

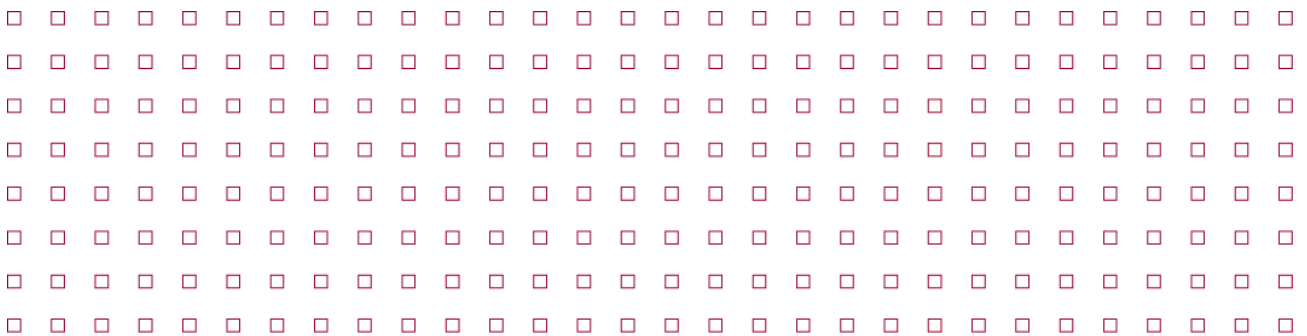


Ministry
of Justice

Senior Salaries Review Body

Judiciary: Annual Written Evidence

December 2015





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This information is also available at www.gov.uk/moj

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Introduction and strategic approach

1. This document constitutes the Ministry of Justice's (MoJ) evidence submission to the Senior Salaries Review Body (SSRB) for its 2016/17 pay review. It includes information provided by the Northern Ireland Courts and Tribunal Service about judicial office holders in Northern Ireland.
2. This first section provides details of the MoJ's strategic approach to the judicial remit group. This is followed by a summary of the wider context to decisions about judicial pay, including: information on the government's public sector pay policy; the financial position of the MoJ and Her Majesty's Courts and Tribunals Service (HMCTS); details of policy and operational changes that have affected the work of the judiciary; and the work of the judiciary in Northern Ireland.

Future direction and context, and the evolution of senior roles over the next three to five years

3. The judiciary fulfils a fundamental constitutional role as one of the three branches of the state and is the backbone of a fair system of justice. Our judiciary is of the highest standing internationally, and our world-class status as a centre for legal dispute resolution arises in great part from the judiciary's reputation, its independence and its pinnacle role in upholding the rule of law. A strong and independent judiciary, of which security of tenure and appropriate remuneration form a key element, is essential to the effective functioning of the justice system.
4. Aspects of the way that the judiciary work will change over the next three to five years as a result of work to transform the justice system. The MoJ is working jointly with the judiciary on a programme of work to make sure the judiciary of the future are able to be the right size and shape for the reformed justice system.
5. Our justice system relies on a diverse, talented judiciary. This means we need to increase our outreach work with the professions from which judges are appointed – reserving appointment for the best people. In particular, this must involve targeting outreach at underrepresented groups.
6. This programme of work includes developing proposals to modernise judicial terms and conditions in the context of recent employment law decisions. It will also consider moving towards new and modern ways of working for the judiciary, such as digital skills for upgraded I.T., more flexible deployment and operational flexibility.
7. To underpin this, the MoJ wants to move towards an approach to judicial pay policy that continues to support judicial independence and the recruitment and retention of high calibre judicial office holders at all levels and in all jurisdictions, while incentivising judicial leadership and supporting the proposals for strategic reform being developed by the steering group on the provision of judges.

The need to recruit, retain and motivate people of the right quality

8. The recruitment and retention of high quality, independent judicial office holders is essential; having the right approach to judicial pay and reward is a prerequisite for this. The MoJ carefully monitors data on recruitment and retention, and the relevant sections of this evidence pack provide data from 2014/15. As set out below, there is an increasing amount of data and anecdotal evidence to suggest that the level of judicial remuneration is beginning to have a negative impact upon recruitment and retention of High Court judges, which is of concern and a matter which the department seeks to address. There is no substantive evidence to demonstrate such trends in other groups of judicial office holders at this time.
9. The Constitutional Reform Act 2005 made the Lord Chief Justice responsible for the welfare of the judiciary. Judicial morale, though, still remains a key concern for government. The Judicial Attitude Survey of 2014 provided useful insights into the views of the judiciary; the MoJ has noted the findings of this survey and taken these into account in its consideration of judicial pay policy.

The plan for increasing diversity within the remit group

10. One of the primary objectives in the modernisation of the judiciary is to continue to increase diversity at all levels of the remit group. The MoJ works closely with the judiciary, the Judicial Appointments Commission and the legal professions to encourage judicial diversity through the Judicial Diversity Forum. The work of this forum focuses on four areas: encouraging new entrants into the judiciary; the judicial appointments process; the judicial career; and monitoring and evaluation.
11. The MoJ made a number of changes through the Crime & Courts Act 2013 to promote judicial diversity. These included: introducing salaried part-time working in the High Court and above; giving the Lord Chancellor and the Lord Chief Justice statutory duties to encourage judicial diversity; and implementing the equal merit provision, which allows diversity to be taken into account when there are two or more candidates of equal merit.
12. As of 1 April 2015, the percentage of women in the courts judiciary is 25.2%, up from 24.5% in 2014 and 22.3% in 2011. The percentage of judges who declared their ethnicity as Black, Asian and Minority Ethnic (BAME) increased slightly to 5.9% compared to 5.8% in 2014 and 5.1% in 2011.
13. While these statistics show a move in the right direction, efforts should continue to improve diversity in the higher courts and the representation of those from a BAME background and a lower social background. The department therefore welcomes Lady Justice Hallett's *New Route to the High Court* scheme.

The broader reward package and the extent to which the components help or hinder career progress

14. In addition to pay, a wider reward package (including pension entitlement, benefits and allowances) is available to judicial office holders. Further information is contained in the 'Pay and reward details' section below.
15. While there are some minor differences in the reward package available to different judicial offices, there is no evidence to show that any of the components of this package have either a positive or negative impact on judicial career progression.

Measurement of performance

16. A key measure of the longer term success of effective recruitment and retention, is performance. There is currently no consistent or systematic structure for undertaking appraisals of salaried members of the judiciary, although appraisal structures are in place for newly appointed district judges sitting in the Magistrates' Courts and circuit judges in the Mental Health tribunal. Appraisal schemes are also in place for fee-paid judges in tribunals and deputy district judges in courts. A pilot appraisal scheme is also in place for recorders in London and the South East.

Incremental progressions, bonuses and performance related pay

17. Judicial office holders are paid a spot rate based on their salary group. Judicial salaries are not subject to incremental progression and judges do not receive bonuses or performance related pay. The implications of any proposal to include such factors in the judicial salary structure would need to be considered very carefully.

MoJ: Overall Financial Context

18. The MoJ's spending review 2010 (SR10) settlement covering the four years from 2011/12 to 2014/15 was challenging but the department delivered a reduction in its net annual expenditure of 27% in real terms, equivalent to well over £2.7bn in annual savings. The spending round 2013 (SR13) settlement for 2015/16 made a further 10% real term cut compared with the 2014/15 baseline. In June 2015, the department committed to an additional £249m of in-year savings as part of the Chancellor's summer budget.
19. The financial position for 2015/16 is extremely challenging. Taking SR10, SR13 and the summer budget reductions together, the MoJ's settlement will have reduced by 35% in real terms between 2010/11 and 2015/16.
20. At the summer budget the Chancellor set out the government's aim to achieve a budget surplus by 2019/20, with plans to reduce public spending in unprotected departments by £20bn over this period. The Chief Secretary to the Treasury has since written to the Secretary of State asking him to describe how the MoJ could deliver real term reductions of 25% and 40% to the resource budget by 2019/20.
21. The MoJ will continue to face financial challenges throughout the next Parliament and we have been forced to think hard about the services we deliver, whilst taking advantage of the opportunity the spending review provides to transform the justice system.

22. The department has now responded to HM Treasury setting out its proposals. They are not currently in the public domain as the MoJ is still in the process of discussing them with HM Treasury in advance of the Chancellor's announcement on the outcome of the spending review, expected to take place on 25 November. Funding commitments cannot be made until the outcome of the spending review is known.

Public Sector Pay Policy

23. The Chancellor of the Exchequer announced in the summer budget 2015 that the government would fund public sector workforces for an annual pay award of 1% for four years from 2016/17. The funding available should be targeted to support the delivery of public services and address pressures with recruitment and retention. There is an expectation that departments will put forward specific proposals to pay review bodies about how the 1% of funding available should be used for the public sector groups for which they are responsible.

HMCTS: Financial Context

CSR10 settlement and spending round 13 (SR13) settlement

24. Judicial remuneration comes out of the HMCTS budget. SR10 and SR13 provided stretching budgetary targets for HMCTS and the agency continues to deliver savings year on year. These savings have primarily been delivered from the launch of HMCTS' business model, reductions in administrative staff head count, improved procurement, increased productivity, and a programme of targeted change programmes. This drive to deliver efficiencies will continue throughout the next spending review.
25. HMCTS has contributed savings in 2014/15 of £300m. As part of the overall negotiations with HM Treasury in relation to funding for 2015/16 (SR13) and the subsequent summer budget savings requested by the Chancellor, HMCTS has been required to find £99m of gross savings on its 2014/15 baseline budget in 2015/16, with a further £247m of income increases. If any of these efficiency initiatives do not deliver as expected, HMCTS/MoJ will need to find alternative savings to offset these internal pressures.

Judicial remuneration

26. Changes to the HMCTS budget to date have not however had an impact on judicial remuneration; judicial pay has increased in line with public sector pay policy in recent years. Judicial remuneration, including for fee-paid office holders, accounted for around £450m (c25% of the HMCTS 2014–15 gross resource cost) in 2014/15. The cost of judicial remuneration is expected to increase to approximately £500m in 2015/16. This is partly due to the judicial pay award plus additional costs in respect of the fee-paid pension scheme in light of the O'Brien and Miller judgments. Of these judicial costs, 73% relate to permanent salaried judiciary with the remaining 27% paid to fee-paid judiciary for specific sitting days and other commitments such as statement writing.

Impact of increases in judicial salaries and fees

27. The impact of increases between 1 and 3 per cent in judicial salaries and fees would be as follows:
- 1% would increase annual spend by £5m;
 - 2% would increase annual spend by £10m; and,
 - 3% would increase annual spend by £15m.
28. Any increase in judicial pay above the planning assumptions for HMCTS (1% per annum over the next four years) would create pressures impacting directly on operational areas of HMCTS. The achievement of HMCTS' level of service across the range of jurisdictions is reliant on its ability to fund a sufficient number of sitting days and each 1% increase in judicial pay costs for HMCTS would be equivalent to the average cost of 2,500 Crown Court days or 10,500 chairmen days in tribunals.

Impact on judiciary of changes to the wider justice system

29. There have been limited policy changes since the conclusion of the last annual review which have affected the work of the judiciary. Policy changes that will be delivered through the HMCTS Reform programme are, however, likely to affect the way that judges work. As set out above, the MoJ is currently considering the likely impact of this programme on the judiciary and will update the SSRB in due course. However, a number of operational changes have been implemented across the MoJ and HMCTS since the last review that have had an impact on the work of the judiciary. A summary of these changes is included at **Annex A**. This also includes information provided by the Welsh Government about the changes affecting the work of judicial office holders in Wales.

The judiciary in Northern Ireland

30. The SSRB requests information from the Northern Ireland Courts and Tribunals Service (NICTS) about the number of judicial office holders, the number of departures, the number of non-jury trials and the effects on the judiciary of the devolution of the responsibility for justice to the Northern Ireland Executive.
31. There were 79 salaried judicial office holders in Northern Ireland as of 31 March 2015. Further detail of the numbers of judges in each judicial office and changes in complement between March 2014 and March 2015 are provided at **Annex B**. The number of departures from the judicial remit group in Northern Ireland are provided at **Annex C**.
32. Information on the number of non-jury ('Diplock') cases in Northern Ireland is provided at **Annex G**. Non-jury cases continued to be heard in Northern Ireland in 2014 and the number of cases and defendants dealt with are broadly in line with previous years. On this basis, NICTS recommends that the salary uplift for County Court judges in Northern Ireland continues.
33. NICTS has no specific update to provide to the SSRB on the impact of devolution of the responsibility for justice to the Northern Ireland Executive. In relation to the Northern Irish judiciary's engagement with the Executive, the Lord Chief Justice of Northern Ireland has continued to attend the Justice Committee and meet with elected representatives to discuss justice related matters (but not individual cases).

Proposals for 2016/17

Government recommendations for the judicial pay award for 2016/17

34. **The government's preferred approach is to award a 3% increase in salary to salary group 4 (High Court judges and Outer House judges of the Court of Session), a 0.55% increase to salary groups 6.2 and 7 (including salaried medical members), and a 1% increase to all other salary groups.** HM Treasury public sector pay policy provides 1% of funding for pay awards in 2016/17 with the expectation that this will be used to support the delivery of public services. The evidence available shows that there is an emerging problem with recruitment and retention at High Court-level. Action should therefore be taken to address this before it has a significant impact on the administration of justice. Evidence also shows that judicial office holders in salary groups 6.2 and 7 are comparatively well remunerated, so these salary groups should receive a smaller pay award to make this approach affordable within the limits set in public sector pay policy. Table 1 provides details of the impact of this approach on the pay of the judiciary.

Table 1: The government's preferred approach to the 2016/17 judicial pay award*

Salary Group	2015/16 Salary	% Change	2016/17 Salary
1	£247,112	1	£249,583
1.1	£220,655	1	£222,862
2	£213,125	1	£215,256
3	£202,668	1	£204,695
4	£177,988	3	£183,328
5	£142,745	1	£144,172
6.1	£132,184	1	£133,506
6.2	£124,445	0.55	£125,129
7	£106,040	0.55	£106,623
7 - (Salaried medical members)	£84,158	0.55	£84,621

* No recommendation has been made for a pay award for Stipendiary Magistrates as the MoJ understands that the Scottish Government will be abolishing this role

35. Two factors demonstrate the emerging problem with recruitment and retention at the High Court:
- i It was not possible to recruit selectable candidates to fill all High Court vacancies during 2014/15. One post in the Family Division remained unfilled (see paragraph 104 below for further detail).
 - ii While the average age of retirement for High Court judges has remained consistent, 2013/14 and 2014/15 saw an unusual level of early retirements, with two judges in each financial year leaving before the age of 65 (see paragraph 88 for further detail).

