

JUDICIAL APPOINTMENTS COMMISSION

# ANNUAL REPORT AND ACCOUNTS

1 April 2018 to 31 March 2019



# JUDICIAL APPOINTMENTS COMMISSION ANNUAL REPORT AND ACCOUNTS

## 1 April 2018 to 31 March 2019

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to the Constitutional Reform Act 2005

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# PERFORMANCE REPORT

# OVERVIEW

## CHAIRMAN'S STATEMENT



This year has seen a further increase in the volume of the Commission's work with 1,031 candidates recommended for judicial appointment from nearly 5,000 applicants across 23 selection exercises at almost every level of the judiciary. This unprecedented level of demand is expected to continue for the foreseeable future.

The Commission is determined to meet that challenge, while remaining clear that only candidates who reach the required standard can be recommended for judicial office. It is our statutory duty to select solely on merit.

Working with HM Courts & Tribunals Service, Judicial Office and the Ministry of Justice, we have agreed the plan of selection exercises for the next 2 years which, along with our 5-year rolling programme of regular exercises, enables potential candidates to better plan and prepare for judicial appointment. The Commission has also continued its work with partners to encourage and support a wider, more diverse range of candidates to apply.

Looking ahead, the JAC intends to focus on 4 strategic priorities to both enhance the experience of those who apply for judicial office, and further strengthen the

Commission's recognised best practice approach to selection on merit. These priorities are: our people, digital platform, selection tools and candidate experience.

Cutting across all these will be our ongoing work to promote and support the diversity of applicants for judicial appointment. A refocused Judicial Diversity Forum from this autumn, will provide an opportunity for the Lord Chancellor and Lord Chief Justice to meet alongside the Chairs of the Bar Council and Legal Services Board, and the Presidents of the Law Society and CILEx to continue progress in the important area of diversity.

I also very much welcome the move to publish combined diversity statistics, from 2020, which will for the first time bring together data from the legal professions, the JAC and the judiciary. This will, I believe, provide a firmer evidence base on which to develop further measures to drive improvement.

During the year, Judge Usha Karu completed her term as Commissioner. Her contribution and insight to the JAC over 4 years has been greatly appreciated. We welcomed as Commissioners Brie Stevens-Hoare and Sarah Lee from the professions, and Judge Anuja Dhir.

It was with great sadness we learned that Commissioner Professor Noel Lloyd had passed away in early June 2019. It was an honour to work with him. His intellect, integrity and dedication to fairness were invaluable to the Commission's work. He was a wonderful colleague. He will be greatly missed by the Commissioners and staff.

A handwritten signature in black ink, appearing to read 'Kakkar', written over a purple horizontal line.

**Professor Lord Ajay Kakkar**

Chairman, Judicial Appointments Commission



## CHIEF EXECUTIVE'S STATEMENT



The annual report and accounts sets out what the JAC has achieved over the past year with the money allocated by the Ministry of Justice and provides an overview of how we are organised and governed.

At the end of this financial year the JAC will have nearly quadrupled the number of selections made for judicial appointment compared to what it was asked to do only 2 years ago. For any organisation such an increase in workload presents a significant challenge. It is a testament to the hard work and dedication of JAC staff, Commissioners, and lay and judicial panel members that this has been successfully achieved alongside our commitment to make recommendations for appointment on merit.

In order to meet this demand, we received an increased budget allocation, which allowed us to increase our staff and panel members and now have in place the necessary capacity to meet the future needs. A programme of work is now underway to improve levels of staff engagement and morale. The agreement of a 2-year forward plan with HMCTS, Judicial Office and the Ministry of Justice, alongside the 5-year rolling programme of regular exercises, provides a firm foundation on which we can continue to develop the organisation and the basis for a future strategy for the JAC from 2020 onwards.

The JAC continues to ensure that only the very best candidates from a diverse field are recommended for appointment, developing strong levels of consistency and quality in every exercise, no matter how large. During 2018–19 we have:

- continued to work with partners through the Judicial Diversity Forum, which launched the Pre-Appointment Judicial Education programme in April 2019
- ensured the integrity of the appointment process through strengthening the candidate confidentiality statements for sharing of materials, as agreed with relevant professional and judicial regulatory bodies
- streamlined the High Court application process with the introduction of a statement of suitability and extending the application period

Looking ahead to 2019–20 we will focus our efforts on developing our people, the quality of our digital services, and the continuous improvement of our selection tools and candidate experience.

I am pleased to continue working with Lord Kakkar who will remain as Chairman until 2022, providing continuity with the high volume of selections we are anticipating in the coming years.

**Richard Jarvis**

Chief Executive,  
Judicial Appointments Commission

## PURPOSE AND ACTIVITIES

The JAC was established on 3 April 2006 under the Constitutional Reform Act 2005. It is an executive non-departmental public body, sponsored by the Ministry of Justice.

The JAC is independent and selects candidates for judicial office in courts and tribunals in England and Wales, and for some tribunals whose jurisdiction extends across the UK.

The JAC selects one candidate for each vacancy and recommends that candidate to the Appropriate Authority (the Lord Chancellor, Lord Chief Justice or Senior President of Tribunals), who can accept or reject the recommendation or ask the Commission to reconsider it.

The JAC may be required to select a candidate for immediate appointment or to identify candidates for vacancies that may arise in the future.

### The Commission's role and structure

In this report, the JAC refers to the organisation as a whole and the Commission refers to its governing Board. The Commission consists of a lay Chairman and 14 other Commissioners.

The Commission is led by a lay Chairman and includes 5 lay commissioners, who are drawn from a variety of professional fields. Membership of the Commission is also drawn from the courts and tribunals judiciary, the legal profession, and the lay magistracy or non-legal tribunal members.

