Karen Townend	Acting Assistant Chief Officer

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
Ms Sue Hall	50–55	0–2.5	1,124	1,086	9

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.

.....
Sue Hall
Accounting Officer
11 June 2014

4. Statement of Accounting Officer's Responsibilities

Under the Schedule 1, paragraph 13(1) (b) of the OM Act, the Secretary of State has directed the West Yorkshire 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 Accounting Officer is required to comply with the requirements of the Government FReM and in particular to:

- Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgments and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the Government FReM have been followed, and disclose and explain material departures in the financial statements.
- 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 Accounting Officer of the Trust. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Trust's assets, are set out in Managing Public Money published by HM Treasury.

5. Governance Statement

This Statement sets out for our staff and stakeholders the basis on which the Trust has been established; the way in which it is governed and managed; and how it is accountable for what it does.

The WYPT was established on 1 April 2010 under the OM Act. The Trust is required to operate within the provisions of the Act and relevant subordinate legislation. It must also comply with any directions given by the Secretary of State for Justice. The Secretary of State is ultimately accountable to Parliament for the activities and performance of the WYPT. The Chief Executive for NOMS, as Agency Accounting Officer, designates the Chief Executive of the Trust to undertake the role of Accountable Officer for the Trust.

Robust Corporate Governance

The Trust deploys robust corporate governance that where relevant and practical are in line with the Corporate Governance Code.

It is not considered that there are any significant internal control problems. The Internal Auditor's overall opinion for 2013–14 concluded that he can give a reasonable level of assurance on the adequacy and effectiveness of the system of governance, risk management and internal control. The Internal Auditor's Annual Report included no issues of sufficient importance that would require highlighting in this Statement.

Governance Framework

As Accounting Officer I have responsibility for maintaining a sound system of internal control that supports the achievement of MoJ policies, aims and objectives, set by Ministers, whilst safeguarding the public funds and department's assets for which I am personally responsible in accordance with the responsibilities assigned to me in Managing Public Money and in the Governance Handbook for Probation Trusts.

The Governance Handbook for Probation Trusts was drawn up by NOMS. It sets out the managerial and financial framework within which all Probation Trusts are expected to operate.

The Trust Board agreed a Contract for Offender Management and Interventions with NOMS. This Contract was reviewed formerly with NOMS on a quarterly basis. We were able to demonstrate and evidence good governance, excellent performance against targets and robust financial management.

Governance arrangements are in place around the joint shared HR and Finance service with York and North Yorkshire Probation Trust. This includes the Chief Executives and Chairs of both Trusts holding regular accountability meetings with the Director of Finance & ICT and the Director of HR.

As the Trust's Accounting Officer, I as Chief Executive am personally responsible for propriety and regularity in the management of public funds for which I have charge and for the day to day operations and management of the WYPT. I am also personally responsible for this Governance Statement.

The values that underpin our work are:

- Respect – we believe that people do their best when their differences are valued and they are treated with respect.
- Integrity – we believe in keeping our promises and providing transparent explanations for our actions.
- People can change – we believe in enabling individuals to achieve their potential.
- Excellence – we believe in the pursuit of excellence in all that we do.
- Working together – we believe that engaging with individuals, partners and communities is key to our work.

- Social responsibility – we believe we have a duty to make a positive difference to our local communities.

The Trust Board's Performance and Effectiveness

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of Her Majesty's Inspection of Probation, the Internal Auditors, the Audit and Risk Management Committee, the Trust Board Members and Executive Managers, who all have a 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. Letters of Assurance are provided by Senior Managers to attest to the adequacy of the internal controls within their areas of responsibility.

Using these sources, and informed by the effective operation of processes up to the reporting date, my assessment is that governance, risk management and the system of internal control are sound.

I have been advised on the implications of the results of my review of the effectiveness of the system of internal control by the Board and Audit and Risk Management Committee. In seeking to continuously improve systems the Board has established the following processes:

- The Trust Board meets at least seven times per year to consider the plans and strategic direction of the Trust Board, and the Audit and Risk Management Committee meets at least four times per year. All meetings were quorate. Attendance is detailed below:

Board Attendance 2013–14

Name	Position	Board Attendance	Audit & Risk Management Committee Attendance
Stan Hardy	Chair	6 out of 7	n/a
Ms Sue Hall	Chief Executive	7 out of 7	4 out of 4
Geoffrey Alvy	Board Member	7 out of 7	3 out of 4
Ms Anne Beckett JP	Independent Advisor	7 out of 7	4 out of 4
Neville Thompson	Board Member	6 out of 7	1 out of 4
Peter Mayo-Smith	Board Member	6 out of 7	4 out of 4
Alan Caygill	Board Member	7 out of 7	4 out of 4
Mrs Jean Stafford JP	Independent Advisor	7 out of 7	4 out of 4

- The Trust Board receives detailed minutes of each meeting of the Audit and Risk Management Committee together with periodic verbal reports on its work, by the Chair of the Audit and Risk Management Committee.
- Regular reports by Internal Audit, to standards defined in the Government Internal Audit Manual, which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Trust Board's system of internal control together with recommendations for improvement.
- A comprehensive performance management system is in place based upon publication of monthly local performance reports and quarterly national PTRS reports. Staff and managers' access to performance information is via an on-line performance database on our intranet throughout the year.
- I report the performance results at each Trust Board meeting with a detailed presentation taking place each quarter.
- I review performance on a monthly basis with the Executive Management Team. I also hold regular Accountability Meetings with each Director to review performance against their business plans. Performance management is a central part of the role of the Director of Operations, who reviews performance on a monthly basis with the operational Heads of Service at the Operational Strategic Team.