36. In addition, we have had anecdotal evidence from the judiciary that current pay levels are discouraging people from applying for High Court appointments, and also that some existing High Court judges are considering leaving the bench early due to unsatisfactory pay and pension packages. This is supported by the findings of last year's Judicial Attitude Survey, which showed worrying evidence of views amongst the higher judiciary. This showed that 83% of High Court judges considered that their pay and pension entitlement did not adequately reflect the work they did, higher than the 78% of those surveyed who agreed with this statement. 39% of High Court judges stated that they would consider leaving early in the next five years, with a further 23% undecided; High Court judges were the second most likely group to be considering early departure, after Lord Justices of Appeal.
37. Changes to the annual pension tax relief for those with earnings of over £150,000 per annum (including value of pension contributions) were announced in the Summer Budget. This will affect all judges who are members of the New Judicial Pension Scheme, bar those in salary group 7 (see paragraph 77 for further details). The impact will be greatest for higher earners such as High Court judges. While this may have a limited impact on current office holders in the High Court, the majority of whom remain members of the 1993 pension scheme, we consider it may have an impact on future recruitment to the High Court.
38. These factors should be seen in the context of long-standing worries about the health of recruitment and retention of High Court-level judges expressed by the senior judiciary, the SSRB and the Judicial Appointments Commission (JAC) during previous reviews, including specific concerns about the increasing discrepancies in salary levels between High Court Judges and the average earnings of practitioners. In their evidence for the 2015 review, the Lord Chief Justices of England and Wales and Northern Ireland, and the Lord President of the Court of Session all expressed substantial concerns about recruitment to the High Court bench. Some anxiety was also expressed by the JAC about High Court recruitment in 2015, and this has been borne out by the outcome of the latest selection exercise. The SSRB stated in their last report that problems relating to High Court recruitment and retention that would require a differential pay response could arise very quickly. The evidence available indicates that such problems may be starting to manifest themselves and, while they have not had a substantial impact at this time, the department considers that an immediate adjustment of salary differentials is required before they do.
39. The MoJ recognises that a smaller pay award will not be welcomed by judges in salary groups 6.2 and 7, but considers that this is appropriate for four reasons:
- i No recruitment or retention pressures have been identified for salary groups 6.2 and 7.
 - ii In its 2011 major review, the SSRB proposed a new salary structure which recommended a smaller pay increase for group 7 and decreased the pay of those in group 6.2. Although not implemented, the MoJ has accepted the rationale for this recommendation.
 - iii Research comparing the earnings of potential candidates to the judiciary with different groups of judicial office holders conducted during the last major review showed that salary group 7 judges were well remunerated in comparison to higher salary groups. Those joining the judiciary in group 7 offices, on average, received an increase in pay. While some evidence (paragraph 84) tentatively suggests that the average increase in remuneration experienced by solicitors

joining the judiciary in salary group 7 may have reduced since the last major review, this group would still not be subject to the substantial reduction in overall remuneration experienced, on average, by those joining the judiciary in higher salary groups.

- iv Pay for salary group 6.2 should mirror salary group 7 to maintain a consistent and logical pay structure. This group comprises a small number of judges who typically have similar judicial roles to group 7 judges, but exercise leadership responsibilities over judges in the group below; recruitment to offices in salary group 6.2 is generally from existing office holders in salary group 7. This approach would also support the SSRB's previous advice that it would be appropriate to award smaller pay increases to salary group 6.2 over time to situate the level of pay for this group more centrally between groups 6.1 and 7.
 - v The pay award for salaried medical members of the First tier Tribunal (Social Entitlement Chamber) should mirror that of group 7 salaried judges to maintain a logical and consistent approach to pay in this tribunal.
40. This approach would provide some immediate mitigation to the emerging problems identified in relation to recruitment and retention at the High Court. The MoJ considers it appropriate to take such action now before more substantial problems occur. The proposed major review of judicial salaries will then provide an opportunity to establish a long term approach to pay and to make sure that the salary structure sets appropriate differentials between salary groups.

The need for a major review of the judicial salary structure

41. In its 2015 report, the SSRB stated that another major review of the judicial salary structure was required. The MoJ, as set out in its evidence submission last year, considers that there is a very strong case for conducting such a review. There have been substantial changes to the judiciary and the context in which they work over recent years and the department considers that it will be timely and necessary to consider the response that is required in relation to judicial pay. As set out above, the department is also planning to deliver significant reforms (HMCTS Reform and the Provision of Judges programme) that will further change the work and working conditions of judges. A major review would allow a detailed consideration of how the structure of judicial salaries should be adjusted to reflect past and future changes.
42. Subject to the outcome of the Spending Review, the MoJ aims to commence the next major review by the end of the financial year. The MoJ will therefore update the SSRB on whether it will be asking it to commence a major review this year as soon as this is confirmed.

The remit group

Grade/rank and Headcount/full time equivalent

43. Table 2 shows the number of judicial office holders in post in each salary group in England and Wales on 31 March 2015 in terms of overall headcount and full time equivalent numbers. Further detail of the numbers of judges in each judicial office and changes in complement between March 2014 and March 2015 are provided at **Annex B**.
44. The full time equivalent figures show that there are currently a limited number of salaried part time judicial office holders, the majority of whom are in salary groups 6.1 and below.

Table 2: Headcount and full time equivalent numbers of judicial office holders in post in England and Wales on 31 March 2015

Salary Group	Number in post	FTE in post
1	1	1
1.1	2	2
2	15	15
3	38	38
4	106	105.6
5	90	89.2
6.1	650	638.4
6.2	27	26.2
7 (including salaried medical members)	1002	937.1
Total	1931	1852.5

Gender and Ethnicity

45. Data on the gender, ethnicity and age of salaried judicial office holders in England and Wales as of 1 April 2015 is at **Annex D**. 30% of the judicial remit group are female, and 6% of those who had provided information on their ethnicity declared themselves to be BAME.

Organisation

46. The Constitutional Reform Act 2005 established the Lord Chief Justice (LCJ) as Head of the judiciary and President of the Courts of England and Wales and made him responsible for judicial welfare, training, guidance and deployment. The Senior President of Tribunals is the statutory and independent head of the tribunals and has parallel responsibilities for tribunals. The Lord Chief Justice of Northern Ireland and the Lord President of the Court of Session are the Heads of the judiciary in Northern Ireland and Scotland respectively.

47. The Supreme Court of the United Kingdom is the final court of appeal in the UK for civil cases. It hears appeals in criminal cases from England, Wales and Northern Ireland. It hears cases of the greatest public or constitutional importance affecting the whole population.
48. Diagrams setting out the structure of the courts and tribunals judiciary in England and Wales are provided at **Annex F**.

Geography

49. Table 3 provides information of the regional location of salaried judicial office holders in England and Wales and non-devolved tribunals in Scotland. Data is not held, however, on the geographic location of all judges in the judicial remit group. This table therefore provides an approximate indication of the regional location of judges, rather than an exhaustive breakdown of the location of all salaried judicial office holders. The MoJ will seek to provide more comprehensive data on this for future reviews.
50. Salaried judicial office holders are typically assigned to a regional location. Some office holders, however, are assigned nationally or to more than one region, as set out in the table below.

Table 3: Regional location of salaried judicial office holders in England and Wales (including non-devolved tribunal office holders in Scotland) as of July 2015

Region	Number of judicial office holders
Eastern	16
London	497
Midlands	215
North East	196
North West	215
Scotland	33
South East	276
South West	123
Wales	66
Wales and South West	13
National	220

Pay point/range

51. Members of the judicial remit group are paid a salary based on the judicial office that they hold. The salary paid is determined by a single rate set for each salary group, rather than a pay range. As set out in paragraph 17, salaried judicial office holders do not receive incremental progression in pay.
52. A small number of judicial office holders received a different salary to others in their salary group, due to additional leadership allowances, transitional arrangements or legacy pay arrangements for individual office holders. Further detail is contained in the salary schedule at **Annex E**.

Pay and reward details

Base pay

53. Judicial offices are assigned to a salary group in the judicial salary structure. Members of the remit group are paid a spot rate determined by the salary group in which their judicial office is situated. Table 1 in the section on 'Proposals for 2016/17' provides the pay attracted by each salary group in 2015/16.

Other reward elements: incremental progression, allowances, benefits in kind

54. The pay of those in judicial remit group is not subject to incremental progression.
55. Apart from base pay, judges are entitled to certain reward elements with some variability between offices. All salaried judicial office holders are entitled to a pension, details of which can be found in paragraphs 58 to 76. Other benefits include: salary sacrifice for childcare vouchers; reasonable adjustments for medical conditions; sick leave; maternity, paternity or adoption leave; special paid leave; and all offices bar High Court judges are entitled to accumulated leave.
56. Allowances for judicial office holders include: court dress; legal books and publications; official stationary; and travel and subsistence. The travel and subsistence provisions include all basic travel costs, but specifically include air travel for High Court judges, circuit judges and district judges, and include a provision on overseas travel for vice-judge advocates-general.

Performance pay: criteria, cost

57. No aspect of judicial pay or judges' overall remuneration package is performance related.

Pensions: scheme details, contribution rates, value

58. There are two main pension schemes for members of the salaried judiciary: the Judicial Pension Scheme 2015; and the Judicial Pension Scheme 1993. The details of each scheme are set out below.
59. The Judicial Pension Scheme 2015 came into operation on 1 April 2015. The scheme was established in response to the previous government's paper *Public Service Pensions: good pensions that last*. That paper accepted in the main the recommendations made by the Independent Public Service Pensions Commission but with the addition of transitional protection for those nearest to retirement age. Pension scheme members who are eligible for transitional protection (those who were in an eligible judicial office and within ten years of their normal pension age (65) as at 1 April 2012) are able to remain in their existing scheme. Members who were in an eligible judicial office as at 1 April 2012, and who were aged between 51½ and 55 at that date can remain in those schemes for a time limited period known as 'tapering protection'.

60. 544 salaried judicial office holders became members of the Judicial Pension Scheme 2015 when it launched in April 2015. Virtually all other members of the salaried judiciary remained in the 1993 scheme as they were eligible for transitional or tapering protection.

Judicial Pension Scheme 2015

61. The scheme is set out in the Judicial Pensions Regulations 2015 and is open to all judicial office holders appointed for the first time to judicial office on or after 1 April 2015. It is also open to those judges who were in one of the existing judicial pension schemes but who were not entitled to any transitional protection and also to those at the end of any period of tapering protection.
62. Membership is open to both the salaried and the fee paid judiciary. It is a defined benefit scheme based on career average revalued earnings and is registered for tax.
63. The benefits are earned at a rate of 2.32% per year and there is no limit on the amount of pension that can be accrued within the scheme. The benefits accrued are increased each year in line with the consumer price index (CPI).
64. Judicial office holders are required to pay contributions. The rate payable depends upon the annualised rate of pensionable earnings provided in Table 6.

Table 6: Judicial Pension Scheme 2015 Member contribution rates

Annualised rate of pensionable earnings	Member contribution rate
Up to but not including £15,001	4.6%
£15,000 to but not including £21,001	4.6%
£21,001 to but not including £47,001	5.45%
£47,001 to but not including £150,001	7.35%
£150,001 and above	8.05%

65. The contribution paid by the employer is 38.45% of the gross earnings of all members of the scheme of which 0.25% is an administration charge.
66. The normal pension age for the scheme is linked to the individual's state pension retirement age. There is no automatic lump sum although it is possible at retirement to commute part of the pension into a lump sum. Death in service benefits, medical retirement benefits and early retirement are all features of the scheme. Benefits for surviving adults and eligible children are available. The scheme also offers the ability to buy added pension, and to take partial retirement.
67. The scheme has an employer cost cap of 25.7% of pensionable earnings of members. If the costs of the scheme exceed this figure either side by a margin of 2% the Lord Chancellor must consult the Scheme Advisory Board as to what steps should be taken to return the costs to the cost cap figure.
68. As an alternative to the main scheme members can take out a Partnership Pension Account which is administered by the Prudential who provide a range of investment funds. The individual contributes a minimum of 3% of salary and the employer 19%.

The Judicial Pensions and Retirement Act 1993 (the 1993 scheme)

69. The 1993 scheme is set out in the Judicial Pensions and Retirement Act 1993 and its regulations. It is a non registered for tax, final salary, defined benefit scheme. The scheme is divided into two. Part 1 deals with earnings up to the pensions cap (£149,400 in 2015/16) and Part 2 for earnings above that.
70. This scheme became operational on 31 March 1995 and all judges first appointed to salaried office on or after that date became members. For judges who were members of one of the older schemes they could elect to transfer into the 1993 scheme at any time during service or up to 6 months after retirement. With the exception of High Court judges or above, any judge who changed office after 31 March 1995 had to transfer into the 1993 scheme.
71. The Public Service Pensions Act 2013 closed the 1993 scheme on 31 March 2015 to future accrual except for those judges who are entitled to either transitional or tapering protection.
72. The benefits are earned at a rate of 1/40th per year of reckonable service and there is a limit of 20 years on the amount of pensionable service that can be accrued within the scheme.
73. Contributions are payable by the judges and regulations are being drafted to align the contribution rates with those in the 2015 scheme. The rate of contribution will however be reduced to take account of the fact that no tax relief is available on the contributions. The rate of contribution paid by the employer is 38.2%.
74. The normal pension age of the scheme is 65.
75. An automatic lump sum of 2.25 times the pension is payable. As the scheme is non registered the lump sum is taxed, but for the lump sum that is attributable to Part 1 of the scheme a further sum is paid (known as the service award) to compensate for the tax taken. Death in service benefits, medical retirement benefits and early retirement are all features of the scheme.
76. Benefits for surviving spouses/registered civil partners and eligible children are available.

Impact of tax allowance changes

77. In the summer budget, the Chancellor announced that the annual pension tax relief would be reduced from £40,000 to £10,000 for those with earnings of over £150,000 per annum (including value of pension contributions). These changes, which will come into effect on 1 April 2016, will have an impact of top earners nationally, including members of the salaried judiciary. Our analysis shows that this will reduce the overall remuneration of judicial office holders who are members of the Judicial Pension Scheme 2015 in all salary groups, other than members of salary group 7 who are based outside London. The reduction on overall remuneration will be greater for those in higher salary groups who are members for the Judicial Pension Scheme 2015. The MoJ is carefully considering the implications of this change on the members of the salaried judiciary.

The paybill and additional employer costs (i.e. pension and NI contributions)

78. The total salary cost of the judicial remit group in 2014/15 was £266m. Additional employer costs comprised £85m in Accruing Superannuation Liability Charges (ASLC) and £32m in Earnings-Related National Insurance Contributions (ERNIC). Table 8 provides these figures.