Commissioners are recruited through open competition with the exception of 3 senior judicial members: 2 of these members are selected by the Judges' Council and the third is selected by the Tribunal Judges' Council.

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"I thought I'd seen all types of cases as a specialist criminal practitioner. How wrong I was. As a Recorder I enjoyed the experience and challenges of encountering cases which I had never seen before."

John Thackery QC is a Circuit Judge and was a Recorder



### The JAC’s key statutory duties

- to select candidates solely on merit
- to select only people of good character
- to have regard to the need to encourage diversity in the range of persons available for selection

### Budget

The JAC’s allocated resource budget in 2018–19 was £6.94m (£5.01m in 2017–18). It spent £6.68m (£4.89m in 2017–18).

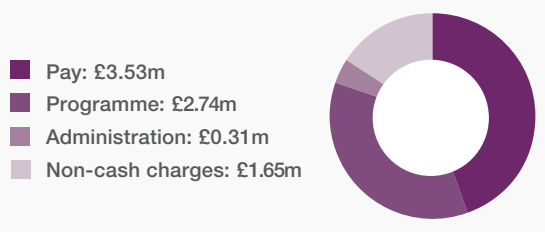
In addition to funding it received, the JAC incurred £1.24m (£0.89m in 2017–18) of overhead recharges from the Ministry of Justice and an impairment charge of £0.3m, giving a total expenditure of £8.23m (£5.79m in 2017–18).

### The JAC’s aims

The JAC’s aims were set out in the Business Plan 2018–19. In this report they are addressed in the following order:

- flexibly support the evolving business need
- increase confidence in the selection process and selections
- promote and encourage diversity throughout the selection process
- continually improve the candidate experience
- make the JAC a centre of excellence in selection
- be digital by default

#### Total expenditure in 2018–19



“Having been educated at comprehensive schools, I believed the judiciary was out of reach for somebody of my age and background. Fortunately, others did not share my view. Judges and colleagues encouraged me to apply.”

Louise Brandon is a Circuit Judge, and was a Recorder and a Chair of Police Misconduct Hearings



## Performance summary

### What we spend our money on

Further details of the progress made by the JAC against the aims in the Business Plan 2018–19, are in the performance report, pages 3 to 35.

As described in the performance report, the JAC reported on 23 selection exercises in 2018–19 (28 in 2017–18), and launched a further 17 exercises continuing into 2019–20. The number of selections made and applications received during the year, is dependent on the mix of vacancies the JAC is asked to fill by the Lord Chancellor. The JAC made 1,031 selections in 2018–19 (749 in 2017–18), and received 4,917 applications (5,125 in 2017–18).

In 2018–19 the JAC made a significantly higher number of selections compared with 2017–18, and the expenditure reflects this. The Statement of Comprehensive Net Expenditure shows that net expenditure for the year was £8,228k compared with £5,786k the previous year. Excluding recharges from the Ministry of Justice (MoJ), net expenditure increased from

£4,894k to £6,988k a 43% increase. Overall, there was:

- an increase of £1,246k (35%) in pay costs
- an increase of £1,190k (54%) in other operating costs
- an increase of £348k (39%) in MoJ recharges

The JAC underspent against its budget allocation by £262k (4%), spending £6,675k of its net allocation. It therefore did not draw down its full grant-in-aid allocation.

The JAC continues to make extensive use of shared services for central functions, such as the provision of accommodation, some HR, IT and finance by the MoJ, to benefit from economies of scale. These costs are generally ‘soft’ charged, with no funds exchanged. Further details of the soft charges can be found in note 3 to the financial statements. In February 2017, the JAC moved to the new cross-government Single Operating Platform online application to manage HR, procurement and finance services.

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“Having achieved a personal career ambition being a Deputy District Judge is a hugely rewarding career in making decisions which impact on people’s lives. Being a DDJ has developed my skills at listening carefully, being patient, evaluating problems and finding solutions.”

Ranjit Uppal, Deputy District Judge




# SELECTION EXERCISE PROGRAMME

## Selection exercises reported in 2018–19


Exercises reported	Applications received	Selections made
23	4,917	1,031

## JAC selection exercises 2018-2019




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Number of exercises  
**23**




Applications  
**4,917**



Selections  
**1,031**



Court selections  
**447**



Tribunal selections  
**584**

**Note:** Judicial roles are classified as either legal (requiring legal qualifications) or non-legal. Some are salaried positions, undertaken on a full or part-time basis, and others are fee-paid where judicial office holders sit for a certain number of days a year while doing other work.

## Tribunals selection exercises

### Fee-paid roles

Legal/Non-legal	Exercise title	Reference	Selections made
Non-legal	Fee-paid Disability Member of the First-tier Tribunal, Social Entitlement Chamber	082	121
Non-legal	Drainage Member of the Agricultural Land Tribunal, Wales	083	2
Non-legal	Fee-paid Medical Member of the First-tier Tribunal Health, Education and Social Care Chamber (Mental Health) and Fee-paid Medical Members of the Mental Health Review Tribunal for Wales	055	104
Legal	Fee-paid Judge of the First-tier Tribunal	084	285

### Salaried roles

Legal/Non-legal	Exercise title	Reference	Selections made
Legal	Deputy Chamber President, First-tier Tribunal Health, Education and Social Care Chamber, Mental Health	091	1
Legal	Regional Employment Judge of the Employment Tribunals (England and Wales), South West Region (Bristol)	093	1
Legal	Regional Judge of the First-tier Tribunal, Property Chamber, Residential Property	094	1
Legal	Deputy Regional Judge of the First-tier Tribunal, Property Chamber, Residential Property	094B	0
Legal	Salaried Employment Judge of the Employment Tribunal (England and Wales)	122	59
Legal	Salaried Judge of the Upper Tribunal, Immigration and Asylum Chamber	098	9
Legal	Salaried Judge of the Upper Tribunal, Lands Chamber	123	1