- The Trust has had in place the following procedures throughout the year in order to maintain a robust internal control mechanism for Corporate Governance:
 - Governance Handbook for Probation Trusts
 - Trust Finance Manual
 - Standing Orders
 - Register of Interests
- Budget control in West Yorkshire is delegated to a range of budget holders and this is tightly managed by the Director of Finance & ICT on behalf of the Chief Executive and supported by formal documentation for the management of delegated budgets together with associated virement procedures. A Scheme of Delegation is in place.
- The Trust Board maintains a comprehensive suite of policies which is regularly reviewed. This is made available to all staff via its “Online Information” Intranet and includes policies in relation to Anti Fraud, Theft and Corruption and Public Interest Disclosure (The “Whistleblower” Policy).
- The Trust Board deploys the European Excellence Model on an annual basis to identify strengths and areas for improvement in its processes and the results they deliver. The outcomes of the annual exercises are incorporated into the following year Business Plan. In March 2009 we received a four star award for excellence by Recognised for Excellence which we have continued to hold.
- A Staff Survey is conducted on an annual basis to ascertain the views of staff based on their experience of working for the WYPT. Again outcomes from this are reflected in the Area Business Plan. In January 2013 we received a Gold Investors in People Award.

Risk Management

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

The WYPT Board is committed to an effective process of risk management. The approach taken involves systematically:

- Identifying objectives
- Identifying business risks
- Analysing and Evaluating the risks
- Treating the risk
- Recording, monitoring and reviewing the risks

Consideration of the risk of not achieving business plan objectives is a regular agenda item at Management and Audit and Risk Management Committee meetings. This has coincided with the already routine consideration of performance. Changes to risk assessments and necessary actions have been cascaded upwards to relevant Lead Managers and ultimately the Trust Board through the embedded risk management process.

Throughout the year the Risk Register has been routinely reviewed quarterly at Executive Group. The Executive Group challenge risk owners on their ability to manage risks. The Trust Board review the critical few risks on a quarterly basis to coincide with the Trust Board’s review of performance. The Risk Register is updated on an ongoing basis and presented to each meeting of the Audit and Risk Management Committee who focus on the adequacy of the internal controls in place and proposed to mitigate those business risks. All reports to Management and Trust Board meetings include a risk assessment paragraph.

Where the Board considers the consequences of the risks may be severe, the counter measure would be incorporated into the Trust Business Plan as an improvement project.

The main risks being managed at the date of this statement were:

- The transition and restructure arrangements relating to the Governments TR Strategy.
- Ensuring accountability arrangements for the embryonic staff mutual.
- The management of staff sickness levels.
- The implementation of a new national case recording system (NDeIus).

A TSG was set up in July to oversee the implementation of the TR agenda. This group receives weekly reports from 5 workstreams, including updates on the risks and how these will be managed.

The Internal and External Audit Plans for 2013–14 were influenced by the Trust Business Plan and the Risk Register, and revised as determined by the dynamic risk environment. Counter measures are monitored through regular performance accountability reviews undertaken by the Executive Group and ultimately the Trust Board.

It is from the robust application of risk management that the Trust Board has been able to maintain both its good performance and performance reporting timeliness during the year.

Controls have been further enhanced to improve information security compliance with specific Government Secure Intranet connection requirements and to incorporate requirements for the processing of confidential data. As at the end of April 87.8% of staff have completed training in the new Government Security Classification which commenced 1/4/14.

In 2013–14, there were seven single data incidents. All incidents were reported in line with our policy and reported to NOMS. For each incident internal controls have been reviewed and improved.

Mutual Development Team

Since 6th August 2013, some Trust management and staff have contributed to the development of a staff mutual. In order to comply with ethical wall safeguards a separate management structure for the mutual development team was created with a senior manager accountable and line managing the team.

The senior manager is accountable directly to the Chief Executive for the mutual development team's compliance with the Ethical Wall Safeguards protocol and the occurrence of agreed prescribed events.

A Trust Board member has been assigned to liaise with the mutual development team's senior manager to seek appropriate assurances about probity, governance and compliance issues. The Board member, in turn, provides assurance to the Board Chair, Board, and the Audit and Risk Management Committee.

A register of staff identified as required to sign either a Declaration A (i.e. assisting the competition) or a Declaration B (developing a bid) has been maintained with individual sign off of declaration being monitored since 6th August 2013.

.....
 Sue Hall
 Chief Executive
 West Yorkshire Probation Trust
 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 West Yorkshire 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 West Yorkshire 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

Date: 30th June, 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

	Notes	2013–14 £000	2012–13 Restated £000
Expenditure			
Staff costs	3(a)	31,524	31,326
Other expenditure	6	11,435	11,008
Total Expenditure		42,959	42,334
Income	7	(40,699)	(40,670)
Net operating costs		2,260	1,664
Net interest cost on pension scheme	4(c)	2,102	2,137
Net operating costs before taxation		4,362	3,801
Taxation	5	0	0
Net operating costs after taxation		4,362	3,801

Other Comprehensive Expenditure

	Notes	2013–14 £000	2012–13 Restated £000
Items that will not be reclassified to net operating costs:			
Net (gain)/loss on revaluation of property, plant and equipment	8	(3)	(16)
Re-measurement of post employment benefits	23	(18,545)	(2,209)
Total comprehensive expenditure for 31 March 2014		(14,186)	1,576

The notes on pages 32 to 55 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	255	294
Total non-current assets		255	294
Current assets			
Trade and other receivables	12(a)	2,500	3,508
Cash and cash equivalents	13	660	2,012
Total current assets		3,160	5,520
Total assets		3,415	5,814
Current liabilities			
Trade and other payables	14(a)	(2,082)	(3,386)
Provisions	15	0	(577)
Taxation payables	14(a)	(433)	(838)
Total current liabilities		(2,515)	(4,801)
Non-current assets plus/less net current assets/(liabilities)		900	1,013
Non-current liabilities			
Trade and other payables	14(a)	0	(116)
Pension liability	4(c)	(35,306)	(49,489)
Total non-current liabilities		(35,306)	(49,605)
Assets less liabilities		(34,406)	(48,592)
Taxpayers' equity			
General fund	23	(34,514)	(48,697)
Revaluation reserve – property, plant and equipment	24(a)	108	105
		(34,406)	(48,592)

The financial statements on pages 28 to 31 were approved by the Board on 11 June 2014 and were signed on its behalf by

.....
Sue Hall
Accounting Officer

11 June 2014

The notes on pages 32 to 55 form part of these accounts.