Table 8: Cost of the SSRB remit group in 2014/15

Salaries	ASLC	ERNIC
£266m	£85m	£32m

79. ASLC rates increased from 1 April 2015. We estimate that the increase in employer ASCL costs as a result of change in rates will be £16.7m in 2015/16.
80. Details of the breakdown of expenditure on the judicial pay bill in Northern Ireland are provided at **Annex H**.

Pay comparisons with other roles/groups (public and private sector)

81. The SSRB will be aware of the pay of the other senior public sector groups within their remit. The SSRB's terms of reference no longer require it to maintain broad linkages in pay between the senior civil service, the judiciary and the senior military. In this context, we do not consider it relevant to raise any points about the comparative pay of other public sector groups in the context of consideration of the judicial pay award for 2016/17.
82. During the last major review of the judicial salary structure, the SSRB commissioned the National Centre for Social Research to look at the difference between pre-appointment earnings and judicial remuneration at the three main entry points to the judiciary: salary group 4; salary group 6.1; and salary group 7. Table 9 provides the results of this research for reference.

Table 9: Median increase or decrease in remuneration on joining the judiciary (2010/11)

Salary Group	Salary (2010/11)	Pre-Appointment Role	Estimated median pre-appointment earnings	Change in earnings on appointment	Estimated change in combined earnings and pension on appointment
4	£172,753	Queen's Counsel	£535,417	-68%	-59%
6.1	£128,296	All	£172,978	-26%	-6%
		Queen's Counsel	£262,682	-51%	-38%
		Junior Counsel	£151,702	-15%	8%
7	£102,921	All (mainly solicitors)	£100,095	3%	31%

83. More recent detailed pay comparisons between judicial office holders, the pre-appointment earnings of those joining the judiciary and the earnings of legal practitioners who, due to their level of experience, are potential applicants for judicial office, are not available. In addition, the assumptions used to estimate the value of the overall judicial remuneration package in the 2010/11 research will need to be reconsidered following the introduction of the Judicial Pension Scheme 2015.

84. Research is conducted annually by the Law Society about solicitors' earnings. This shows that median earnings for all surveyed solicitors have increased at a faster rate than judicial salaries since 2011. Table 10 provides solicitors' median earnings between 2011 and 2014 comparing the percentage increase with judicial pay awards. Unlike the research conducted for the last major review, however, this data does not provide a clear comparison with the pay of the judiciary as it measures the earnings of all solicitors rather than those applying to join the judiciary and others with equivalent levels of experience. No similar information is available for barristers.

Table 10: Median annual salaries for surveyed solicitors since 2011 in comparison to increases in judicial pay

	Assistant/ associate solicitors	Equity partners (including sole practitioners)	Salaried partners	All (average across all in survey)	Percentage increase in median earnings for all solicitors	Percentage increase in judicial salaries
2011	£40,000	£90,000	£70,000	£45,000	N/A	N/A
2012	£42,850	£70,000	£63,000	£53,000	17.8%	0%
2013	£43,000	£70,000	£60,000	£50,000	-5.7%	1%
2014	£43,000	£90,000	£85,000	£51,500	3%	1%
				Total increase	14.4%	2%

Source: Law Society PC-Holder Surveys 2011–2014

85. The MoJ considers that there is value in conducting further research into pay comparisons between the judiciary and legal practitioners to assist decision making in relation to judicial pay policy. Research in this area should be conducted as part of any future major review of the judicial salary structure.

Retention and outflow

Outflow data – numbers leaving the judiciary (and as a % of strength) and the reasons why

86. 145 salaried judicial office holders in England and Wales left the judicial remit group in 2014/15; this was 7.5% of the total number of judges in England and Wales. Seven departures were due to death in office, two were medical retirements and two were removals from office. The remaining 134 were retirements. The average age of departure was 66.08. Further details are provided at **Annex C**.
87. The retirement data for 2014/15 in relation to the different judicial salary groups is broadly consistent with the data from previous years. A majority of those in all main salary groups who left the judiciary were aged 65 or over. The average age at departure continues to be higher for judges from the higher groups in the salary structure.
88. These figures show that two of the nine High Court judges who retired in 2014/15 were under the age of 65; two of the seven retiring in 2013/14 were also under 65. While not unprecedented, the MoJ has looked carefully at these early departures from the High Court. Seen in the context of the Judicial Attitude Survey findings that a substantial proportion of High Court judges are considering leaving the judiciary early, evidence that this has occurred in two successive years suggests an emerging issue in relation to retention at the High Court. The department is keen to mitigate any emerging trends in this area; the senior judiciary have also raised their concerns with the department over early retirements in the High Court.
89. These figures also show that the average age of retirement of district judges dropped slightly to below 65 in 2014/15, the first time that this has occurred since data on average retirement was first collated in 2011/12. While the reduction in average age can be partially explained by one office holder's death in office and another's removal from office before the age 55, 2014/15 did see more voluntary departures before the age of 65 than in previous years (eight of the 11 departures of district judges under 65 were voluntary; there were a total of 36 departures in 2014/15). This single year's data is not sufficient at this time to provide evidence of a consistent trend towards earlier departure in relation to this judicial office. The department will, however, continue to look closely at the data on the age of departures from this group.
90. There were more judicial departures during 2014/15 than in 2013/14 and the average age at departure was marginally lower (a change from 66.85 to 66.08 – although this was higher than in 2012/13). The number of departures and the average age of those leaving the judiciary in 2014/15, however, were in line with previous years. There is no evidence to show a consistent trend towards more judicial office holders retiring early in the judiciary as a whole. Table 11 provides the number and average age of departures from the judicial remit group in England and Wales over the last four years.

Table 11: Number of departures of salaried judges in England and Wales between 2011/12 and 2014/15 and average age at departure

Year	2011/12	2012/13	2013/14	2014/15
Number of departures	126 (6 DIO; 3 MR)	145 (8 DIO; 6 MR)	91 (3 MR)	145 (7 DIO; 2 MR; 2 RFO)
Average age	66.58	65.95	66.85	66.08

DIO - Death in Office; MR - Medical Retirement; RFO – Removal from Office.

Exit interview data – why they are leaving and where they are going to

91. The MoJ does not conduct exit interviews with departing members of the judiciary. We understand, however, that the judiciary will be updating the SSRB on their work to collect exit interview data in their evidence submission.

Transfers within the system

92. Table 12 provides the number of moves by existing salaried judicial office holders in England and Wales to another judicial office that attracted a different salary. Table 13 shows the proportion of total appointments to each salary group in England and Wales.

Table 12: Number of office holders moving between judicial salary groups in England and Wales in 2014/15

Original Salary Group	New Salary Group	Number of changes
Salary Group 4	Salary Group 3	4
Salary Group 5	Salary Group 4	2
Salary Group 6.1	Salary Group 4	2
Salary Group 6.1	Salary Group 5	8
Salary Group 6.1	Salary Group 6.2	1 (current office-holder retains higher pay)
Salary Judge 6.1	Non-MoJ salaried post	1
Salary Group 7	Salary Group 6.1	14
Salary Group 7	Non-MoJ salaried post	1

Table 13: Number of office holders moving between judicial salary groups in England and Wales in 2014/15

Salary Group	Total appointments	Number of moves to group from existing salaried judges	Percentage of internal moves
3	4	4	100%
4	12	4	33%
5	9	8	89%
6.1	59	14	24%
6.2	1	1	100%

93. These tables show that internal transfers occur more frequently between some salary groups than others. All those appointed to the Court of Appeal (salary group 3) in 2014/15 were previously High Court judges (salary group 4) and eight of the nine appointments to salary group 5 were from salaried judicial office holders (circuit judges moving to senior circuit judges and tribunal judges moving to leadership roles). A majority of those appointed to the three main 'entry points' to the salaried judiciary (salary groups 4, 6.1 and 7) were not current salaried judges.

Recruitment

Numbers coming into the remit group

94. As shown in the table at **Annex B**, 163 individuals took up office as salaried judicial office holders in 2014/15. 31 of these appointments were existing members of the remit group. There were therefore a total of 132 new entrants to the judicial remit group in 2014/15.
95. The Judicial Appointments Commission of England and Wales (JAC) ran 30 selection exercises for the judicial offices in England and Wales in 2014/15; 21 of these were for salaried judicial office. The JAC made 98 recommendations for salaried judicial roles.
96. The difference between the total number appointed and the number recommended by the JAC is due to the fact that judges will not necessarily take up office in the same financial year as the JAC make their recommendation to the Lord Chancellor.

Data on the quality, quantity and characteristics of applicants

97. The JAC will be providing details of the quality, quantity and characteristics of applicants to the judicial remit group in their evidence submission to the SSRB.
98. The MoJ has carefully assessed the data available and considers that this demonstrates that the recruitment position in England and Wales remains healthy in general. However, the failure to fill all salaried High Court vacancies in 2014/15 (see paragraph 104) is concerning, as it has always been possible to fill vacancies in all High Court divisions in recent years. In the context of compelling anecdotal evidence about the current remuneration package putting off suitable candidates from applying for High Court posts, the department considers that the failure to attract sufficient appointable candidates to the Family Division in 2014/15 suggests an emerging problem in High Court recruitment.

Quantity of applicants

99. In 2014/15, the JAC ran 30 selection exercises, down from 35 in 2013/14. Table 14 provides the number of applications, recommendations made to the Lord Chancellor and the ratio of applications to recommendations over the last four years.

Table 14: Applications for JAC exercises and recommendations made in England and Wales from 2011/12 to 2014/15

	2011/12	2012/13	2013/14	2014/15
Applications	5,491	4,637	5,591	2,365
Recommendations	746	597	806	310
Ratio	7.4:1	7.8:1	6.9:1	7.6:1

100. This table shows that the number of applications and recommendations were both substantially lower in 2014/15 than in the previous year. The ratio of applications to recommendations had increased from 2013/14 but was in line with ratios from previous years.
101. The characteristics of the exercises run in 2014/15 were significantly different to those run in 2013/14, with an absence of large exercises in the last financial year. The average number of recommendations made per exercise in 2014/15 was 10, compared to 23 in 2013/14. In this context, the reduction in applications and recommendations do not raise any specific concerns about the health of recruitment; this reflects the fact that the exercises run were to fill a smaller number of vacancies in more specialised roles and therefore attracted a smaller pool of candidates.

Quality of applicants

102. JAC selection panels grade candidates as one of four categories following a selection day: outstanding; strong; selectable; or not presently selectable. In 2014/15, the total number of candidates for salaried judicial office graded as outstanding or strong at selection day exceeded the total number of vacancies advertised. Further detail will be provided by the JAC in their evidence, but this shows that high quality candidates continue to be attracted to apply for judicial office.
103. Five of the 30 selection exercises run by the JAC in 2014/15 failed to identify sufficient selectable candidates to fill all posts. 10 vacancies could not be filled out of the 61 advertised in these five exercises (two exercises for salaried judicial office and three for fee-paid judicial offices). Four of these exercises (one salaried and three fee-paid) were for court and tribunal posts that required specialist expertise; the failure to fill all posts may therefore be due there being a smaller pool of suitable candidates for such judicial roles.
104. The other selection exercise in which it was not possible to fill all posts was for salaried High Court judges; 11 vacancies were advertised but it was only possible to fill 10. The overall quality of candidates who applied for this role was high; more candidates were assessed by the selection as 'outstanding' or 'strong' than the number of vacancies advertised. It was, however, not possible to fill all roles due to the breakdown of posts by division; while all posts in the Queen's Bench and Chancery Divisions could be filled, it was not possible to fill one vacancy in the Family Division.

Characteristics of applicants

105. The JAC monitors the diversity of applicants and those recommended for judicial posts. In 2014/15, 13% of those recommended were Black, Asian and Minority Ethnic candidates, 43% were women, 27% were solicitors and 4% had declared a disability.

Motivation and morale

Staff survey results

106. A Judicial Attitude Survey was commissioned by the judiciary for the 2014/15 pay round. The findings of this survey were presented to the Review Body last year. We understand that a further attitude survey was not conducted for the 2015/16 pay round.
107. The MoJ has carefully noted the concerns raised by the judiciary in this survey, including the discontent expressed about the level of remuneration by judges in all salary groups surveyed. The 2014 survey's findings about the judiciary's attitude towards pay included: that 78% of those surveyed considered that their pay and pensions entitlement did not adequately reflect their work; and that 75% stated that they had experienced a loss of net earnings over the last five years. A majority of judges in all salary groups surveyed agreed with these two statements. The survey also showed that 31% of judicial office holders were considering early retirement in the next five years, with limits on pay awards the most likely factor to make judges consider early departure.

Sickness absence

108. The MoJ does not collate data on judicial sickness absence. We understand, however, that information on sickness absence will be provided by the judiciary in their evidence submission.

Leave taken

109. No data is held on leave taken by judicial office holders, but leave entitlements are specified in judicial terms and conditions. Leave allowance vary for different judicial offices: High Court judges are required to sit 189 days, circuit judges 210 days, district judges 215 days, Masters and Registrars 210 days and vice judge advocates general 220 days. Salaried tribunal judges are entitled to six weeks annual holiday.

Working hours

110. No data is held on judicial working hours. The terms and conditions of salaried judicial office holders in the SSRB remit group do not include details about the expected hours in a judicial day.

The impact of past pay and reward decisions

111. The SSRB recommended in March 2015 that judicial salaries should be increased by 1%. The government accepted this recommendation and implemented this pay award on 1 April 2015. As set out above, the MoJ has not identified any specific impact on the ability to recruit and retain high quality judicial office holders in any judicial office as a result of this decision.

112. The MoJ welcomes the SSRB's approach of conducting evidence based analysis of the impact of past pay awards and considers that this will help to facilitate effective decision making in relation to judicial pay in the future.

113. As all recent pay awards have been applied consistently to all judicial office holders, there is at present, however, no evidence currently available about the differential impacts of pay awards across salary groups or judicial offices.

Annex A: Summary of recent operational changes affecting the work of the judiciary

Civil and Family

HMCTS have introduced quarterly reporting to encourage greater judicial involvement in monitoring and analysing performance. Some designated family judges are heavily involved in Local Family Justice Boards and in closer working with partners (such as local authorities) to drive up the performance of those other agencies.

The digital Civil Claims (now Accelerated Possession) product, which allows a landlord to evict a tenant quickly, reduces the number of errors which judges find when making a judgement on the papers, increasing efficiency for the 35,000 cases in scope.

Employment Tribunal

HMCTS has embedded the significant package of reforms across the employment jurisdictions including the introduction of fee charging, and more streamlined procedural rules. Mandatory Early Conciliation, which requires parties to consider conciliation before a claim can be made to the employment tribunal, was implemented. HMCTS have been working with Advisory, Conciliation and Arbitration Service (ACAS) and the judiciary to ensure that the impacts on judicial time have been limited.