## Courts selection exercises

### Fee-paid roles

Legal/Non-legal	Exercise title	Reference	Selections made
Legal	s9(4) Deputy High Court Judge	085	32
Legal	Deputy District Judge	090	320

### Salaried roles

Legal/Non-legal	Exercise title	Reference	Selections made
Legal	High Court Judge	079	10
Legal	Circuit Judge	088	72
Legal	Registrar of Criminal Appeals and Master of the Crown Office	092	1
Legal	Senior Circuit Judge of the Employment Appeal Tribunal	118	2
Legal	Circuit Judge, Central Criminal Court	096	3
Legal	Insolvency and Companies Court Judge	095	3
Legal	Senior Circuit Judge, Designated Civil Judge	119	0
Legal	Specialist Civil Circuit Judge, Chancery	120	1
Legal	Assistant Judge Advocates General	121	2
Legal	Senior Circuit Judge, Resident Judge	105	1

### Selection exercises for senior roles

Exercise title	Selections made
President of the Queen's Bench Division	1
Court of Appeal	6

Under the Constitutional Reform Act 2005, the Lord Chancellor can request the JAC to convene a panel to select candidates for senior judicial posts such as Lord Chief Justice, Heads of Division, Senior President of Tribunals and Lord Justices of Appeal.

“As a working mum with a disability, working part-time as a salaried employment judge gives me the ideal mix of flexibility, security and job satisfaction. I never dreamed I could be a judge from my background: state school, first at university in my family, law as a third career, then a trade union solicitor. Real-life experience is an asset so don't rule yourself out.”

Hannah Bright is an Employment Judge



## KEY ISSUES AND RISKS

The key issues the JAC is faced with are the delivery of the selection exercise programme, and complying with our statutory duties. The risks to the delivery of these are summarised in the Corporate Risk Register.

On the date the accounts in this report were authorised for issue there were:

- 3 risks rated low
- 4 risks rated medium
- 2 risks rated high

### 1. Failure of JARS and associated IT support

**Risk:** That JARS (Judicial Appointments Recruitment System) and the JAC website are not available to candidates, independent assessors or staff.

**Rating at end of 2017–18:** High

**Where we started:** In April 2018, the JAC experienced a technical problem whereby JARS went down for 2 hours during a Deputy District Judge qualifying test.

**What we've done:** Following a review of this incident, the Commission Board agreed to commission an external review of JARS. After considering the findings of that assessment, the Board agreed to the development of a new digital services platform to replace JARS.

**Rating at end of 2018–19:** High

**What we're going to do in 2019–20:** We are planning to iteratively design, test and release new digital tools as they become available, in compliance with the Government Digital Service processes. Ultimately the JAC will decommission JARS and move to the new digital services platform.

“I enjoy the variety of the work, the intellectual stimulation, the independence and satisfaction of doing something that matters. Employment judges deal with a wide range of claims worth anything from a few hundred pounds to a million pounds. Cases often involve complex points of law and sometimes end up in the Supreme Court.”

Harjit Grewal is an Employment Judge





## 2. Progression and diversity of selection

**Risk:** That target groups do not apply or progress in line with the eligible pool.

**Rating at end of 2017–18:** High

**Where we started:** A deep-dive analysis was commissioned to understand in more detail the progression of target groups through different stages of JAC competitions. A Pre-Application Judicial Education (PAJE) programme, targeted at under-represented groups, was announced by the Judicial Diversity Forum in May 2018.

**What we've done:** An expert group, including 2 JAC Commissioners, has developed materials for the PAJE programme. The online resources are available to potential applicants and priority spaces on judge-led discussion workshop groups will be allocated to people from under-represented groups. An audit on diversity in selection processes was carried out by the Government Internal Audit Agency and the JAC received the highest possible assurance rating of Substantial.

**Rating at end of 2018–19:** High

**What we're going to do in 2019–20:** Data from the deep-dive statistical analysis will continue to be updated and reviewed by the Judicial Diversity Forum, alongside data from the legal professions on the eligible pool of candidates. Name-blind sifting will be rolled out to all small exercises and a further review of the equal merit provision policy will also be carried out in 2019.

## 3. Staff engagement and morale

**Risk:** That staff engagement and morale is negatively affected due to increased workloads, reduction in staff complement or poor performing systems.

**Rating at end of 2017–18:** Medium

**Where we started:** Following the results of a pulse survey carried out at the start of the year, the JAC People Plan was reviewed and tailored to the issues highlighted by staff.

**What we've done:** Results of the annual Civil Service People Survey showed a decrease in positive responses across a range of indicators, including staff engagement. In response to this, a series of meetings were held with staff to develop a plan.

**Rating at end of 2018–19:** Medium

**What we're going to do in 2019–20:** The JAC's senior leaders team published an action plan that will focus on 7 key areas:

1. introduction of dignity at work advisers
2. engagement with staff to articulate JAC values and staff concerns about behaviours
3. workshop for senior leaders on values
4. 360-degree feedback for senior leaders
5. strengthening our HR function
6. increased training and development opportunities
7. development of opportunities for cross-JAC working, socialising, and engaging with Commissioners

*"As a disabled person myself I am very aware that a downturn in health can be life-changing. Every case is different, individuals all have their particular and distinct personalities and health experiences."*

Larry O'Callaghan, Disability member of Social Entitlement Chamber



#### 4. Loss of corporate knowledge

**Risk:** That sufficient experience and knowledge of staff and Commissioners is lost and affects delivery of business priorities.