Statement of Cash Flows

For the year ended 31 March 2014

		2013–14	2012–13 Restated
	Notes	£000	£000
Cash flows from operating activities			
Net operating costs	23	(4,362)	(3,801)
Adjustments for non-cash transactions	6(a)	42	43
Adjustments for pension cost	4(c)	4,362	3,800
(Increase)/decrease in receivables	12(a)	1,008	1,109
Increase/(decrease) in payables	14(a)	(1,825)	(301)
Utilisation of provisions	15	(577)	(390)
Net cash outflow from operating activities		(1,352)	460
Cash flows from investing activities			
Net cash outflow from investing activities		0	0
Cash flows from financing activities			
Net financing		0	0
Net increase/(decrease) in cash and cash equivalents in the period		(1,352)	460
Cash and cash equivalents at the beginning of the period	13	2,012	1,552
Cash and cash equivalents at the end of the period	13	660	2,012
(Decrease)/Increase in cash		(1,352)	460

The notes on pages 32 to 55 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		(47,105)	89	(47,016)
Prior period adjustment	23/24	0	0	0
As restated at 1 April 2012		(47,105)	89	(47,016)
Changes in taxpayers' equity for 2012–13 (restated)				
Net operating cost after taxation	SocNE	(3,801)		(3,801)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		16	16
Re-measurement of post employment benefits	23	2,209	0	2,209
Balance as at 31 March 2013		(48,697)	105	(48,592)
Changes in taxpayers' equity for 2013–14				
Net operating cost after taxation	SocNE	(4,362)		(4,362)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		3	3
Transferred to General Fund from property, plant and equipment revaluation reserve	24(a)			
Re-measurement of post employment benefits	23	18,545	0	18,545
Balance as at 31 March 2014		(34,514)	108	(34,406)

The notes on pages 32 to 55 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 FReM issued by Her Majesty Treasury (HMT). The accounting policies contained in the FReM 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 FReM 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 preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements is the pension liability, which is informed by actuarial advice.

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 MoJ. They are administered by a new NPS and 21 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 OM Act, will be made by the Secretary of State for Justice subject to the negative resolution procedure.

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

As the functions previously provided by 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 Accounting Officer with the support of senior management has concluded therefore that within the context of the FReM, 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 Value Added Tax (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 reserve.

1.6 Depreciation

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

Asset lives are currently in the following ranges:

Information technology	5 years depending on individual asset type
Plant & equipment	3 to 15 years depending on individual asset type
Vehicles	5–10 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 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.

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 HMT via NOMS and MoJ.

1.9 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 HMT. Administration costs reflect the costs of running the Probation Trust together with associated operating income. For WYPT all expenditure in both 2013–14 and 2012–13 is classified as Administration.

1.10 Pensions

Past and present employees are covered by the provisions of the 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 Statement of Financial Position in respect of defined benefit pension plans at the reporting date is the present value of the defined benefit obligation less the fair value of plan assets. The present value of the

defined benefit obligation is determined by discounting the estimated future cash outflows using discount rates as advised by the scheme actuary.

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

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

1.11 Leases

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

The Trust has no finance leases.

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.

1.12 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 HMT.

1.13 VAT

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.

1.14 Corporation Tax (CT)

The Trust is a “corporate body” in accordance with the OM Act supplying court work and offender management services to NOMS and the MoJ, and as a result, HMRC has confirmed that it is subject to CT. The Trust is therefore subject to CT on its profits and ‘profit’ for this purpose means income and chargeable gains. These accounts include estimates of corporation tax liabilities.

1.15 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.

1.16 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.

1.17 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

Analysis of spend by section as reported to the Trust's Board.

Operational Unit	2013-14	2012-13
	Net Expenditure £000	Net Expenditure £000
West Yorkshire Probation Trust	£37,070	£37,502
Total Net Expenditure	£37,070	£37,502
Contract Income	(£37,070)	(£37,502)

Financial monitoring is reported to the Board for the Trust as a whole. The income above relates to the income receivable from the sponsoring department (see **Note 7**).

3. Staff numbers and related costs

3a. Staff costs consist of:

	2013-14			2012-13 Restated
	Total £000	Permanently- employed staff £000	Others £000	Total £000
Wages and salaries	25,573	25,296	277	25,811
Social security costs	1,878	1,878	0	1,927
Other pension costs	5,501	5,501	0	4,936
Sub-total	32,952	32,675	277	32,674
Less recoveries in respect of outward secondments	(1,428)	(1,428)	0	(1,348)
Total staff costs	31,524	31,247	277	31,326

The LGPS 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**.

1 person (2012-13: 1 person) retired early on ill-health grounds; there was no associated additional pension liability cost.

3b. Average number of persons employed

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

2013–14			2012–13
Total	Permanently-employed staff	Others	Total
£000	£000	£000	£000
887	875	12	909
887	875	12	909

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	16	16
£10,000–£25,000	0	0	0	0	7	7
£25,000–£50,000	0	0	0	0	1	1
£50,000–£100,000	0	0	0	0	1	1
£100,000–£150,000	0	1	1	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	25	25
Total resource cost £000	0	133	133	0	282	282

Redundancy and other departure costs have been paid in accordance with the Trust's compensation scheme. Exit costs for staff leaving in 2013–14 and 2014–15 are accounted for in full where agreements have been reached in 2013–14. The additional costs of any early departures are met from the Trust and not the pension scheme and are included in the above figures. These costs are included in **Note 6** – Other Expenditure (Other staff related).