The ET President agreed with HMCTS a set of new performance measures aimed at improving the throughput of cases and increasing the number of cases completed within 26 weeks. This has been underpinned by work in the regions reviewing listing practices and the trialling of pilots such as sending judgments via email and listing on receipt. These measures have commenced in 2015/16.

Social Security and Child Support Tribunal

HMCTS has continued to work closely with Department for Work and Pensions (DWP) and other government agencies to respond to the operational impacts of the implementation of the government's continuing reform of the welfare system with efforts focused on better planning for the volume and type of appeal workloads to ensure there is sufficient capacity within the Social Security and Child Support Tribunal (SSCS) to continue to reduce caseloads and drive down waiting times for appellants. Building on the introduction of a revised decision notice in 2012 which provided feedback on reasons for decisions, HMCTS has worked jointly with the judiciary to expand the provision of summary reasons to all appeal types so that both parties to an appeal better understand the reasons for a tribunal's decision.

First-tier Tribunal (Immigration and Asylum Chamber)

Over the course of 2013, a joint group made up of members of the tribunal judiciary and HMCTS staff completed a fundamental review of the First-tier Tribunal (Immigration and Asylum Chamber) and made a large number of recommendations ranging over several areas. While a number of these recommendations have been absorbed into, or been superseded by, the Immigration Act 2014 and associated rules changes, HMCTS continues to work with the Home Office, the judiciary and wider stakeholders to consider

how the remaining recommendations from the review, including how appeals are listed and cases managed and how parties to the proceedings can contribute to more efficiently resolving the appeal, can be applied to the post-Act landscape.

HMCTS worked closely with the MoJ and the Home Office to implement the operational and legislative changes arising from the Immigration Act 2014. The first provisions changed the process for bail applicants and foreign national offenders facing deportation proceedings implemented in July 2014. The second removed the appeal rights available to students and their dependents as well as non-European Economic Area (EEA) deportations in October 2014, which included the creation of new appeal types. The scope of these changes were widened to all points based Home office refusals in March 2015 and finally rolled out to all cases in April 2015. Alongside the Immigration Act, HM Courts & Tribunals Service, in conjunction with the Tribunals Procedure Committee, introduced harmonised rules in the First-tier Tribunal (Immigration and Asylum Chamber) in October 2014.

First-tier Tribunal (Tax Chamber)

In 2014, Her Majesty's Revenue & Customs (HMRC) announced proposals to implement legislation on reforms to tax avoidance schemes which would see a large increase in workload in the First-tier Tribunal (Tax Chamber). In order to deal with the expected increase in workload, HMCTS successfully implemented a new centralised operating model for the tax administrative processes. This was supported by the recruitment of additional specialist judiciary and administrative staff, together with the delivery of an enhanced IT system and increased dedicated court capacity in London.

Relationships with the tribunals' judiciary

Tribunals' judges continue to play an active part in relation to their management and leadership responsibilities across the tribunals chamber structure and work with senior HMCTS managers in jurisdictional boards which provide the forum to review national performance and continuous improvement plans. These are established across the largest parts of the tribunals system and have, for example: supported HMCTS in increasing the type and volume of documentation and information which is exchanged electronically between the SSCS Tribunal and parties; supported joint working with the judiciary to review the processes introduced for direct lodgement of appeals to the SSCS Tribunal introduced in the Welfare Reform Act 2012; reviewed the listing practices in ET; extended the use of court legal advisors as tribunal registrars; and rolled out pilots within the First tier Tribunal of the Immigration & Asylum Chamber to increase the utilisation of hearing rooms and increase performance.

HMCTS continues to work closely with the tribunals judiciary to harmonise tribunal judicial boundaries with HMCTS regional structures. In particular, alignment of judicial boundaries of the SSCS regions with HMCTS was implemented in April 2015. This is already delivering operational and strategic benefits. In Special Educational Needs, we will work with the judiciary, the Department for Education and users to implement new powers and appeal rights introduced in the Children & Families Act 2014.

There has also been movement towards alignment with the HMCTS regions in ET. The President agreed to amalgamate two ET areas (Watford and Huntingdon) under the leadership of one regional employment judge (REJ) to create the South East (SE) region for ET. Although some SE cases continue to be being dealt within in London, the remainder of the ET areas are now aligned with the HMCTS regions

Wales

Legislation and policy changes in Wales have the potential to affect the work of the judiciary in this jurisdiction. The impact on the salaried judiciary is likely to be limited, however, as a majority of judges in Welsh tribunals are fee-paid judicial office holders.

The Mobile Homes (Wales) Act 2013, which came into force on 1 October 2014, updates the law for residential mobile homes. This may affect the work of the Residential Property Tribunal (RPT). The President is the only salaried judicial member of RPT; all others are fee-paid.

Reforms to the framework for supporting children and young people with additional learning needs are ongoing and the Special Education Needs Tribunals Wales (SENTW) envisions a significant impact in both preparation and service delivery. All legal members of this tribunal, however, are fee-paid judicial office holders.

In the future, the Welsh Language Standards are expected to have an impact on a number of Welsh tribunals (the Residential Property Tribunal, the Special Education Needs Tribunals Wales, the Agricultural Land Tribunal, the Adjudication Panel Wales and the Mental Health Review Tribunal Wales). These tribunals are named in the Welsh Language Measure (Wales) 2011 as bodies liable to be required to comply with the Welsh Language Standards. The tribunals themselves will be responsible for ensuring compliance with any standards imposed on it by the Welsh Language Commissioner.

Annex B: Appointments* and judicial remit group numbers as at 31 March 2015

	Number in post as at 31/3/14	Number taking up post 1/4/14 – 31/3/15	Number leaving post 1/4/14 – 31/3/15	Number in post as at 31/3/15
England & Wales				
Group 1 – Total:	1	0	0	1
Lord Chief Justice	1	0	0	1
Group 1.1 – Total:	2	0	0	2
Master of the Rolls	1	0	0	1
President of the Supreme Court	1	0	0	1
Group 2 – Total:	15	0	0	15
Chancellor of the High Court	1	0	0	1
Deputy President of the Supreme Court	1	0	0	1
Justices of the Supreme Court	10	0	0	10
President of the Family Division	1	0	0	1
President of the Queen's Bench Division	1	0	0	1
Senior President of Tribunals	1	0	0	1
Group 3 – Total:	37	4	3	38
Lord Justices of Appeal	37	4	3	38
Group 4 – Total:	107	12	13	106
High Court Judges (including the Vice-Chancellor of the County Palatine of Lancaster)	107	12	13	106
Group 5+ – Total:	1	0	0	1
Former Chief Asylum Support Adjudicator	1	0	0	1

* The offices in this table are those for which the Lord Chancellor makes the appointment or, where the appointment is made by some other person, the salary is paid by the MoJ.

England & Wales	Number in post as at 31/3/14	Number taking up post 1/4/14 – 31/3/15	Number leaving post 1/4/14 – 31/3/15	Number in post as at 31/3/15
Group 5 – Total:	89	9	9	89
Circuit Judges at the Central Criminal Court in London (Old Bailey Judges)	13	0	0	13
Former Deputy Presidents, Immigration & Asylum Tribunal	2	0	1	1
Judge Advocate General	1	0	0	1
Permanent Circuit Judges, Employment Appeals Tribunal	1	0	0	1
President, Employment Tribunals (England & Wales)	1	1	1	1
President, Employment Tribunals (Scotland)	1	0	0	1
President of First-tier Tribunal (General Regulatory Chamber)	1	1	1	1
President of First-tier Tribunal (Health, Education & Social Care Chamber)	1	0	0	1
President of First-tier Tribunal (Immigration & Asylum Chamber)	1	0	0	1
President of First-tier Tribunal (Property Chamber)	1	0	0	1
President of First-tier Tribunal (Social Entitlement Chamber)	1	1	1	1
President of First-tier Tribunal (Tax Chamber)	1	0	0	1
Senior Circuit Judges	39	6	4	41
Senior District Judge (Chief Magistrate)	1	0	0	1
Specialist Circuit Judges, Chancery, Mercantile, Patents & Business List	19	0	0	19
Specialist Circuit Judges, Technology & Construction Court	5	0	1	4
Group 6.1 – Total:	651	59	60	650
Chief Bankruptcy Registrar	1	0	0	1
Chief Chancery Master	0	1	0	1
Circuit Judges	563	48	53	558
Deputy President, First-tier Tribunal (Health, Education & Social Care Chamber)	2	1	1	2
Former President, Charity Tribunal**	1	0	1	0
Regional Employment Judges	12	0	0	12
Regional First-tier Tribunal Judges (Social Entitlement Chamber)	8	1	1	8

** The former President of the Charity Tribunal has been appointed as Chamber President (War Pensions and Armed Forces Compensation Chamber). The current office-holder retains the higher salary as the result of an individual legacy pay arrangement.

England & Wales	Number in post as at 31/3/14	Number taking up post 1/4/14 – 31/3/15	Number leaving post 1/4/14 – 31/3/15	Number in post as at 31/3/15
Registrar of Criminal Appeals	1	0	0	1
Senior Costs Judge	1	1	1	1
Senior Judge of the Court of Protection	1	0	0	1
Senior Queen's Bench Master	0	1	0	1
Upper Tribunal Judges (Administrative Appeals Chamber)	15	6	0	21
Upper Tribunal Judges (Immigration & Asylum Chamber)	40	0	1	39
Upper Tribunal Judge (Lands Chamber)	1	0	0	1
Upper Tribunal Judge (Tax & Chancery Chamber)	4	0	2	2
Vice-President, Employment Tribunal (Scotland)	1	0	0	1
Group 6.2 – Total:	34	1	8	27
Adjudicator, HM Land Registry	1	0	1	0
Chairman, Mental Health Review Tribunal (Wales)	1	0	0	1
Chamber President (War Pensions & Armed Forces Compensation Chamber)**	1	1	1	1
Deputy Senior District Judge (Magistrates' Courts)	1	0	0	1
Designated Immigration Judges	22	0	5	17
Former Deputy Chief Asylum Support Adjudicator	1	0	0	1
Regional Chairmen, Mental Health Review Tribunals (Health, Education & Social Care Chamber)	2	0	1	1
Surveyor Member Upper Tribunal (Lands Chamber)	4	0	0	4
Vice-Judge Advocate General	1	0	0	1
Group 7+ – Total:	1	0	0	1
President of the Valuation Tribunal (England)	1	0	0	1
Group 7 – Total:	1001	77	84	994
Assistant Judge Advocates General	6	0	0	6
Bankruptcy Registrars	4	1	1	4
Chancery Masters	5	1	1	5
Chief Medical Member, First-Tier Tribunal (Social Entitlement Chamber)	1	0	0	1

England & Wales	Number in post as at 31/3/14	Number taking up post 1/4/14 – 31/3/15	Number leaving post 1/4/14 – 31/3/15	Number in post as at 31/3/15
Chief Medical Member, First-Tier Tribunal (Health, Education & Social Care Chamber)	1	0	0	1
Costs Judges	7	1	1	7
Deputy Adjudicator to HM Land Registry	3	0	0	3
District Judges	433	49	42	440
District Judges (Magistrates' Courts)	141	4	10	135
District Judges of the Principal Registry of the Family Division	11	0	2	9
Employment Judges	154	0	8	146
First-tier Tribunal Judges (Health, Education & Social Care Chamber)	23	1	1	23
First-tier Tribunal Judges (Immigration & Asylum Chamber)	89	0	12	77
First-tier Tribunal Judge (Property Chamber)	15	1	0	16
First-tier Tribunal Judges (Social Entitlement Chamber)	93	16	5	104
First-tier Tribunal Judges (Tax Chamber)	5	3	0	8
Principal Judge, First-tier Tribunal (War Pensions & Armed Forces Compensation Chamber)	1	0	0	1
Queen's Bench Masters	9	0	1	8
Group 7- – Total:	7	1	1	7
Salaried First-tier Tribunal Members (Medically Qualified) (Social Entitlement Chamber)	7	1	1	7

Northern Ireland	Number in post as at 31/3/14	Number taking up post 1/4/14 – 31/3/15	Number leaving post 1/4/14 – 31/3/15	Number in post as at 31/3/15
Group 1.1 – Total:	1	0	0	1
Lord Chief Justice	1	0	0	1
Group 3 – Total:	3	1	1	3
Lord Justice of Appeal ¹	3	1	1	3
Group 4 – Total:	10	0	1	9
High Court Judges	10	0	1	9
Group 5 – Total:	2	0	0	2
Chief Social Security and Child Support Commissioner	1	0	0	1
Recorder of Belfast	1	0	0	1
Group 6.1 – Total:	20	2	2	20
County Court Judges	17	1	1	17
Social Security and Child Support Commissioner	1	0	0	1
President, Appeal Tribunals	1	1	1	1
President, Industrial Tribunals and Fair Employment Tribunal	1	0	0	1
Group 6.2 – Total:	2	0	0	2
Member, Lands Tribunal	1	0	0	1
Vice President, Industrial Tribunals and Fair Employment Tribunal	1	0	0	1

¹ Office of President, Land Tribunal (salary group 6.1) currently also held by Lord Justice of Appeal

Northern Ireland	Number in post as at 31/3/14	Number taking up post 1/4/14 – 31/3/15	Number leaving post 1/4/14 – 31/3/15	Number in post as at 31/3/15
Group 7 – Total:	42	2	2	42
Presiding District Judge (Magistrates' Court)	1	0	0	1
District Judge (Magistrates' Court) ²	20	0	0	20
District Judge	3	1	0	4
Masters of the Supreme Court	7	1	2	6
Official Solicitor	1	0	0	1
Senior Coroner	1	0	0	1
Coroner	2	0	0	2
Chairman, Industrial Tribunals and Fair Employment Tribunal	7	0	0	7

² Includes two part time office holders

Annex C: Judicial outflow data

The tables below provide data on the total number of individuals leaving the salaried judiciary in England and Wales in each financial year since 2010/11, followed by data from Northern Ireland. The figures in parentheses indicate the number of the total departures from each group that were for reasons other than retirement from the judiciary.