**Rating at end of 2017–18:** Medium

**Where we started:** At the beginning of the year, the Commission Board was up to a full complement of Commissioners. In anticipation of an increased programme of work over the coming years, recruitment of additional staff was required.

**What we've done:** The JAC increased its headcount from 57 to 72 by the end of the year in light of the increased demand on judicial recruitment. An operations manual has also been produced to assist in training new staff and recording best practices.

**Rating at end of 2018–19:** Low

**What we're going to do in 2019–20:** The JAC will continue to monitor staffing levels to ensure it is properly resourced to deliver its programme of work. Recruitment of 2 Commissioners will be completed within the year to replace 2 outgoing Commissioners.

#### 5. Confidence in the selection process

**Risk:** That stakeholders, including candidates, do not have sufficient confidence in the selection process.

**Rating at end of 2017–18:** Medium

**Where we started:** The JAC commissioned the Workplace Psychology Group (WPG) to undertake an independent assessment of the effectiveness of shortlisting tools used in the JAC selection process. The JAC and its stakeholders also agreed to produce a framework for additional selection criteria for all judicial roles.

**What we've done:** The report from WPG formed an integral part of the evidence base for further improvements to the selection process. Following agreement at the Judicial Resourcing Group, a common definition framework for additional selection criteria was approved for publication. The JAC introduced a simplified and more flexible application process for the High Court selection exercise to encourage candidates from a range of backgrounds to apply.

**Rating at end of 2018–19:** Medium

**What we're going to do in 2019–20:** We are working closely with senior judiciary to ensure clearer requirements in vacancy requests and to communicate the processes we intend to use to meet these requirements.

“Every case is genuinely different. Being a judge is an important job and it’s one that gives you quite a lot of job satisfaction because you are doing something for society.”

Rajeev Shetty is a Circuit Judge



## 6. Confidence in the effective delivery of selection exercises

**Risk:** That stakeholders do not have sufficient confidence that the JAC can deliver the selection exercise programme in an efficient and effective manner.

**Rating at end of 2017–18:** Medium

**Where we started:** At the beginning of the year, the JAC encountered a technical issue during the online qualifying test for the Deputy District Judge exercise.

**What we've done:** By the end of the year, the first 2 quarters of 2019–20 programme had been agreed with all stakeholders. The number of errors relating to qualifying tests had also been reduced significantly despite an increasing number of selections made during the year.

**Rating at end of 2018–19:** Medium

**What we're going to do in 2019–20:** The JAC will continue to carry out various policy pilots to improve the delivery of its recruitment exercises. Further agreement will be sought from the Ministry of Justice, HM Courts & Tribunals Service and Judicial Office on a future programme of work for the JAC.

## 7. Financial resources

**Risk:** That overall financial resources are insufficient, either in current year or next year, particularly if major exercises are brought forward or delayed.

**Rating at end of 2017–18:** Medium

**Where we started:** At the beginning of the year, the JAC was already planning to deliver a very large programme. In addition to this, we were made aware of further demand for recruitment relating to preparations for a potential EU exit.

**What we've done:** In order to deliver the increased programme of work, additional funding in the amount of £953k was obtained from HM Treasury. This additional funding was used to support extra staff, panel member fees and other recruitment costs.

**Rating at end of 2018–19:** Low

**What we're going to do in 2019–20:** Following recognition of the larger demand for judicial recruitment over the next few years, the JAC has agreed an increased budget allocation for 2019–20 with the Ministry of Justice.

“One of the most rewarding aspects of being a High Court Judge is the variety of work. I hear murder trials, criminal appeals and all kinds of civil cases, and do specialist work in the Upper and Employment Appeal Tribunals. Many involve fascinating points of law, others have human interest, and many have both. All of them affect people’s lives.”

Nicholas Lavender is a High Court Judge in the Queen’s Bench Division, and was a Recorder and Deputy High Court Judge



## 8. Information security

**Risk:** That JAC data will be lost or presumed to be lost, or obtained by unauthorised persons, including through activities of third parties.

**Rating at end of 2017–18:** Medium

**Where we started:** The JAC recruited a GDPR specialist to review its policies and processes in preparation for the new regulations which were due to come into effect in May 2018.

**What we've done:** A GDPR action plan was put into place within the first quarter of the year to ensure compliance with the new regulations. Accreditation of the Judicial Appointments Recruitment System (JARS) was also extended to March 2019.

**Rating at end of 2018–19:** Medium

**What we're going to do in 2019–20:** The JAC will continue to remain vigilant of the ongoing threats to information security and cyber-attacks.

## 9. Provision of finance, procurement and human resources through shared services

**Risk:** That the shared services system does not meet the JAC's needs.

**Rating at end of 2017–18:** Low

**Where we started:** The JAC continued to adopt the cross-government shared services system (SOP) to manage its finance, procurement and HR services.

**What we've done:** The JAC has worked with colleagues at the shared services centre and the Ministry of Justice to improve the efficiency of some of its processes.

**Rating at end of 2018–19:** Low

**What we're going to do in 2019–20:** We will continue to monitor the efficiency of the shared services system and assist in making improvements where necessary.

## Going concern

The Statement of Comprehensive Net Expenditure shows a deficit in 2018–19. Due to timing of the draw-down of grant-in-aid funding the Statement of Financial Position at 31 March 2019 shows an excess of liabilities over assets of £348k. The closing bank balance relates to grant-in-aid drawn down by the JAC in readiness to pay its liabilities.