4. Pensions costs

Pension benefits are provided through the West Yorkshire LGPS. This is a statutory, and intended to be a fully funded, scheme which provides benefits on a “final salary” basis at a normal retirement age of 65, but an employee is eligible to go at 60 under the 85 year rule with no loss of pension entitlement. Benefits accrue at the rate of 1/60th of pensionable salary for each year of service. Members pay contributions ranging from 5.5% to 7.5% dependant upon the level of pensionable earnings. Pension payments are increased in line with the Consumer Prices Index. On death, pensions are payable to the surviving spouse at the rate of half the member’s pension. On death in service the scheme pays a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse’s pension, which depends on length of service. Medical retirement is possible in the event of serious ill-health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

4a. Pension costs

A full actuarial valuation was carried out at 31 March 2013 by Hewitts Associates Limited. For 2013–14, employers’ contributions of £3,238,385 were payable to the LGPS (2012–13 £3,273,489) at a rate of 13.3% of employees pensionable pay. The schemes’ Actuary reviews employer contributions every three years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. The Trust also contributed £255,865 in Past Service Costs to fund voluntary redundancy payments (2012–13 £284,000).

Employer contributions from 1 June 2014 will not be required to be paid by the Probation Trust as they have ceased trading. Future contributions are referred to in **Note 27**.

The approximate employer’s pension contributions for the three years are:

- Employer’s contributions for 2013–14 were 13.3% of salaries.
- Employer’s contributions for 2014–15 (April and May) will be 11.7% of salaries.

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

	2013–14	2012–13
	%	%
Inflation assumption	2.4%	2.7%
Rate of increase in salaries	3.9%	4.6%
Rate of increase for pensions in payment and deferred pensions	2.4%	2.7%
Discount rate	4.3%	4.4%

For current pensioners aged 65 the life expectancy is assumed to be 22.5 years (male) and 25.4 years (female) as at 31st March 2014. For future pensioners aged 65 in 20 years time the life expectancy assumption is 24.7 years (male) and 27.7 years (female) as at 31st March 2014.

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

	2013–14		Total £000
	Present value of obligation £000	Fair value of plan assets £000	
Plan assets	0	159,292	
Funded liabilities	(205,245)	0	
Unfunded liabilities	(3,536)	0	
Opening balance at 1 April (restated)	(208,781)	159,292	(49,489)
Current service costs	(5,493)	0	(5,493)
Past service costs (including curtailments)	(261)	0	(261)
	(5,754)	0	(5,754)
Net Interest (cost)/income	(9,056)	6,954	(2,102)
Re-measurements			
Returns on plan assets, excluding amounts included in interest cost/(income)	0	(679)	(679)
Gain/(loss) from change in demographic assumptions	2,869	0	2,869
Gain/(loss) from change in financial assumptions	12,086	0	12,086
Experience gains/(losses)	4,269	0	4,269
	19,224	(679)	18,545
Contributions			
Employers	0	3,494	3,494
Plan participants	(1,465)	1,465	0
Payments from plans			
Benefit payments	7,274	(7,274)	0
Unfunded benefit payments	256	(256)	0
Closing balance at 31 March	(198,302)	162,996	(35,306)
Plan assets	0	162,996	
Funded liabilities	(194,737)	0	
Unfunded liabilities	(3,565)	0	
Closing balance at 31 March	(198,302)	162,996	(35,306)

	2012–13 (restated)		Total £000
	Present value of obligation £000	Fair value of plan assets £000	
Plan assets	0	140,075	
Funded liabilities	(184,494)	0	
Unfunded liabilities	(3,479)	0	
Opening balance at 1 April	(187,973)	140,075	(47,898)
Current service costs	(4,936)	0	(4,936)
Past service costs (including curtailments)	(284)	0	(284)
	(5,220)	0	(5,220)
Net interest (cost)/income	(8,686)	6,549	(2,137)
Re-measurements			
Gain/(loss) from change in financial assumptions	(12,170)	0	(12,170)
Experience gains/(losses)	214	14,165	14,379
	(11,956)	14,165	2,209
Contributions			
Employers	0	3,557	3,557
Plan participants	(1,495)	1,495	0
Payments from plans			
Benefit payments	6,295	(6,295)	0
Unfunded benefit payments	254	(254)	0
Closing balance at 31 March	(208,781)	159,292	(49,489)
Plan assets	0	159,292	
Funded liabilities	(205,245)	0	
Unfunded liabilities	(3,536)	0	
Closing balance at 31 March	(208,781)	159,292	(49,489)

4d. Plan assets are comprised as follows

	2013-14				2012-13			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
	£000	£000	£000		£000	£000	£000	
Equities	123,225	0	123,225	75.6	112,938	0	112,938	70.9
Government bonds	16,625	0	16,625	10.2	19,752	0	19,752	12.4
Other bonds	8,965	0	8,965	5.5	9,558	0	9,558	6.0
Property	4,890	0	4,890	3.0	5,257	0	5,257	3.3
Cash and cash equivalents	4,401	0	4,401	2.7	4,619	0	4,619	2.9
Other	4,890	0	4,890	3.0	7,168	0	7,168	4.5
Total	162,996	0	162,996	100.0	159,292	0	159,292	100.0

4e. Sensitivity analysis

	+0.1% £000	0% £000	-0.1% £000
Adjustment to discount rate			
Present value of total obligation	191,186	194,737	198,355
Projected service cost	4,774	4,924	5,077
	+1yr £000	none £000	-1yr £000
Adjustment to mortality age rate assumption			
Present value of total obligation	199,216	194,737	190,238
Projected service cost	5,072	4,924	4,774
	+0.1% £000	0% £000	-0.1% £000
Adjustment to inflation			
Present value of total obligation	197,370	194,737	192,165
Projected service cost	5,082	4,924	4,769

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

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

Probation Trusts are corporate bodies under the OM Act, supplying court work and offender management services to the MoJ. The Trust is therefore subject to CT on its profits and 'profit' for this purpose means income and chargeable gains.