Key

DIO Death in Office
MR Medical Retirement
RFO Removal from Office

England and Wales – 2010/11

Office	Number of departures	50–55	55–60	61–65	66–70	71–75
Higher Judiciary	7	0	0	0	4	3
Circuit Bench	41 (4 MR)	0	0	14 (4 MR)	25	2
District Judges (Magistrates' Court)	9 (1 DIO)	0	2 (1 DIO)	2	5	0
District Judges	22	0	1	7	11	3
Masters and Registrars	4 (1 MR)	1 (MR)	0	1	0	2
Tribunals	22 (1 MR)	0	2 (1 MR)	11	9	0
Total	105 (1 DIO; 6 MR)	1 (MR)	5 (1 DIO; 1 MR)	35 (4 MR)	54	10

England and Wales – 2011/12

Office	Number of departures	Under 50	50–54	55–59	60–64	65–69	70–75	Average age
Higher Judiciary	7 (1 DIO; 1 MR)	0	0	0	0	3 (1 DIO; 1 MR)	4	68.43
Circuit Bench	42 (2 DIO; 1 MR)	0	0	1 (1 MR)	2	24 (2 DIO)	15	67.21
District Judges (Magistrates' Court)	7 (1 DIO)	0	0	0	0	7 (1 DIO)	0	66
District Judges	28 (1 DIO; 1 MR)	0	1 (1 DIO)	1	3 (1 MR)	21	2	65.75
Masters and Registrars	5	0	0	0	0	3	2	68.4
Tribunals	24 (1 DIO)	1 (age 43)	0	1 (1 DIO)	3	12	7	65.63
Northern Ireland	3	0	0	0	0	3	0	66.33
Scotland	10	0	0	0	2	5	3	66.8
Total	126 (6 DIO; 3 MR)	1 (age 43)	1 (1 DIO)	3 (1 DIO; 1 MR)	10 (1 MR)	78 (4 DIO; 1 MR)	33	66.58

England and Wales – 2012/13

Office	Number of departures	Under 50	50–54	55–59	60–64	65–69	70–75	Average age
Higher Judiciary	14	0	0	0	0	4	10	71.36
Circuit Bench	59 (4 DIO; 2 MR)	0	0	2 (1 DIO; 1 MR)	5 (3 DIO; 1 MR)	32	20	65.17
District Judges (Magistrates' Court)	7 (2 MR)	0	0	0	4 (2 DIO; 1 MR)	3	0	64
District Judges	31 (2 DIO; 1 MR)	0	0	0	4 (2 DIO; 1 MR)	23	4	66.35
Masters and Registrars	2	0	0	0	0	1	1	70
Tribunals	19 (2 DIO; 1 MR)	0	2 (1 DIO)	2 (1 DIO; 1 MR)	1	13	1	64.37
Northern Ireland	3	0	0	0	0	3	0	66.33
Scotland	10	0	0	0	2	7	1	65.2
Total	145 (8 DIO; 6 MR)	0	2 (1 DIO)	4 (2 DIO; 2 MR)	16 (5 DIO; 4 MR)	86	37	65.95

England and Wales – 2013/14

Office	Number of departures	Under 50	50–54	55–59	60–64	65–69	70–75	Average age
Higher Judiciary	12	0	0	0	2	4	6	68.92
Circuit Bench	30	0	0	0	3	16	11	67.17
District Judges (Magistrates' Court)	7	0	0	0	0	6	1	67
District Judges	18 (1 MR)	0	0	1 (MR)	3	12	2	65.33
Masters and Registrars	2	0	0	0	1	1	0	66
Tribunals	16 (1 MR)	0	0	0	3	10 (1 MR)	3	67.19
Northern Ireland	2 (1 MR)	0	0	1 (MR)	0	0	1	63
Scotland	4	0	0	0	1	3	0	65.75
Total	91 (3 MR)	0	0	2 (2 MR)	13	52 (1 MR)	24	66.85

England and Wales – 2014/15

In order to provide more detailed information on the departures of judicial office holders in different salary groups, data from 2014/15 has been broken down in to salary groups rather than the broader categories used in previous years. A breakdown using the previous categories has also been included to assist comparison with the data from previous years.

Office	Number of departures	Under 50	50–54	55–59	60–64	65–69	70–75	Average age	% of strength
Salary Group 1	0	0	0	0	0	0	0	-	0%
Salary Group 1.1	0	0	0	0	0	0	0	-	0%
Salary Group 2	0	0	0	0	0	0	0	-	0%
Salary Group 3	3	0	0	0	0	0	3	70.33	7.9%
Salary Group 4	9	0	0	0	2	3	4	68	8.5%
Salary Group 5+	0	0	0	0	0	0	0	-	0%
Salary Group 5	7	0	0	0	2	4	1	66.14	7.9%
Salary Group 6.1	48 (2 DIO)	0	0	1 (DIO)	3 (1 DIO)	33	11	67.42	7.4%
Salary Group 6.2	8 (3 DIO)	0	0	0	2	4 (3 DIO)	2	66.5	29.6%
Salary Group 7+	0	0	0	0	0	0	0	-	0%
Salary Group 7	69 (2 DIO; 2 MR; 2 RFO)	0	3 (1 DIO; 1 RFO)	1	18 (1 DIO; 1MR; 1 RFO)	43 (1 MR)	4	64.83	6.9%
Salary Group 7-	1	0	1	0	0	0	0	54	14.3%
Total	145 (7 DIO; 2 MR; 2 RFO)	0	4 (1 DIO; 1 RFO)	2 (1 DIO)	27 (2 DIO; 1 MR; 1 RFO)	87 (3 DIO; 1 MR)	25	66.08	7.5%

Office	Number of departures	Under 50	50–54	55–59	60–64	65–69	70–75	Average age
Higher Judiciary	12	0	0	0	2	3	7	68.58
Circuit Bench	47 (2 DIO)	0	0	1 (1 DIO)	3 (1 DIO)	33	10	67.26
District Judges (Magistrates' Court)	9	0	0	0	4	5	0	64.11
District Judges	36 (2 DIO; 1 MR; 1 RFO)	0	3 (1 DIO; 1 RFO)	1	7 (1 DIO)	22 (1 MR)	3	64.39
Masters and Registrars	5	0	0	0	1	3	1	65.60
Tribunals	36 (3 DIO; 1 MR; 1 RFO)	0	1	0	10 (1 MR; 1 RFO)	21 (3 DIO)	4	65.94
Total	145 (7 DIO; 2 MR; 2 RFO)	0	4 (1 DIO; 1 RFO)	2 (1 DIO)	27 (2 DIO; 1 MR; 1 RFO)	87 (3 DIO; 1 MR)	25	66.08

Northern Ireland – 2010/11

Office	No of departures	50–55	55–60	61–65	66–70	71–75
Higher Judiciary	1	0	0	1	0	0
County Court Judge	1	0	0	0	0	1
District Judge (Magistrates' Court)	0	0	0	0	0	0
District Judge	0	0	0	0	0	0
Masters and Registrars	0	0	0	0	0	0
Chief Social Security Commissioner and Chief Child Support Commissioner	0	0	0	0	0	0
Social Security Commissioner and Child Support Commissioner	0	0	0	0	0	0
Other tribunal offices	0	0	0	0	0	0
Total	2	0	0	1	0	1

Northern Ireland – 2011/12

Office	No of departures	50–55	55–60	61–65	66–70	71–75
Higher Judiciary	0	0	0	0	0	0
County Court Judge	1	0	0	0	1	0
District Judge (Magistrates' Court)	0	0	0	0	0	0
District Judge	1	0	0	0	0	1
Masters and Registrars	1	0	0	1	0	0
Chief Social Security Commissioner and Chief Child Support Commissioner	1	0	0	1	0	0
Social Security Commissioner and Child Support Commissioner	0	0	0	0	0	0
Other tribunal offices	0	0	0	0	0	0
Total	4	0	0	2	1	1

Northern Ireland – 2012/13

Office	No of departures	50–55	55–60	61–65	66–70	71–75
Higher Judiciary	0	0	0	0	0	0
County Court Judge	2	0	0	1	1	0
District Judge (Magistrates' Court)	0	0	0	0	0	0
District Judge	0	0	0	0	0	0
Masters and Registrars	1	0	0	1	0	0
Chief Social Security Commissioner and Chief Child Support Commissioner	0	0	0	0	0	0
Social Security Commissioner and Child Support Commissioner	0	0	0	0	0	0
Other tribunal offices	1	0	0	0	1	0
Total	4	0	0	2	2	0

Northern Ireland – 2013/14

Office	No of departures	50–55	55–60	61–65	66–70	71–75
Higher Judiciary	0	0	0	0	0	0
County Court Judge	1	0	0	1	0	0
District Judge (Magistrates' Court)	2	0	0	0	1	1
District Judge	0	0	0	0	0	0
Masters and Registrars	1	0	1	0	0	0
Chief Social Security Commissioner and Chief Child Support Commissioner	0	0	0	0	0	0
Social Security Commissioner and Child Support Commissioner	0	0	0	0	0	0
Other tribunal offices	0	0	0	0	0	0
Total	4	0	1	1	1	1

Northern Ireland – 2014/15

Office	No of departures	50–55	55–60	61–65	66–70	71–75
Higher Judiciary	1	0	0	0	1	0
County Court Judge	1	0	0	0	1	0
District Judge (Magistrates' Court)	0	0	0	0	0	0
District Judge	0	0	0	0	0	0
Masters and Registrars	2	0	1 (MR)	1	0	0
Chief Social Security Commissioner and Chief Child Support Commissioner	0	0	0	0	0	0
Social Security Commissioner and Child Support Commissioner	0	0	0	0	0	0
Other tribunal offices	1	0	0	0	1	0
Total	5	0	1 (1 MR)	1	3	0

Annex D: Judicial diversity data (England and Wales)

Appointment name	Total in post	Gender			Ethnicity ¹								Age			
		Male	Female	% Female	White	Asian or Asian British	Black or Black British	Mixed	Any other back-ground	Total BME ²	Unknown	% BME ³	Under 40	40-49	50-59	60 and over
Heads of Division	5	5	0	0%	2	0	0	0	0	0	3	0%	0	0	0	5
Lords Justices of Appeal	38	30	8	21%	29	0	0	0	0	9	0%	0	0	0	8	30
High Court Judges	106	85	21	20%	89	1	0	0	2	3	14	3%	0	0	49	57
Judge Advocates	7	6	1	14%	7	0	0	0	0	0	0	0%	0	1	2	4
Masters, Registrars, Costs Judges and District Judges (Principal Registry of the Family Division)	35	26	9	26%	25	0	0	0	0	0	10	0%	0	3	11	21
Circuit Judges	640	494	146	23%	553	6	1	4	6	17	70	3%	0	42	224	374
District Judges	440	305	135	31%	382	19	3	6	4	32	26	8%	1	87	168	184
District Judges (Magistrates' Courts)	138	95	43	31%	108	4	0	1	0	5	25	4%	0	18	63	57
Employment Judge	144	90	54	38%	129	2	6	2	2	12	3	9%	1	22	72	49
Presidents, Chamber Presidents, Deputy and Vice Presidents	14	9	5	36%	13	0	0	0	0	0	1	0%	0	0	9	5
Regional Employment Judge	11	7	4	36%	10	0	1	0	0	1	0	9%	0	0	5	6
Regional Tribunal Judge	12	7	5	42%	10	0	0	1	0	1	1	9%	0	0	5	7
Tribunal Judge	229	124	105	46%	200	8	5	3	5	21	8	10%	4	24	105	96
Tribunal Member	12	5	7	58%	12	0	0	0	0	0	0	0%	0	2	7	3
Upper Tribunal Judge	63	46	17	27%	53	1	1	3	1	6	4	10%	0	5	19	39
Total	1,894	1,334	560	30%	1622	41	17	20	20	98	174	6%	6	204	747	937

1. The database of the ethnic origin of the judiciary may be incomplete as (a) judicial office holders are asked to provide the information on a voluntary basis and (b) such details have only been collected since October 1991. Further ethnicity data was collected from judicial office holders in post through a diversity survey undertaken by the Judicial Office in 2007. In May 2009, the Judicial Office began collecting ethnicity data from all new judicial appointees. With effect from December 2011, the Judicial Appointments Commission has shared diversity data on selected candidates with the Judicial Office, in those cases where the individual confirmed they were content for the information to be shared.
2. BME stands for Black and Minority Ethnic and the category 'Chinese' is now included within 'Asian or Asian British'
3. Not all judges declare their ethnicity and so the ethnicity figure is calculated as a percentage of those members of the judiciary who have agreed to provide ethnicity data and from whom we have collected this information.

Annex E: 2015/16 judicial salary schedule

Judicial Office	Salary Group	Salaries w.e.f. 01/04/13	Salaries w.e.f. 01/04/14	Salaries w.e.f. 01/04/15
Lord Chief Justice of England and Wales	1	242,243	244,665	247,112
Lord Chief Justice of Northern Ireland Lord President of the Court of Session Master of the Rolls President of the Supreme Court	1.1	216,307	218,470	220,655
Chancellor of the High Court Deputy President of the Supreme Court Justices of the Supreme Court Lord Justice Clerk President of the Family Division President of the Queen's Bench Division Senior President of Tribunals	2	208,926 207,730	211,015 211,015	213,125 213,125
Inner House Judges of the Court of Session Lord Justices of Appeal Lord Justices of Appeal (Northern Ireland)	3	198,674	200,661	202,668
Puisne Judge of the High Court Outer House Judge of the Court of Session Puisne Judge of the High Court (Northern Ireland) Vice Chancellor of the County Palantine of Lancaster	4	174,481	176,226	177,988

Judicial Office	Salary Group	Salaries w.e.f. 01/04/13	Salaries w.e.f. 01/04/14	Salaries w.e.f. 01/04/15
Chairman, Scottish Land Court / President, Lands Tribunal (Scotland) Chief Social Security Commissioner (Northern Ireland) Circuit Judges at the Central Criminal Court in London (Old Bailey Judges) Vice President of the Upper Tribunal (Immigration and Asylum Chamber) Presidents of the First-tier Tribunal (Immigration and Asylum Chamber; General Regulatory Chamber; Health, Education and Social Care Chamber; Property Chamber; Social Entitlement Chamber; and Tax Chamber) Former Deputy President, Asylum and Immigration Tribunal Judge Advocate General Judges of the Technology and Construction Court Permanent Circuit Judge, Employment Appeals Tribunal President, Employment Tribunals (England & Wales) President, Employment Tribunals (Scotland) Recorder of Liverpool Recorder of Manchester Senior Circuit Judges Senior District Judge (Chief Magistrate) Sheriffs Principal Specialist Circuit Judges ³ Former Chief Asylum Support Adjudicator, Asylum Support Tribunal (now judge of the First-tier Tribunal (Social Entitlement Chamber) and Deputy Judge of the Upper Tribunal) Recorder of Belfast ⁴	5	139,933	141,332	142,745
		148,135	149,616	151,112
		151,128	152,639	154,165

43 ³ Chancery, Patents, Mercantile Technology and Construction Court Judges.
⁴ The current post-holder receives a salary of 108% of Group 5.