The last Triennial Review of the JAC, published on 19 January 2015, concluded that the JAC should continue to deliver its function independently of the Executive and the judiciary, as a non-departmental public body. We know of no intention to suspend the JAC's activities. It has therefore been considered appropriate to adopt a 'going concern' basis for the preparation of the financial statements in this report. Grant-in-aid for 2019–20, taking into account the amounts required to meet the JAC's liabilities, has already been included in the departmental estimate.

"I enjoy being a judge as it is more than simply a vocation. It's a way of life and offers a strong sense of camaraderie with fellow judges. There is immense intellectual and human variety in the work, with each day presenting numerous challenges."

Neeti Haria is a Judge of the First-tier Tribunal, Immigration and Asylum Chamber



# PERFORMANCE ANALYSIS

## How the JAC measures performance

The JAC's objectives were set out in its business plan for 2018–19. These were:

- effective delivery of the 2018–19 selection exercise programme as required by the Ministry of Justice (MoJ) and HM Courts & Tribunals Service (HMCTS), using selection policy to improve flexibility and improve delivery
- have an active role in encouraging and coordinating support to develop a strong and diverse candidate pool
- explore measures to continue to demonstrate our commitment to address diversity outcomes from our processes
- improve the forward planning and programming of selection exercises
- cross-cutting performance in direct support of the Commission's priorities

Every month the detailed objectives behind these measures are reviewed by JAC senior leaders, with a full review every quarter. Information on progress is detailed in the JAC's internal Management Information Pack. This pack is provided to the Commission at every Board meeting for consideration and review, and is fully scrutinised by the Audit and Risk Committee at its quarterly meetings. After it has been reviewed by the Committee it is sent to MoJ to inform its sponsorship discussions with the JAC.

## Analysis and explanation of the performance of the JAC

Other measures on performance are also in the Management Information Pack, including sections on selection exercise activity, finance, staffing and outreach activity as well as a summary risk analysis. This allows a complete overview of performance to take place, and therefore it is possible for any user of the information to gain an understanding of the overall position of the JAC.

The budget allocation provided by MoJ will increase from £6,937k in 2018–19 to £7,479k in 2019–20 (an 8% increase). This recognises additional work the JAC is undertaking in relation to the selection exercise programme, as an increased number of large exercises will take place in 2019–20.

As part of the 5-year forward programme for judicial recruitment, a detailed 2-year plan has been developed in consultation with MoJ, HMCTS and Judicial Office. However, the JAC will continue to deliver the exercises needed to fill vacancies as required by the Lord Chancellor, and respond flexibly to changes requested to the programme.

## ACHIEVEMENT AGAINST OUR AIMS

### 1

## FLEXIBLY SUPPORT THE EVOLVING BUSINESS NEED

**Measure:** We deliver the selection programme as agreed with our business partners, showing flexibility in absorbing agreed changes

The JAC recommends candidates for appointment as judges of the High Court and to all judicial offices listed in Schedule 14 of the Constitutional Reform Act 2005 (CRA). It also provides support for selections to fill senior judicial posts that lie outside Schedule 14. Under section 98 CRA, the Lord Chancellor may also request the JAC's assistance in respect of other appointments for which they or another Minister of the Crown is responsible.

The selection programme for the year is developed with the Ministry of Justice (MoJ), HM Courts & Tribunals Service (HMCTS) and the Judicial Office. The programme is based on current and forthcoming requirements forecast by HMCTS and a small number of judicial vacancies for tribunals not overseen by the MoJ. The programme provides some flexibility for the JAC to respond to changing business priorities.

The JAC selects one candidate for each vacancy and recommends that candidate to the Appropriate Authority (the Lord Chancellor, Lord Chief Justice or Senior President of Tribunals), who can accept or reject the recommendation or ask the Commission to reconsider it.

### During 2018–19

There were 23 exercises that reported in 2018–19, attracting 4,917 applications and resulting in 1,031 selections.

The ratio of applications to selections decreased from 6.9 for each post in 2017–18 to 4.8 in 2018–19.

The number of total selections increased by a third (38%) compared to last year and more than tripled (255%) when compared to 2016–17. The average number of selections for each exercise also increased by two-thirds (67%) compared to last year and by just over 4 times that of 2016–17 (309%).

	2016–17	2017–18	2018–19
Number of exercises	26	28	23
Number of applications	2,199	5,125	4,917
Total selections	290	749	1,031
Average selections per exercise	11	27	45
Exercises with 1 to 9 selections	18	20	13
Exercises with 10 to 49 selections	7	3	2
Exercises with 50 to 99 selections	1	2	2
Exercises with 100+ selections	0	3	4

There were 7 selection exercises where the JAC was unable to recommend enough candidates to fill all of the requested vacancies, which includes both immediate appointments and future vacancies as follows:

Selection exercise	Number of vacancies	Number of selections
Circuit Judge	94	72
Circuit Judge, Central Criminal Court	4	3
Deputy Regional Judge of the First-tier Tribunal, Property Chamber, Residential Property	1	0
Drainage Member of the Agricultural Land Tribunal, Wales	5	2
High Court Judge	25	10
Senior Circuit Judge, Designated Civil Judge	1	0
Senior Circuit Judge, Resident Judge	2	1

**Measure:** The length of the end-to-end appointment process takes an average of 20 weeks

In 2013 the JAC, Judicial Office, HM Courts & Tribunals Service, the Ministry of Justice and the judiciary agreed to work to a target of an average of 20 weeks for the end-to-end process, applicable to exercises run by the JAC following a request from the Lord Chancellor under section 87, 94 or 98 of the Constitutional Reform Act 2005. This is measured as the time an exercise is launched to the point at which offer letters are sent to successful candidates. A target of 18 weeks was identified for the parts of the process under the control of the JAC.