6. Other Expenditure

	2013–14		2012–13	
	£000	£000	£000	£000
Rentals under operating leases	3		3	
Accommodation, maintenance and utilities	3,708		3,658	
Travel, subsistence and hospitality	550		467	
Professional services	502		435	
IT services	1,894		1,839	
Communications, office supplies and services	832		856	
Other staff related	692		684	
Offender costs	3,049		2,972	
Other expenditure	119		(2)	
External Auditors' remuneration – statutory accounts	29		29	
Internal Auditors' remuneration	15		24	
		11,393		10,965
Non-cash items				
Depreciation of tangible non-cash assets	42		43	
		42		43
Total		11,435		11,008

7. Income

	2013–14		2012–13	
	£000	£000	£000	£000
Income receivable from the sponsoring department – NOMS	37,070		37,502	
		37,070		37,502
EU income from NOMS		1,560		1,280
Other income received from Probation Trusts		462		410
Other income from NOMS		218		183
Other income from rest of MoJ Group		0		0
Other income from other Government departments		954		880
Miscellaneous income		427		407
		40,691		40,662
Interest received:				
From bank	8		8	
Total interest received		8		8
Total income		40,699		40,670

8. Property, plant and equipment

	2013-14					Total £000
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	
	£000	£000	£000	£000	£000	
Cost or valuation						
As at 1 April 2013	8	75	416	0	0	499
Additions	0	0	0	0	0	0
Disposals	(8)	0	0	0	0	(8)
Indexation/revaluation	0	1	2	0	0	3
As at 31 March 2014	0	76	418	0	0	494
Depreciation						
As at 1 April 2013	8	68	129	0	0	205
Charge in year	0	5	37	0	0	42
Disposals	(8)	0	0	0	0	(8)
As at 31 March 2014	0	73	166	0	0	239
Carrying value as at 31 March 2014	0	3	252	0	0	255
Carrying value as at 31 March 2013	0	7	287	0	0	294
Asset financing						
Owned	0	3	252	0	0	255
Carrying value as at 31 March 2014	0	3	252	0	0	255

8. (Continued)

	2012-13					Total £000
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	
	£000	£000	£000	£000	£000	
Cost or valuation						
As at 1 April 2012	25	197	421	9	0	652
Disposals	(18)	(125)	(28)	(9)	0	(180)
Indexation/revaluation	1	3	23	0	0	27
As at 31 March 2013	8	75	416	0	0	499
Depreciation						
As at 1 April 2012	25	182	115	9	0	331
Charge in year	0	9	34	0	0	43
Disposals	(18)	(125)	(28)	(9)	0	(180)
Indexation/revaluation	1	2	8	0	0	11
As at 31 March 2013	8	68	129	0	0	205
Carrying value as at 31 March 2013	0	7	287	0	0	294
Carrying value as at 31 March 2012	0	15	306	0	0	321
Asset financing						
Owned	0	7	287	0	0	294
Carrying value as at 31 March 2013	0	7	287	0	0	294

9. Intangible assets

There were no intangible assets (2012–13 – £0).

10. Impairments

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

11. Assets held for sale

There were no assets held for sale at the reporting date (2012–13 – £0).

12. Trade receivables and other current assets

12a. Analysis by type

	2013–14 £000	2012–13 £000
Amounts falling due within one year		
Trade receivables	69	112
Deposits and advances	73	70
Receivables due from Probation Trusts	0	81
Receivables due from NOMS Agency	2,047	2,859
Receivables due from all other Government departments	201	154
Other receivables	6	0
Prepayments	104	232
Amount falling due after more than one year		
Total	2,500	3,508

12b. Intra-Government receivables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2013–14 £000	2012–13 £000	2013–14 £000	2012–13 £000
Balances with other central Government bodies (inc. parent department)	2,070	2,944	0	0
Balances with local authorities	172	129	0	0
Balances with NHS bodies	5	15	0	0
Balances with public corporations and trading funds	0	6	0	0
	2,247	3,094	0	0
Balances with bodies external to Government	253	414	0	0
Total	2,500	3,508	0	0

13. Cash and cash equivalents

	2013–14 £000	2012–13 £000
Balance at 1 April	2,012	1,552
Net change in cash and cash equivalents	(1,352)	460
Balance at 31 March	660	2,012
The following balances at 31 March are held at:		
Commercial banks and cash in hand	660	2,012
Balance at 31 March	660	2,012

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	345	1,055
Other payables	0	0
Accruals	1,152	423
Deferred income	4	124
Staff payables	70	118
Payables due to Probation Trusts	0	27
Payables, Accruals and Deferred Income due to NOMS Agency	78	1,004
Payables, Accruals and Deferred Income due to MoJ Group	0	7
Payables, Accruals and Deferred Income due to other HM Government	433	447
Unpaid pensions contributions due to the pensions scheme	0	181
	2,082	3,386
Tax falling due within one year		
VAT	433	796
Other taxation and social security	0	42
	433	838
Total amounts falling due within one year	2,515	4,224
Amounts falling due after more than one year		
Staff payables	0	116
Other payables	0	0
	0	116
Total	2,515	4,340

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)	911	2,227	0	0
Balances with local authorities	33	164	0	0
Balances with NHS bodies	0	12	0	0
	944	2,403	0	0
Balances with bodies external to Government	1,571	1,821	0	116
Total	2,515	4,224	0	116

15. Provisions for liabilities and charges

	2013–14				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Balance at 1 April	0	0	0	577	577
Provision utilised in the year	0	0	0	(577)	(577)
Balance as at 31 March	0	0	0	0	0

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

	2012–13				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Balance at 1 April	0	0	0	967	967
Provision utilised in the year	0	0	0	(390)	(390)
Balance as at 31 March	0	0	0	577	577

	2012–13				
	Early retirements costs £000	Leasehold Property Dilapidations £000	Other Provisions £000	Voluntary Early Departure £000	Total £000
Analysis of expected timing of discount flows					
Not later than one year	0	0	0	577	577
Current liability	0	0	0	577	577
Non-current liability	0	0	0	0	0
Balance as at 31 March	0	0	0	577	577

There were no provisions at the reporting date (2012–13 – £577k).