Judicial Office	Salary Group	Salaries w.e.f. 01/04/13	Salaries w.e.f. 01/04/14	Salaries w.e.f. 01/04/15
Chief Registrar and Senior and Chief Masters Circuit Judges Deputy Chamber President of the First-tier Tribunal (Health, Education and Social Care Chamber) Deputy Chamber President, Upper Tribunal (Lands Chamber) President, Appeal Tribunals (Northern Ireland) Chamber President of First-tier Tribunal (War Pensions and Armed Forces Compensation Chamber) (former President, Charity Tribunal) President, Industrial Tribunals and Fair Employment Tribunal (Northern Ireland) Regional Employment Judges (formerly Regional Chairmen, Employment Tribunal) (England & Wales) Judge of First-tier Tribunal Social Entitlement Chamber (Former Regional Chairmen, Appeals Tribunals) Registrar of Criminal Appeals Senior Costs Judge Senior District Judge, Principal Registry of the Family Division Senior Judge of the Court of Protection Sheriffs Upper Tribunal Judges (Administrative Appeals Chamber and Immigration and Asylum Chamber) Social Security and Child Support Commissioner (Northern Ireland) Vice President, Employment Tribunal (Scotland) County Court Judges (Northern Ireland) ⁵ Upper Tribunal Judges (Tax and Chancery Chamber)	6.1	129,579	130,875	132,184
		139,933	141,332	142,745
		128,693	130,875	132,184

⁵ Post holders are paid the salary are paid the salary for Group 5 so long as they are required to carry out significantly different work from their counterparts elsewhere in the UK.

Judicial Office	Salary Group	Salaries w.e.f. 01/04/13	Salaries w.e.f. 01/04/14	Salaries w.e.f. 01/04/15
Deputy Senior District Judge (Magistrates' Courts) Regional Chairmen of Mental Health Review Tribunals (Health, Education and Social Care Chamber) (England) Principal Judge, Property Chamber, and Deputy Judge of the Upper Tribunal (formerly Adjudicator, HM Land Registry) Surveyor Members, Lands Tribunals (Scotland & Northern Ireland) Surveyor Members, Upper Tribunal (Lands Chamber) Vice-Judge Advocate General Vice-Presidents, Industrial Tribunals and Fair Employment Tribunal (Northern Ireland) Designated Immigration Judges (Outside London) Designated Immigration Judges (London) Former Deputy Principal Judge of the First-tier tribunal (Asylum Support) (London)	6.2	121,993	123,213	124,445
Assistant Judge Advocates General Chairmen, Industrial Tribunals and Fair Employment Tribunal (Northern Ireland) Chief Medical Members, First-tier Tribunal (Health, Education and Social Care Chamber and Social Entitlement Chamber) Coroner (Northern Ireland) Costs Judges District Judges District Judges (Magistrates' Courts) District Judges (Northern Ireland) District Judges of the Principal Registry of the Family Division Employment Judges (England & Wales)	7⁶	103,950	104,990	106,040

⁶ Group 7 post-holders in London are paid an additional £2,000 salary lead and an additional £2,000 London allowance.

Judicial Office	Salary Group	Salaries w.e.f. 01/04/13	Salaries w.e.f. 01/04/14	Salaries w.e.f. 01/04/15
Employment Judges (Scotland)				
First-tier Tribunal Judges				
Masters and Registrars of the High Court				
Masters of the Court of Judicature (Northern Ireland)				
District Judges (Magistrates Courts) (Northern Ireland)				
Senior Coroner (Northern Ireland) ⁷		114,345	115,489	116,644
Presiding District Judge (Magistrates Courts) (Northern Ireland)		112,266	113,390	114,523
First-tier Tribunal Judge, Property Chamber (former Vice President RPT, London – legal) ⁸		100,425	102,319	104,241
First-tier Tribunal Judge, Property Chamber (former Vice President RPT, Regions – legal) ⁹		97,137	99,828	102,564
Member of First-tier Tribunal, Property Chamber (former Vice President RPT, London – valuer) ¹⁰		100,425	102,319	104,241
Member of First-tier Tribunal, Property Chamber (former Vice President RPT, Regions – valuer) ¹¹		97,137	99,828	102,564
Judges of the First-tier Tribunal, Social Entitlement Chamber (Former Asylum Support Adjudicators)		102,133	104,990	106,040
Salaried Medical Members, Social Entitlement Chamber ¹²		82,500	83,325	84,260

⁷ Current post-holder receives a salary of 110% of Group 7.

⁸ This post has a transitional salary arrangement.

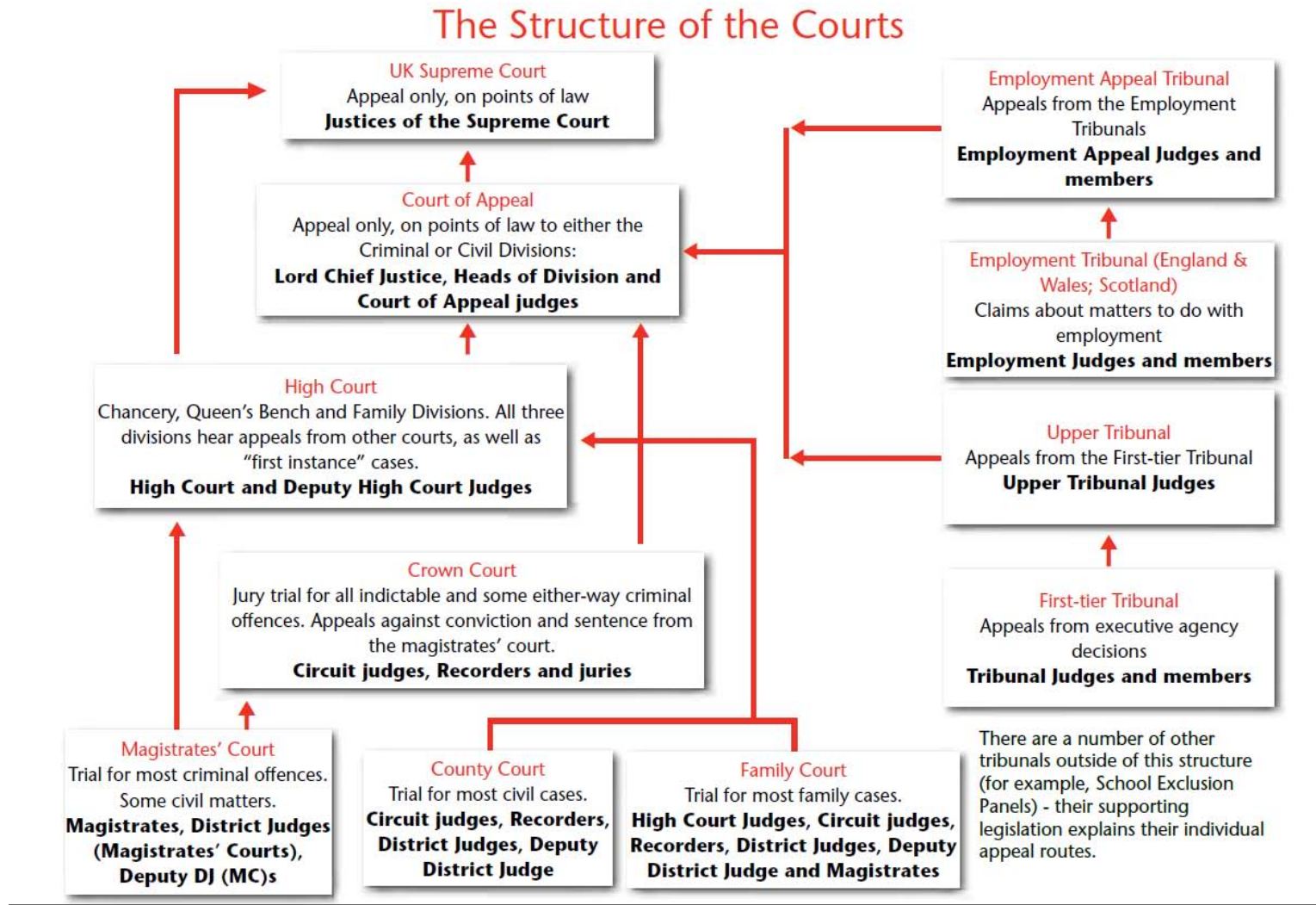
⁹ This post has a transitional salary arrangement.

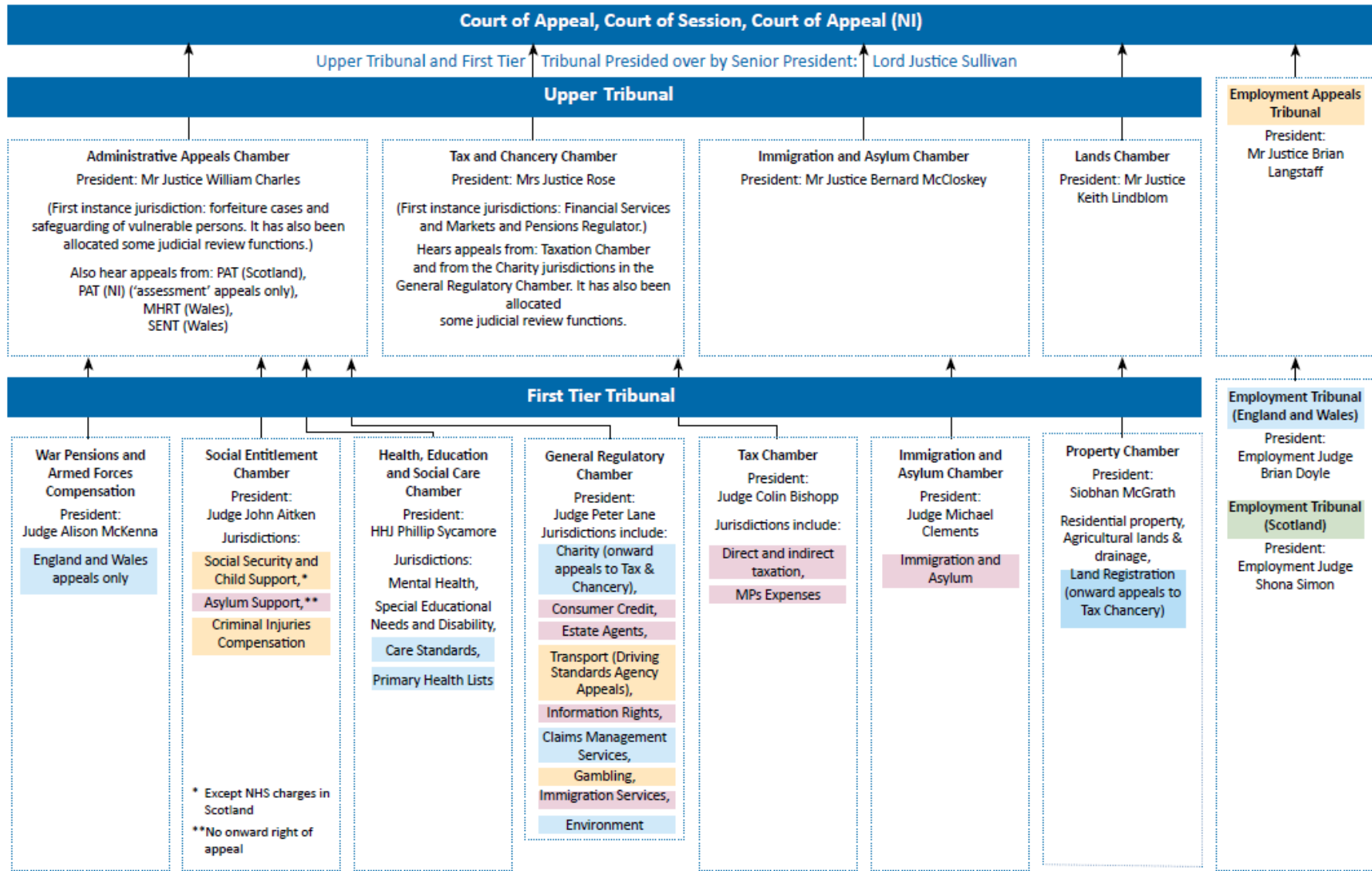
¹⁰ This post has a transitional salary arrangement.

¹¹ This post has a transitional salary arrangement.

¹² Salaried medical members receive the full time equivalent of their daily fee rate.

Annex F: Organisational structure of the judiciary (July 2015)





Key: United Kingdom Great Britain England and Wales England only Scotland only

Annex G: Non-jury ('Diplock') cases (Northern Ireland)

Non-Jury Crown Court Defendants Dealt With

(Includes defendants prosecuted under the Justice & Security Act)

Year	High Court Judge		County Court Judge		Total	
	Number	%	Number	%	Number	%
2000	23	26%	66	74%	89	100%
2001	17	27%	45	73%	62	100%
2002	23	20%	90	80%	113	100%
2003	32	29%	79	71%	111	100%
2004	24	31%	53	69%	77	100%
2005	29	32%	61	68%	90	100%
2006	18	20%	73	80%	91	100%
2007	30	27%	83	73%	113	100%
2008	25	35%	47	65%	72	100%
2009	20	49%	21	51%	41	100%
2010	20	71%	8	29%	28	100%
2011	10	43%	13	57%	23	100%
2012	26	47%	29	53%	55	100%
2013	3	5%	62	95%	65	100%
2014	13	21%	50	79%	63	100%

Non-Jury Crown Court Cases Dealt With

(Includes defendants prosecuted under the Justice & Security Act)

Year	High Court Judge		County Court Judge		Total	
	Number	%	Number	%	Number	%
2007	14	22%	50	78%	64	100%
2008	12	36%	21	64%	33	100%
2009	9	53%	8	47%	17	100%
2010	10	59%	7	41%	17	100%
2011	4	29%	10	71%	14	100%
2012	7	33%	14	67%	21	100%
2013	3	8%	33	92%	36	100%
2014	1	4%	27	96%	28	100%

Crown Court Defendants Dealt With by County Court Judge

(Includes defendants prosecuted under the Justice & Security Act)

Year	Non-Scheduled		Scheduled		Total	
	Number	%	Number	%	Number	%
2000	1093	94%	66	6%	1159	100%
2001	1013	96%	45	4%	1058	100%
2002	958	91%	90	9%	1048	100%
2003	1113	93%	79	7%	1192	100%
2004	1384	96%	53	4%	1437	100%
2005	1340	96%	61	4%	1401	100%
2006	1374	95%	73	5%	1447	100%
2007	1620	95%	83	5%	1703	100%
2008	1560	97%	47	3%	1607	100%
2009	1454	99%	21	1%	1475	100%
2010	1518	99%	8	1%	1526	100%
2011	1900	99%	13	1%	1913	100%
2012	2137	99%	29	1%	2166	100%
2013	2481	98%	62	2%	2543	100%
2014	2062	98%	50	2%	2112	100%

Crown Court Defendants Dealt With by High Court Judge

(Includes defendants prosecuted under the Justice & Security Act)

Year	Non-Scheduled		Scheduled		Total	
	Number	%	Number	%	Number	%
2000	61	73%	23	27%	84	100%
2001	17	20%	68	80%	85	100%
2002	23	28%	59	72%	82	100%
2003	32	32%	68	68%	100	100%
2004	24	19%	103	81%	127	100%
2005	29	29%	71	71%	100	100%
2006	18	19%	77	81%	95	100%
2007	30	26%	85	74%	115	100%
2008	25	20%	101	80%	126	100%
2009	61	75%	20	25%	81	100%
2010	35	64%	20	36%	55	100%
2011	25	71%	10	29%	35	100%
2012	23	47%	26	53%	49	100%
2013	45	94%	3	6%	48	100%
2014	38	75%	13	25%	51	100%

Annex H: Judicial pay bill in Northern Ireland (2014/15)

	Salary (£)	ERNI (£)	ASLC (£)	Total (£)
Consolidated Fund	7,370,247	912,264	2,296,707	10,579,218
Departmental Vote	2,226,180	302,306	612,743	3,141,229
Total	9,596,427	1,214,570	2,909,450	13,720,447

Notes:

Consolidated Fund Judiciary:

- Lord Chief Justice
- Lord Justice of Appeal (including President, Lands Tribunal)
- High Court Judge
- Recorder of Belfast
- County Court Judge
- District Judge (Magistrates' Court)

Departmental Vote Judiciary:

- Chief Social Security and Child Support Commissioner
- Social Security and Child Support Commissioner
- Senior Coroner
- Coroner
- District Judge (Civil)
- Master of the Supreme Court
- President, Appeals Tribunal*
- Deputy President, Appeals Tribunal*

* Costs for The Appeals Tribunal are charged back to the NICS Department with statutory responsibility (Department for Social Development).