The end-to-end appointment process is based on exercises launching in year; not reporting. The calculations for 2018–19 are, therefore, indicative. It is anticipated that the average length of an exercise will continue to extend beyond the 20-week target because of the unprecedented number of vacancies the JAC is being asked to fill.

The scale and complexity of the selection exercise programme not only adds to the length of the JAC's selection processes, but also to the time it takes for the Appropriate Authority (Lord Chief Justice, Senior President of Tribunals or Lord Chancellor) to

consider the recommendations and the time it takes for the judiciary to make deployment decisions in some instances.

Along with the Ministry of Justice and our delivery partners, the JAC intends to review the end-to-end target in 2019–20 to ensure it remains relevant given this unprecedented change in demand.

	2016–17	2017–18	2018–19	Target
End-to-end	20 weeks	24 weeks	31 weeks	20
JAC	17 weeks	20 weeks	27 weeks	18

### Other JAC judicial selection activity

The JAC also fulfilled its statutory responsibility for selections to fill senior judicial posts with the JAC Chairman and 2 lay Commissioners sitting on panels to select:

- Court of Appeal: 6 Lady and Lord Justices of Appeal
- President of the Queen’s Bench Division

The JAC provided secretariat support for both exercises.

Under section 9 of the Senior Courts Act 1981, as amended by the Crime and Courts Act 2013, the JAC:

- assisted in the selection of 9 Circuit Judges for authorisation to sit in the Court of Appeal (Criminal Division). One lay Commissioner sat on the panel and the Commission, sitting as the Selection and Character Committee, provided concurrence; secretariat support was also provided
- recommended 5 candidates for authorisation to act as judges of the High Court. This followed selection exercises, initiated and run by the judiciary, to identify Circuit Judges for deployment to the post of Designated Civil Judge (in the case of 2 recommendations) or Designated Family Judge (in the case of 3 recommendations)

Under section 83 of the Government of Wales Act 2006 the Welsh Ministers can enter into agency arrangements with any relevant authority for any of their functions to be exercised by that relevant authority. The JAC is a relevant authority for the purposes of section 83. Under these provisions the JAC completed 2 selection exercises for the Welsh Government:

- Vice President of the Residential Property Tribunal for Wales
- Fee-paid Legal Members of the Adjudication Panel for Wales



## 2

## INCREASE CONFIDENCE IN THE SELECTION PROCESS AND SELECTIONS

**Measure:** We recommend a majority of candidates assessed overall as strong or outstanding

It is important for the quality, independence and impartiality of our judges that we always appoint the most talented candidates on merit, and that bar will not be lowered. All candidates assessed as selectable were considered to have fully demonstrated all the necessary skills and abilities for immediate appointment as a judge, both by the assessment panel and the Commission.

In order to support the objective assessment of candidates, the JAC assesses candidates in bandings as follows: outstanding, strong, selectable and not presently selectable.

These bandings are made by JAC selection panels, which usually consist of a lay panel chair, a judicial member and another

lay member. Commissioners, sitting as the Selection and Character Committee, make the final decision on bandings when deciding which candidates are the most meritorious for each individual role.

In 2018–19, across all exercises, more strong or outstanding candidates were recruited than in previous years. However, the JAC was asked to fill a much larger number of posts compared to previous years, and the overall percentage of strong and outstanding candidates decreased to 56%, down from 75% in 2017–18. The decrease was particularly marked for court and fee-paid roles.

It is important to note that bandings are an internal assessment measure of a candidate's performance in a particular selection exercise and against the specific criteria for that role at that time. They do not indicate performance upon appointment.

	2016–17	2017–18	2018–19
<b>Strong or outstanding candidates selected: total</b>	224 of 290 (77%)	558 of 749 (75%)	578 of 1,031 (56%)
<b>Strong or outstanding candidates selected: court posts</b>	124 of 151 (82%)	323 of 396 (82%)	255 of 447 (57%)
<b>Strong or outstanding candidates selected: tribunal posts</b>	100 of 139 (72%)	235 of 350 (67%)	323 of 584 (55%)
<b>Strong or outstanding candidates selected: salaried posts</b>	58 of 80 (73%)	233 of 328 (71%)	109 of 167 (65%)
<b>Strong or outstanding candidates selected: fee-paid posts</b>	166 of 210 (79%)	324 of 418 (78%)	469 of 864 (54%)
	68 of 73 legal (93%)	181 of 187 legal (97%)	341 of 637 legal (54%)
	98 of 137 non-legal (72%)	143 of 231 non-legal (62%)	128 of 227 non-legal (56%)

### **Ensuring the JAC selects the very best on merit, whatever their background**

The JAC continued to make sure its selection exercises are open and accessible to candidates from a wide range of professional backgrounds. The JAC Advisory Group, chaired by lay Commissioner Jane Furniss and assisted by lay magistrate Commissioner Emir Feisal, comprises judges and practitioners from a range of backgrounds and reviews the JAC's test materials before they are used. The materials are then test-run with volunteer candidates from a range of backgrounds.

The terms of reference of the Advisory Group were reviewed in 2018–19 to ensure that the Group is able to comment fully on all selection materials. We are grateful for the Advisory Group's input and believe that it adds to the quality and effectiveness of the tools.

The Commission Board agreed to expand the membership of the Group in 2019 to reflect the increased selection exercise programme.

### **Welsh Matters Committee**

The JAC launched its Welsh Language Scheme in May 2016. In November 2018, the JAC submitted its annual monitoring report covering 2017–18, to the Welsh Language Commissioner. The report sets out how the Welsh Language Scheme was applied to selection exercises with posts in Wales and reported that the JAC had successfully upheld the scheme's provisions. The report is published on the JAC website.