16. Capital commitments

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

17. Commitments under leases

17a. Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

Obligations under operating leases for the following periods comprise:

	2013–14	2012–13
	£000	£000
Other		
Not later than one year	3	1
Later than one year and not later than five years	0	3
Total	3	4

Operating lease commitments relate to a vehicle.

17b. Finance leases

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

18. Other financial commitments

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

19. Deferred tax asset

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

20. Financial instruments

As the cash requirements of 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 – £0).

22. Losses and special payments

22a. Losses statement

	2013–14		2012–13	
	Number of cases	Total value £000	Number of cases	Total value £000
Administrative write-offs	17	5	10	3
Total	17	5	10	3
Details of cases over £300,000				
Total	0	0	0	0

There were no losses in excess of £300k (2012–13 – £0).

22b. Special payments schedule

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

23. General fund

	2013–14 £000	2012–13 £000
Balance at 1 April	(48,697)	(47,105)
Net transfers from Operating Activities:		
Statement of Comprehensive Net Expenditure	(4,362)	(3,801)
Re-measurement of post employment benefits	18,545	2,209
Balance at 31 March	(34,514)	(48,697)

24. Revaluation reserve

The Revaluation Reserve reflects the unrealised element of the cumulative balance of indexation and revaluation adjustments (excluding donated assets).

24a. Property, plant and equipment

	2013–14 £000	2012–13 £000
Balance at 1 April	105	89
Balance restated at 1 April	105	89
Arising on revaluations of PPE during the year (net)	3	16
Balance at 31 March	108	105

Movement due to indexation of PPE

25. Related party transactions

NOMS and the MoJ are regarded as a related party. During the year, the Trust had various material transactions with the MoJ. 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.

The following related party transaction during the period is considered to be significant:

Related Party	Position at Related Party	Income to Trust £	Nature of Transaction
Neville Thompson – WYPT Board Member			
St Johns Approved Premise	Board Member	56,629	WYPT Staff secondment costs reimbursed.

The outstanding balance as at 31 March 2014 was nil.

The Trust provides payroll and certain accounting services to two charities. Total expenditure on behalf of these organisations in 2013–14, the income to the Trust and the amount due to the Trust as at 31 March 2014 was as follows:

Organisation	Expenditure 2013–14	Income	Outstanding Balance 31 March 2014
	£	£	£
Himmat	1,212,210	1,185,079	27,131
Remedi	1,563,352	1,563,352	-

The outstanding balance had not been funded by the Trust as at 31 March 2014, and was settled by the related party during May 2014.

26. Third-party assets

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

27. Events occurring after the reporting period

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

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

Dissolution of the Trust

The Trust ceased trading on 1 June 2014. A Statutory Instrument to dissolve the Trust, under section 5(1) (c) of the OM Act, 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 NPS and a CRC, 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 Accounting 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 1 June 2014

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

Pensions

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

The Trust will then only be required to pay employer contributions for the Chief Executive until July 2014.

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 MoJ.

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	518
Other comprehensive expenditure	1,058
Total comprehensive expenditure	1,576
Restatement:	
Increase in programme expenditure (interest costs)	3,283
Decrease in re-measurement of defined benefit obligation (previously actuarial loss)	(3,283)
	0
Extract from the 2012–13 accounts after restatement:	
Net operating expenditure after taxation	3,801
Other comprehensive expenditure	(2,225)
Total comprehensive expenditure	1,576

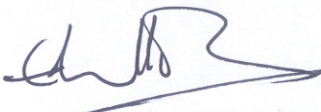
Extract from the Statement of Changes in Taxpayers' Equity

	2012–13
Extract from the 2012–13 accounts before restatement:	£000
General fund balance as at 31 March 2013	(48,697)
Restatement:	
Increase in net operating expenditure	3,283
Decrease in re-measurement of defined benefit obligation (previously actuarial loss)	(3,283)
General fund balance as at 31 March 2013 after restatement	(48,697)

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

It is mandatory for all central government bodies that produce Annual Reports and Accounts in accordance with the Government FReM to include a discrete section of sustainability information and related costs.

This is the third time we have included a sustainability report as part of our Annual Report and Accounts though we have presented an annual environmental report to our Board since 2008. The report forms part of the MoJ consolidated report in the Annual Report and Accounts.

The Trust is committed to being environmentally responsible. This includes the environmental impact of our business travel, energy and water use, waste generation, paper usage, recycling and the costs associated with each of these. Our priorities are to reduce our carbon dioxide emissions from both our estate and our business travel and minimise and control any adverse environmental effects arising from our work activities as far as is reasonably practicable.

We consult and work collaboratively with staff, service users and stakeholders to promote good environmental practice.

Scope and Data Quality

For energy and water use, this report covers all 14 locations occupied by us where the costs for utilities are met through NOMS outsourced Estates and Facilities contract. Utility figures have not been available for our occupancy within four court buildings.

The NOMS' Sustainability Team have provided us with our figures for energy, waste and water which have been obtained from the outsourced facilities and estates contract. There are concerns regarding the accuracy of the financial and non-financial data that we receive and we continue to challenge and request improvements to the system.