Includes devolved posts for which NICTS are responsible.

Includes service awards paid to judiciary who retired.

Annex I: HM Treasury evidence on the general economic outlook

Introduction

1. The UK economy grew faster in 2014 than any other major advanced economy at 2.9%, its best performance since 2005. The Spending Review and Autumn Statement set out the government's long term economic plan to fix the public finances, return the country to surplus and run a healthy economy that starts to bear down on the excessive national debt. It recognises the risks from abroad and the need to secure Britain's economic future.
2. Public sector pay restraint has been a key part of the fiscal consolidation so far. It helped save approximately £8bn in the last Parliament and is expected to save another £5bn in the current Parliament. At a time when further spending reductions are required to complete the repair of the public sector finances, a policy of pay restraint makes a significant contribution to protecting jobs and maintaining public services.
3. At Summer Budget 2015 the government announced that it would fund public sector workforces for pay awards of 1% for four years from 2016–17 onwards. The OBR estimates that this policy will protect 200,000 jobs by 2019–20. The government expects that pay awards will be applied in a targeted manner to support the delivery of public services, ensuring that flexibility exists to meet any recruitment and retention pressures.
4. The UK economy is fundamentally stronger than five years ago, with positive growth since the first quarter of 2013. The UK economy grew by 0.4 per cent in the third quarter of 2015 and the Office for Budget Responsibility (OBR) forecast the UK economy to grow by 2.4 per cent in 2015 overall.
5. Since 2010 the deficit has halved as a share of GDP and for the first time since 2001–02, the national debt is forecast to fall in 2015–16, meeting the target set out in 2010. However, risks remain to the recovery, including from slower growth in the global economy. Debt stands at its highest share of GDP since the late 1960s, and the deficit remains among the highest in advanced economies. At Spending Review and Autumn Statement, the government set out the action it would take to complete the job of repairing the public finances started in the last Parliament. The government will reduce the deficit at the same rate as in the previous Parliament (around 1.1% of GDP a year on average) to reach an overall surplus of £10.1bn in 2019–20. Running a surplus on the headline measure of borrowing is the most reliable way to bring down debt as a share of GDP in the long term.
6. Inflation is forecast by the Bank of England and OBR to remain low for rest of the year, before returning gradually to the 2 per cent target in the medium term. The OBR forecast inflation of 0.1 per cent in 2015 and 1.0 per cent in 2016. The Bank of England's latest inflation forecast, published in the November Inflation Report has been revised down compared to the August report. The Monetary Policy Committee (MPC) expect inflation at 0.1 per cent (down from 0.4 per cent) in the year to Q4 2015, 1.25 per cent (down from 1.6 per cent) in the year to Q4 2016, and unchanged at 2.1 per cent in the year to Q4 2017.

7. Headline employment and unemployment figures were strong in 2013 and 2014. This trend has continued in 2015 with employment almost continuously rising, reaching a record high in the three months to October of 31.3m, at a record rate of 73.9 per cent. The OBR expects employment to increase by 1.1 million over the forecast period, representing employment growth of 3.5 per cent. Unemployment fell by 244,000 in the year to Aug–Oct 2015 to a level of 1.71m. The unemployment rate in the three months to October 2015 stood at a 9 year low of 5.2 per cent, down from the peak of 8.5 per cent in the three months to November 2011. Real wage growth has remained at pre-recession rates. In the three months to October, total pay grew by 2.4 per cent in both nominal and real terms, compared to the same period last year. Regular wages grew by 2.0 per cent in nominal terms and 2.1 per cent in real terms. Total pay in the private sector grew by 2.7 per cent, while in the public sector (excluding financial services) it grew by 1.6 per cent. Average earnings have outstripped inflation for 13 consecutive months, the longest period of real earnings growth since before the recession, and are forecast by the OBR to continue to grow faster than inflation for the entire forecast period.

Growth

8. In 2008 the UK was hit by the most damaging financial crisis in generations. Between Q1 2008 and Q2 2009 the UK economy contracted by 6.1%, greater than the reductions in growth in the US, France, and Canada.
9. The government's long term economic plan has secured the recovery. The government's fiscal responsibility has allowed monetary activism to support demand in the economy alongside repair of the financial sector. This has been supported by supply-side reform to deliver sustainable increases in standards of living.
10. UK GDP growth has been positive since the first quarter of 2013 and GDP is now 6.1% above its pre-crisis peak. Growth in 2014 was 2.9%, above the Office for Budget Responsibility's (OBR) March forecast of 2.6%. The UK economy grew by 0.4 per cent in the third quarter of 2015, following 0.5 per cent growth in the second quarter. The recovery is broad-based with widespread growth across all major sectors since the start of 2013, and production, services and construction all growing in the third quarter on a year earlier. The OBR's forecast at Autumn Statement 2015 confirmed the UK recovery is well established with growth of 2.4% in 2015 and 2016 at 2.4%, before rising to 2.5% in 2017.
11. However, external risks remain, reinforcing the case for stability in the government's long-term economic plan. The global economic recovery remains uneven and the risks from the world economy demonstrate the need to continue to fix the economy to ensure the UK can deal with risks from abroad.
12. As a part of its economic policy, the government has announced its intention to improve the UK's productivity performance. Improving productivity is key to increasing living standards and delivering strong growth. The government has published a productivity plan ('Fixing the foundations: Creating a more prosperous nation') which tackles the UK's serious long-term challenges, with major reforms to improve the UK's infrastructure, tackle failures in the skills system, improve the planning system, encourage long-term finance for productive investment and give cities the governance and powers they need to succeed.

13. In the Autumn Statement the government announced further measures to improve productivity in the UK including protecting per pupil funding for schools, providing an additional £1.3 billion (until 2019–20) to attract new teachers into the profession, protecting today's £4.7bn science funding in real terms for the rest of the Parliament, investing up to £6.9bn in the UK's research infrastructure up to 2021; and proposing a new University focusing on Engineering, to be located in Hereford.

Figure 1: Forecasts for GDP growth 2015 to 2017

Forecasts for GDP growth (per cent)	2015	2016	2017
OBR (Summer Budget 2015)	2.4	2.3	2.4
IMF WEO (July 2015 update)	2.4	2.2	2.2
Avg. of independent forecasters (August 2015)	2.6	2.4	2.4

Inflation

14. November's annual CPI inflation rate was 0.1%, up from -0.1% in August. External factors, such as oil and commodity prices, continue to exert significant downward pressure on inflation. Recently low inflation is good news for working families, helping their budgets stretch further with lower food and fuel costs. In the year to November 2015, food prices fell by -2.7% and prices of motor fuels fell by -12.9%.
15. Compared to the Bank of England's August 2015 Inflation Report, the outlook for inflation in the August report has been revised downwards. The MPC judged that CPI inflation is likely to remain close to zero in the near term, before rising as past falls in energy prices begin to drop out of the annual comparison. The Monetary Policy Committee (MPC) expect inflation at 0.1 per cent (down from 0.4 per cent) in the year to Q4 2015, 1.25 per cent (down from 1.6 per cent) in the year to Q4 2016, and unchanged at 2.1 per cent in the year to Q4 2017.
16. Inflation is forecast by the Bank of England and OBR to remain low for rest of the year, before returning gradually to the 2 per cent target in the medium term. The OBR forecast inflation of 0.1 per cent in 2015 and 1.0 per cent in 2016.

Figure 2: Forecasts for CPI Inflation 2015 to 2017

Forecasts for CPI Inflation (per cent change on a year earlier)	2015	2016	2017
OBR (Autumn Statement 2015)	0.1	1.0	1.8
IMF WEO (October 2015)	0.1	1.5	2.0
Avg. of independent forecasters (December 2015)	0.1	1.3	1.9

Affordability and Fiscal Strategy

17. Since 2010 the government has taken action to cut the deficit which has more than halved as a share of GDP from its 2009–10 post-war peak. However, the job is not yet done. The deficit remains high compared to advanced economies and public sector net debt as a share of GDP has more than doubled since the pre-recession period. The government remains committed to eliminating the deficit and to getting debt as a share of GDP on a declining path across the forecast period to return the public finances to a more sustainable position.

18. At Summer Budget the government announced its intention to reduce the deficit at the same average rate as over the previous Parliament. That means reducing the deficit by around 1.1 percent a year on average over the next four years. The government is maintaining this same pace of deficit reduction and has taken the decisions necessary to finish the job of repairing the public finances. Public sector net borrowing as a share of GDP is forecast to fall year-on-year across the forecast period and the government is expected to achieve a surplus of £10.1bn in 2019–20.
19. However continued action will be required in order to bring debt down to more sustainable levels. Last year, net debt as a share of GDP reached its highest level since the late 1960s. By 2020–21, it is still forecast to be 71.3%, significantly above the pre-recession level in 2007–08. High debt increases the UK's vulnerability to future shocks. Evidence suggests that at higher debt levels, the scope for fiscal policy to stabilise the economy is reduced.
20. A strategy for debt reduction must also take into account the possibility of future economic shocks. Independent monetary policy now delivers low and stable medium-term inflation to the benefit of the whole economy. This contrasts with the experience after World War II, when very high inflation, together with artificially low interest rates, played a major role in reducing debt. The UK economy has been subject to relatively frequent shocks in the past, and though their nature and timing are unpredictable, responsible fiscal policy should allow for them. Once future economic shocks are allowed for, running a deficit to finance capital investment (balancing only the current budget) and relying on trend economic growth is insufficient to bring down debt, as set out in HM Treasury analysis at Budget 2014. In a low inflationary environment, with economic shocks, the most reliable way to bring down debt as a share of GDP is to run an overall surplus in normal times. Substantial debt reduction in future will depend on responsible management of the public finances and sustainable economic growth.

Proposed new Charter for Budget Responsibility

21. On 14 October 2015, Parliament approved the government's updated Charter for Budget Responsibility. The new fiscal rules commit the government to delivering a surplus by the end of the Parliament, and every year thereafter when the economy is in normal times, entrenching a commitment to long-term fiscal sustainability. The Charter sets out:
 - A target for a surplus on public sector net borrowing in 2019–20, and a supplementary target for public sector net debt to fall as a share of GDP in each year from 2015–16 to 2019–20.
 - A target, once a surplus is achieved in 2019–20, to run a surplus each subsequent year as long as the economy remains in normal times.
22. Under the updated Charter, the surplus rule will be suspended if the economy is hit by a significant negative shock (defined as 4 quarter-on-4 quarter GDP growth below 1%). This provides flexibility to allow the automatic stabilisers to operate freely when needed. Following a shock, the government of the day will be required to set a plan to return to surplus, including appropriate fiscal targets. The framework does not prescribe what the targets should be, allowing the government of the day to respond to the circumstances. However, the targets will be voted on by the House of Commons and assessed by the OBR.

23. The end goal is to ensure that long-term debt reduction continues, leaving the country better placed to withstand future economic shocks. Returning to a surplus in normal times will provide the government of the day with the fiscal space to allow appropriate action to be taken in the face of future shocks.

Labour market

24. After strong rises in 2013 and 2014, headline labour market figures slowed in the first half of 2015. 2014 saw the employment level increasing by over 600,000, and the employment rise in the first half of 2015 was 139,000, taking the level of employment to 31.0m. Since then, employment has risen to record levels of 31.3m. In the three months to September, the employment rate rose by 1.0 percentage point on the year to 73.9%, the highest rate on record. The unemployment rate fell by 0.8 percentage points on the year, and by 3.3 percentage points since the peak of 8.5% in the 3 months to November of 2011, to a 9 year low of 5.2 per cent. The OBR forecast the rate to stabilise at 5.4% by the end of the forecast period.
25. The number of vacancies in the three months to November 2015 stood at record levels, having increased by 45,000 over the year to 747,000. The number of unemployed people per vacancy fell to 2.3 in the three months to October 2015, down from a high of 5.9 following the recession.
26. Wage growth picked up in 2015, reaching levels of up to 3.3 per cent in the three months to May. The most recent data shows more moderate total pay growth of 2.4 per cent in the three months to October, in both nominal and real terms, with real wage growth remaining at pre-recession rates.

Employment and unemployment

27. Over the year to the three months to October 2015, employment grew by 505,000. The majority of this growth was among full-time employees, whose numbers increased by 348,000 on the year. The number of people in self-employment rose slightly on the year (71,000).
28. Over the year to Aug–Oct 2015, unemployment fell by 244,000 to 1.71m, down 995,000 from the peak in the three months to November 2011.
29. Long term unemployment (unemployment of 12 months or more) stood at 509,000 in Aug–Oct 2015, down by 175,000 over the year. Over 70% of the fall in total unemployment over the year came from the decrease in long term unemployment.
30. Working age inactivity (16–64) fell slightly on the year to the three months to October 2015, with the level and rate at 8.93m and 21.9% respectively. The female inactivity rate also continued to decline, dropping 0.4 percentage points on the year.
31. Youth unemployment (16–24) fell by 129,000 over the year to Aug–Oct 2015. This was primarily amongst those not in full-time education. The youth unemployment rate stood at 13.6%, down 2.9 percentage points on the year. Excluding people in full-time education, there were 416,000 unemployed 16–24 year olds, with a corresponding unemployment rate of 12.2%.