The travel data includes journeys by all our staff.

Probation Service Carbon Management Plan (CMP)

The Probation Service CMP was launched in April 2012 and it supports the Prime Minister's 10% carbon reduction target. The NOMS' Sustainability Team lead on this policy.

The following work has been undertaken this year by NOMS which supports the CMP.

Waterloo House Leeds

Installation of Passive Infra red lights	Energy Saving Measure
Replacement windows	
Replacement Roof	

Spring Hall Lane Halifax

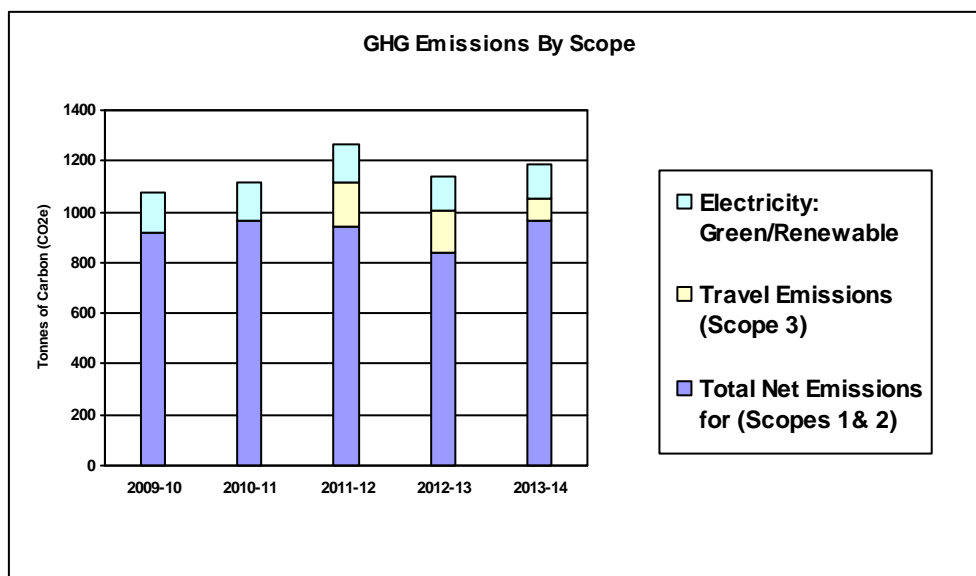
Replacement Boiler	Energy Saving Measure
--------------------	-----------------------

Greenhouse gas (GHG) emissions

		2009-10	2010-11	2011-12	2012-13	2013-14
Non-Financial Indicators (tCO ₂ e)	Total gross emissions for (scopes 1 & 2)	1,072.1	1,115.5	1,092.1	969.6	962.3
	Electricity: green/renewable	153.3	150.8	149.3	129.2	132.0
	Total net emissions (scopes 1&2)	918.8	964.7	942.8	840.4	837.6
	Travel – emissions (scope 3)	0.0	0.0	174.5	167.2	91.3
	Total gross GHG emissions (all scopes)	1,072.1	1,115.5	1,266.6	1,136.8	1,053.6
Non-Financial (kWh)	Electricity: Grid, CHP & non-renewable	883,537	869,536	860,968	744,758	889,160
	Electricity: renewable	294,512	289,845	286,989	248,253	296,386
	Gas	2,478,440	2,765,484	2,382,220	2,105,573	2,113,476
	Other energy sources	0	0	0	0	0
	Total energy	3,656,489	3,924,865	3,530,177	3,098,584	3,299,022
Financial indicators	Expenditure on energy (£)	£236,669	£243,534	£193,455	£202,956	£218,725
	Expenditure on official business travel (£)	£0	£0	£404,093	£440,003	£418,253

Performance commentary (including targets)

We continue to work with MoJ Sustainability Team to agree accurate figures on a timely basis. We aim to reduce electricity usage by increasing staff awareness through poster campaigns.

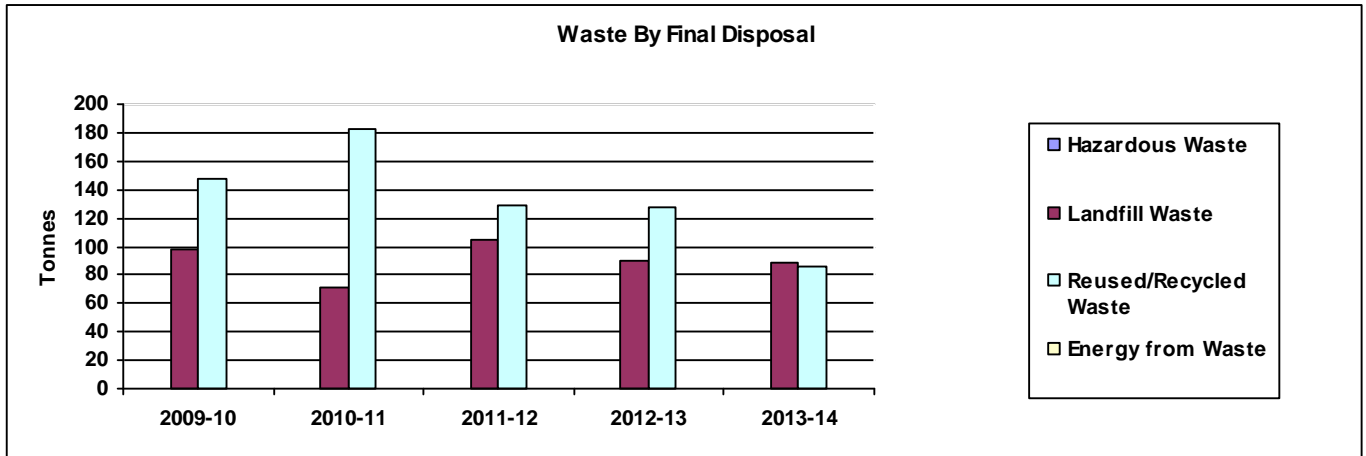


Waste

			2009-10	2010-11	2011-12	2012-13	2013-14
Non-Financial Indicators (tonnes)	Hazardous waste	Hazardous waste	0	0	0	0	0
	Non-hazardous waste	Landfill waste	98	71	105	90	89
		Reused/recycled waste	147	183	129	127	86
		Energy from waste	0	0	0	0	0
	Total Waste Arising		245	254	234	217	175

Performance commentary (including targets)

We encourage staff to complete dry, mixed recycling through poster and intranet campaigns. All used toner cartridges, IT equipment and mobile phones are recycled through charitable organisations.

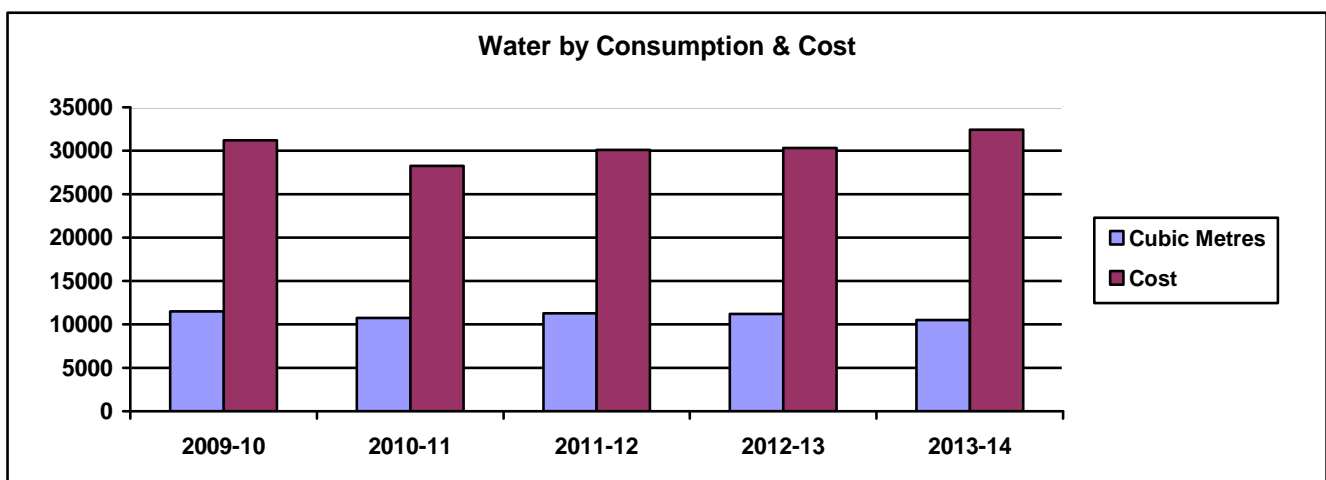


Water

		2009-10	2010-11	2011-12	2012-13	2013-14
Non-Financial Indicators	Total Water consumption (cubic metres)	11,494	10,742	11,267	11,202	10,518
Financial Indicators	Total Water Supply costs (£)	£31,210	£28,277	£30,096	£30,300	£32,429

Performance commentary (including targets)

We continue to work with MoJ Sustainability Team to obtain accurate and timely figures.



Paper

	2009-10	2010-11	2011-12	2012-13	2013-14
Cost excl. VAT	0	0	0	£15,000	£14,500

Performance commentary (including targets)

We aim to reduce paper costs in 2013-14 by the introduction of multi function devices which will enable double sided printing and scanning of documents.

Achievements during 2013–14

Target

Create & Deliver an awareness campaign to further develop sustainability awareness amongst staff, service users and stakeholders

An awareness campaign was delivered in the reception area at each site within the Trust during the last quarter of the year. This included information regarding cycle to work, car sharing schemes, public transport, reducing energy and recycling.

Target

Undertake an Environmental Audit to measure the Trusts environmental impacts and to enable informed decisions to be made about managing those impacts

NOMS commissioned regional environmental audits during 2013–14 and Cliff Hill House, Wakefield was included in this project. Unfortunately all recommendations had a 2 year or more pay back, therefore, due to the uncertainty about the future of the Probation Estate, no works were commissioned.

Glossary

CETV	–	Cash Equivalent Transfer Value
CRCs	–	Community Rehabilitation Companies
CT	–	Corporation Tax
EFQM	–	European Foundation for Quality Management
FReM	–	Financial Reporting Manual
GMPF	–	Greater Manchester Pension Fund
HMRC	–	Her Majesty Revenue & Customs
HMT	–	Her Majesty Treasury
HR	–	Human Resources
ICO	–	Information Commissioner's Officer
ICT	–	Information, Communication & Technology
IFRS	–	International Financial Reporting Standards
LDU	–	Local Delivery Unit
LGPS	–	Local Government Pension Scheme
MAPPA	–	Multi-Agency Public Protection Arrangements
MoJ	–	Ministry of Justice
NDPB	–	Non Departmental Public Body
NOMS	–	National Offender Management Service
NPS	–	National Probation Service
OASys	–	Offender Assessment Systems
OJEU	–	Official Journal of the European Union
OLI	–	Online Information
OM Act	–	Offender Management Act 2007
OMI	–	Offender Management Inspection
PSA	–	Post Sentence Assessment
PTRS	–	Probation Trust Rating System
SoCNE	–	Statement of Comprehensive Net Expenditure
TR	–	Transforming Rehabilitation
TSG	–	Transition Steering Group
VAT	–	Value Added Tax
WYPT	–	West Yorkshire Probation Trust

ISBN 978-1-4741-0377-0



9 781474 103770