32. The claimant count fell by 112,400 in the year to November 2015. The claimant count rate stood at 2.3%, the lowest level since February 1975. Figure 4 summarises these statistics:

Figure 4: Labour market statistics summary (Levels in 000s, rates in %)*

	2010	2011	2012	2013	2014	Aug–Oct 2015
Employment level (All aged 16 and over)	29,228	29,376	29,696	30,043	30,726	31,302
Employment rate (All aged 16–64)	70.4	70.3	71	71.5	72.9	73.9
Unemployment level (All aged 16 and over)	2,497	2,593	2,572	2,476	2,027	1,713
Unemployment rate (All aged 16 and over)	7.9	8.1	8	7.6	6.2	5.2
Youth unemployment level (All aged 16–24)	933	996	1,005	969	783	625
Youth unemployment rate (All aged 16–24)	20	21.4	21.4	20.8	17	13.6
Claimant Count	1,496.4	1,534.4	1,585.6	1,421.0	1,037.6	796.2

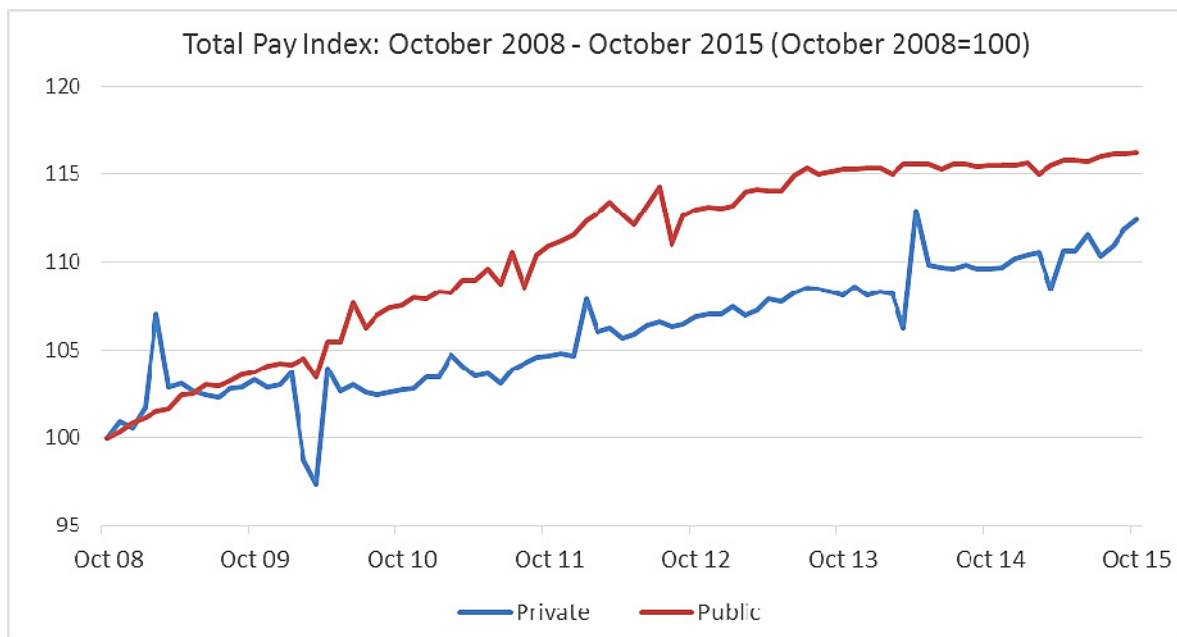
* The latest public and private sector employment figures available are for the third quarter of 2015. These show that private sector employment rose by 226,000 on the quarter and was up by 554,000 over the year. This more than offset the fall in public sector employment which decreased by 19,000 on the quarter and by 48,000 over the year. Over this period over 6 private sector jobs have been created for every public sector job lost. These series exclude the effects of major reclassifications where large bodies employing large number of people have moved between the public and private sectors.

Public sector pay and pensions

33. The recent recession saw a significant fall in UK wage growth, particularly in the private sector. Analysis by IFS and ONS shows that over the last few years public sector workers have benefitted from a higher pay growth on average compared to workers with similar characteristics in the private sector. While the pay differential between public and private sector workers is narrowing, the overall remuneration of public sector employees when taking employer pension provision into account continues to be above that of the market.
34. Earnings growth in the private sector has been strong throughout 2015 and in the three months to October, total pay growth (including bonuses) stood at 2.7%, while private sector regular pay growth (excluding bonuses) also stood at 2.3%. Although low inflation has helped boost real wages, nominal private sector wage growth remains below rates seen before the recession (about 4–5% per annum).
35. Public sector average earnings growth was 1.3% in the three months to October 2015. Regular earnings (excluding bonuses) also grew by 1.3% over the same period. These rates stood above the rate of inflation in this period (-0.1%) but still below the pre-recession average growth rate, as in the private sector.

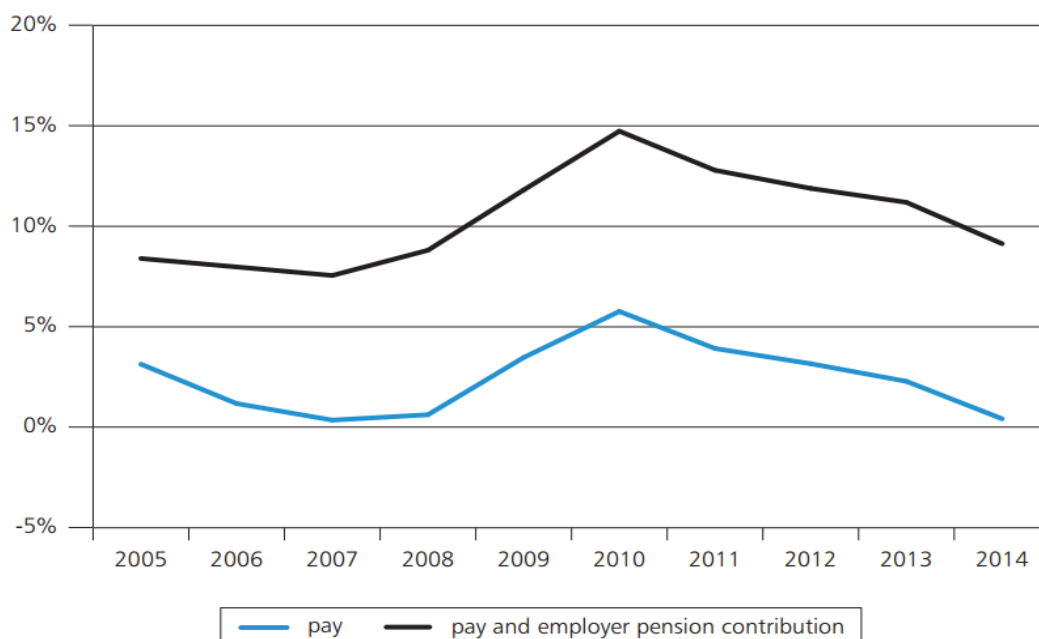
36. Historically, public sector wages tend to fall and recover at a slower pace during economic cycles than private sector wages – i.e. there can be a delay between a recession occurring and public sector wage adjustment. Since July 2014, private sector earnings growth has been faster than growth in public sector wages, but this follows on from sustained public sector wage growth in the years immediately following the recession. From the three months to March 2008 to the three months to October 2015, total average private sector earnings have increased by 10.4%, while those in the public sector have increased by 16.1%. The overall level of public sector average weekly wage remains above that of the private sector. Figure 5 compares the growth in average public and private sector weekly earnings since 2008.

Figure 5: Total pay comparison



Source: Average Weekly Earnings, ONS Labour Market Statistics, December 2015

37. When considering changes to remuneration, it is important to consider other elements of the total reward package. Including hourly employer pension contributions to hourly pay and bonus, recent HMT analysis finds that public sector workers benefit from an 8% premium compared with their private sector counterparts. This is supported by the IFS (October 2014 paper), who found that a 4.6% pay premium continues to exist in favour of public sector workers and that the premium increases significantly if one incorporates pension payments in the analysis. This premium is driven by a number of factors including high pay for women, and protection for the low paid in the public sector. Figure 6 shows the comparison of average hourly earnings for public and private sector workers with similar characteristics across time.

Figure 6: Estimated public-private hourly pay differential

Source: HM Treasury analysis based on Annual Survey of Hours and Earnings data, comparing the average hourly earnings of public and private sector workers with similar characteristics.

38. The government wants to move from a low wage, high tax, high welfare society to a higher wage, lower tax, lower welfare society and wants to do this in a fair way by ensuring that low wage workers take a greater share of the gains from growth. An essential part of this is the introduction of a new National Living Wage (NLW) for workers aged 25 and above.
39. At Summer Budget 2015, it was announced that the NLW will increase pay to £7.20 per hour from April 2016, rising to £9.00 per hour by 2020, benefitting workers across the economy. Estimates indicate that the NLW policy is expected to directly benefit approximately 200,000 public sector jobs.

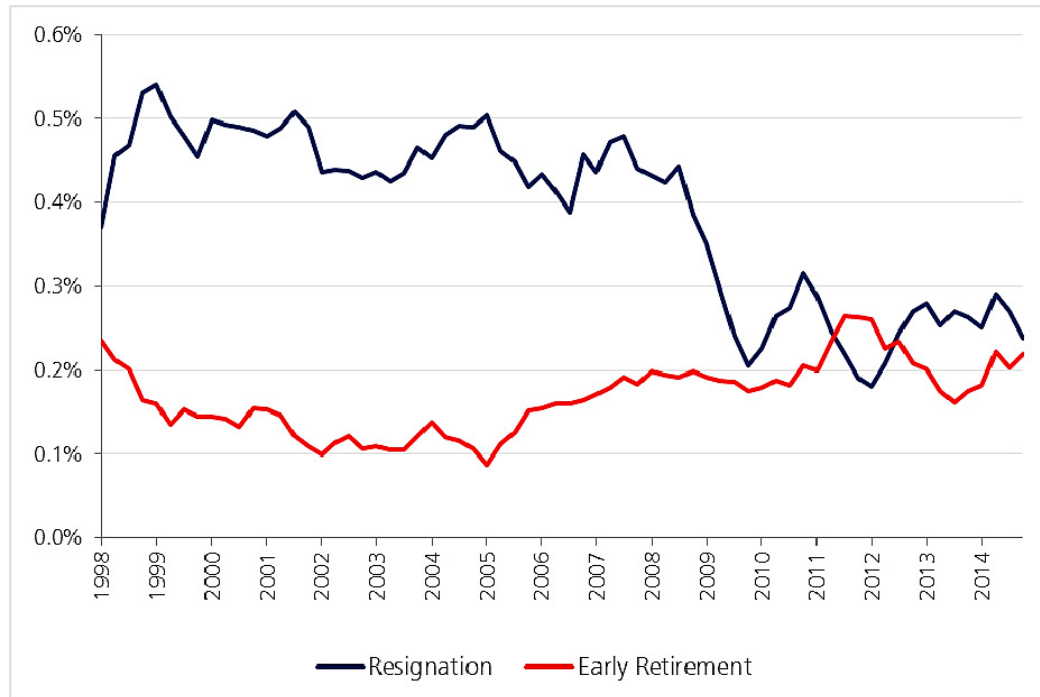
Pension reforms

40. One major factor in the overall reward package is pension provision. In the last few decades pension provision in the public and private sectors has diverged, in response to pressures around longevity, changes in the business environment and investment risk. This has led to a sharp decrease in the provision of defined benefit schemes in the private sector. Around 85% of public sector employees are members of employer-sponsored pension schemes, compared to only 35% in the private sector.
41. Following a fundamental review of public service pension provision by the Independent Public Service Pensions Commission, the government has introduced key changes to the pension element of the remuneration package. New public service pension schemes introduced in April 2015:
- calculate pension entitlement using the average earnings of a member over their career, rather than their salary at or near to retirement;

- calculate pension benefits based on Normal Pension Age linked to the member's State Pension Age; and
 - include an employer cost cap mechanism, which will ensure that the risks associated with pension provision are shared with scheme members to provide backstop protection for the taxpayer.
42. The changes introduced through the Public Service Pensions Act 2013 will save an estimated £65 billion by 2061–62.
43. Wider changes to public service pension provision have also taken place. Progressive increases in the amount that members contribute towards their public service pension began in April 2012 and were phased in over three years, with the final increases made in April 2014. Members are now contributing an average of 3.2 percentage points more, delivering £2.8 billion of savings a year by 2014–15.
44. Protections from the impact of the contribution changes have been put in place for the lowest paid. Those earning less than £15,000 were not subject to increases; and increases for those earning up to £21,000 (£26,000 for Teachers) were capped at 1.5 percentage points.
45. Public service pensions will remain among the best available and will continue to offer members guaranteed, index-linked benefits in retirement that are protected against inflation. Private sector workers buying benefits in the market would have to contribute over a third of their salary each year to buy an equivalent pension.
46. Putting together the evidence on pension provision and pay levels – and recognising that there will be significant variation between and within individual workforces – the overall remuneration of public sector employees is above that of the market. The government is therefore clear that any changes to public service pensions, including the progressive increase in contributions from 2012–13, do not justify upward pressure on pay.

Recruitment and Retention

47. Across the whole economy there is evidence that the labour market is performing strongly. There has been strong growth in employment and tightening of labour market slack, a record high number of vacancies. However, there is limited evidence of widespread recruitment and retention issues within the public sector, and resignation rates continue to be below pre-recession levels in this sector. Figure 7 demonstrates recent resignation and early retirement rates in the public sector.

Figure 7: Resignation and Early Retirement Rates (up to Q4 2014)

Source: Labour Force Survey Microdata, ONS and HM Treasury analysis

48. The rate at which people are resigning from the public sector remains substantially below re-recession levels. Within the public sector, the resignation rate was relatively constant prior to the recession, in the region of 0.4 – 0.5%. From the middle of 2008 this rate fell sharply to 0.2 – 0.3%, potentially relating to opportunities outside the public sector becoming scarcer. Since then it has made little sustained recovery and remained within the range up to 2014. The early retirement rate figures increased between 2010 and 2011, but have subsequently fallen back again.
49. The CIPD Labour Monthly Outlook, Autumn 2015, indicates that amongst all private sector firms, where pay has increased by 2% or more, in only 22% of cases were pay awards set at that level because of recruitment and retention issues.
50. There is limited evidence of widespread recruitment and retention issues in the public sector. The government's expectation that the 1% pay award for 2016–17 will be applied in a targeted manner to support the delivery of public services ensures that flexibility exists to meet any recruitment and retention pressures.



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