### **Upholding the highest standards of good character**

The JAC's Good Character Guidance sets out how the Commission meets its statutory requirement to recommend only candidates of good character.

The guidance was reviewed and updated in September 2018 to include references to tax avoidance and social media use. It came into effect in January 2019. The Commission also sought to draw candidates' attention to the consequences of non-declaration of character issues by highlighting this matter throughout the documents used by candidates during the course of their application.

### **Review and improvement of JAC selection processes**

In 2018, the JAC commissioned the Work Psychology Group (WPG) to undertake an independent review of the effectiveness of the JAC's shortlisting tools. The WPG concluded that the JAC is broadly following a best practice approach in the development and use of shortlisting materials.

The WPG provided additional recommendations for further improvement that will support the JAC's future approach to the design of selection tools that promote diversity, improve the candidate experience and make the most efficient use of judicial time and expertise. This work will also result in a sustainable model for the future. A summary of this review is on the JAC website.

The JAC introduced a simplified and more flexible application process for the High Court selection exercise to encourage candidates from a range of backgrounds to apply. This included a streamlined selection process, introducing an 8-week application window and a statement of suitability with a CV aligned against a concise set of skills and abilities, which is intended to make the process open and accessible.

Candidates can develop the evidence they have acquired in a way that demonstrates their personal strengths and accomplishments overall, with fewer prescribed qualities. These changes were made in response to candidate and stakeholder feedback and were intended to make the process as open, flexible and accessible as possible.

The exercise in 2018–19 to identify candidates for authorisation to act as judges of the High Court in accordance with s9(1) of the Senior Courts Act 1981, and the Deputy High Court Judge 2019 recruitment exercise also followed the process of statement of suitability aligned against a set of Skills and Abilities.

The JAC worked with partners to develop guidance on judicial pathways to salaried appointment up to and including the High Court, and to ensure that any additional criteria that candidates will be expected to meet is consistent and does not limit pathways to appointment unnecessarily. This has resulted in an agreed definition of the previous judicial experience required for

legal salaried posts that was first applied in the Circuit Judge 2019 exercise, and an agreed framework for the application of additional selection criteria.

In the interests of improving the quality of feedback to candidates, the JAC has been exploring how to provide better more targeted feedback in 3 pilots across 2 exercises: Salaried Judge of the Employment Tribunal which launched in June 2018 and Salaried Judge of the Upper Tribunal, Immigration and Asylum Chamber, which launched in September 2018. The evaluation of these pilots was completed in spring 2019.

The JAC also undertook work with key partners, including the Bar Standards Board, Solicitors Regulation Authority, CILEx Regulation and the Judicial Conduct Investigations Office to strengthen the integrity of the JAC selection processes, including online assessments. This resulted in a revised statement of understanding and confidentiality agreement, including referral to the relevant regulator should there be a breach of professional obligations.

### Quality assurance process of selection exercise material

This flowchart demonstrates the assurance process the JAC completes before using any selection exercise materials and mark schemes. The JAC also seeks feedback from candidates following each exercise.



## 3

## PROMOTE AND ENCOURAGE DIVERSITY THROUGHOUT THE SELECTION PROCESS

**Measure:** Candidates from under-represented groups progress through selection exercises, and overall are recommended in the same or higher proportions as their level in the eligible pool

The JAC is committed to attracting a diverse range of suitably qualified candidates for selection exercises. The JAC keeps its selection tools under continuous review to ensure that the process is fair to all, irrespective of their protected characteristics, professional or social background.

Working in partnership with the legal professions, judiciary and government was a central theme of the JAC's work to promote and encourage diversity in 2018–19. Joint work focused on outreach and developing candidate support programmes to encourage a diverse range of candidates.

In April 2019, the JAC published a detailed outline of the work conducted to date and plans for the future for increasing diversity. More information is on the JAC website.

### Statutory diversity and equality duties

Under the Constitutional Reform Act 2005, the JAC must select candidates solely on merit, while also encouraging diversity in the range of people available for selection.

The Equality Act 2010 applies a general equality duty to all public authorities to have due regard to the:

- elimination of discrimination
- advancement of equality of opportunity

- fostering of good relations between diverse groups

There are 3 aspects to the JAC's diversity strategy:

- targeted advertising and outreach
- fair and non-discriminatory selection processes
- working with others to break down barriers

### Targeted advertising and outreach

The JAC carries out targeted advertising and outreach to attract a diverse range of candidates. Activities in 2018–19 included:

- working with partners in the legal profession and judiciary to support outreach events across the UK, including in London, Liverpool, Bristol, Sheffield, Salisbury, Oxford, Birmingham, Nottingham and Manchester, targeted at lawyers from under-represented groups
- supporting events for prospective candidates organised by associations and societies within the legal professions, including the Society of Asian Lawyers, Royal Courts of Justice Government Lawyers, Solicitor Association of Higher Court Advocates, Employment Lawyers Association and Society of Legal Scholars
- participating in workshops for potential candidates in conjunction with partners in the legal professions and the Judicial Office in order to raise awareness

of what is required during the selection process

- publishing articles in specialist legal media to encourage potential candidates to consider judicial careers, and to inform them about the selection process and forthcoming selection exercises
- adding more pen portraits and profiles of successful candidates to the JAC website and social media channels

### Fair and non-discriminatory selection processes

The JAC takes several steps to ensure that the selection processes are fair, open and transparent, including:

- seeking independent review of selection tools from occupational psychologists. In 2018 the Work Psychology Group reviewed the JAC shortlisting tools and concluded that the JAC approach is in line with good practice
- training JAC panel members on fair selection and unconscious bias, and refreshing this training in the panel briefing session before every selection exercise
- targeted outreach to recruit a diverse cohort of panel members
- with the assistance of its Advisory Group of professionals and judges, reviewing all selection materials; this helps ensure that they will not adversely affect equality or diversity, and do not inadvertently advantage or disadvantage candidates from a particular practice area or jurisdiction

- ensuring that the content and tone of selection exercise materials are gender neutral and do not contain stereotypes, colloquialisms or language that may be off-putting to different groups, and that role play and scenarios feature characters from diverse backgrounds
- testing all materials with volunteer candidates and analysing the results, making any necessary adjustments to the content, timing, preparation materials or other aspects of selection materials
- making reasonable adjustments as requested for candidates who need them

The JAC publishes a reasonable adjustments policy on its website. The policy sets out the process for requesting adjustments, and an indicative list of adjustments that have been provided previously.

The selection process is also carefully monitored, including:

- monitoring progression of target groups at key points in the selection process and investigating reasons for significant drops in target groups
- observing live interviews, telephone assessments and role plays to ensure consistency
- completing equality impact assessments for any significant changes to the selection process
- assigning a Commissioner to all exercises to oversee quality assurance and fair selection

### Working with others to promote diversity

The JAC continued to work with its partners in Judicial Office, the judiciary, the Ministry of Justice (MoJ) and the legal professional bodies to break down barriers to increasing diversity among the judiciary. It worked with these partners individually and through the Judicial Diversity Forum (JDF), which is chaired by the JAC Chairman.

The JAC took part in a number of roundtable events, hosted by its partners, to better understand barriers to judicial application and progression through selection exercises for groups such as solicitors and Black, Asian and ethnic minority (BAME) lawyers. Through events like these and other stakeholder meetings, the JAC actively seeks feedback on its processes and uses the information gathered to inform the development of its selection tools.

The JAC contributed to the MoJ update on tackling racial disparity; a one-year on review of the Lammy report into the treatment of and outcomes for BAME individuals in the criminal justice system. The JAC provided information about the progress it has made which supports the report's wider recommendations on race equality, including changes to its selection processes and working in partnership with others to encourage and support more talented candidates from a diverse range of backgrounds to apply for judicial office.

### Pre-Application Judicial Education

Funding for the Pre-Application Judicial Education (PAJE) programme was announced by the JDF in May 2018. PAJE is a joint initiative of the JDF and will support potential candidates from under-represented groups in developing their understanding of the role and skills required of a judge. An expert group comprising current judges and JAC Commissioners was formed to prepare the online materials and workshop elements of the programme.

The PAJE programme launched in April 2019 with an online learning platform containing short videos and podcasts covering 5 modules:

- judgecraft
- job framework
- judicial ethics
- resilience
- equality and diversity

The judge-facilitated discussion group courses are due to launch in autumn 2019, with priority for under-represented groups in the allocation of places.

The JAC will continue to work with the MoJ, the Lord Chief Justice and other partners to consider all practical actions that could be taken either individually or in partnership to improve diversity, assess the impact of existing activity and to measure progress.

### Monitoring diversity

The JAC continued to monitor the diversity of applicants and those selected for judicial posts. The improved questions on professional background introduced to the diversity monitoring form in 2017 enabled the JAC to record candidates' professional background more fully and accurately and to report on this more meaningfully in the annual official diversity statistics.

In 2018–19 the JAC continued to work with its statisticians to identify and explore the reasons for difference in performance for different groups. The JAC began a long-term piece of statistical analysis to better understand the progression of target groups through selection exercises, and the emerging findings from this work are being used alongside other evidence to inform the review and development of JAC selection tools.

Recommended candidates	2016–17	2017–18	2018–19
Black, Asian and ethnic minority	53, 20% (9, 6% legal)	85, 12% (40, 8% legal)	130, 14% (81, 11% legal)
Women	104, 39% (49, 35% legal)	330, 48% (195, 40% legal)	456, 48% (336, 44% legal)
Solicitors	(14, 10% legal)	(100, 21% legal)	(308, 41% legal)
Declared disability	16, 6% (6, 4% legal)	47, 7% (34, 7% legal)	91, 10% (42, 6% legal)

**Note:** The figures represent proportions of total s87 and s94 selections followed by selections in exercises requiring legal qualifications. Statistics are presented for candidates who agreed to share their diversity data.

### Further steps to increase diversity

The JAC undertook 2 pilots aimed at promoting diversity, the first being at promoting diversity, the first being name-blind sifting of applications. This pilot was evaluated in early 2019 and name-blind sifting will now be rolled out across some exercises. The second pilot involved providing enhanced feedback to unsuccessful candidates to encourage and assist future applications. Once this pilot is evaluated, the JAC will consider any changes that might be implemented to further improve its processes.

A project was launched to provide additional support to JAC panels in making decisions according to fair selection principles. The project is ongoing and is designed to ensure that JAC selection days are fair to candidates from all backgrounds and that the negative effects of unconscious bias are being removed as much as possible.

### Equal merit policy

The JAC continues to apply its policy on the equal merit provision (EMP) during selection exercises.

The EMP enables the JAC to select a candidate for the purpose of increasing judicial diversity where 2 or more candidates are considered to be of equal merit. It is used at the final decision-making stage of the selection process.

In 2018–19, no selections were made following application of the EMP.



## 4

## CONTINUALLY IMPROVE THE CANDIDATE EXPERIENCE

**Candidate feedback**

**Measure:** A large majority of candidates rate the selection process as good or excellent

The JAC takes all candidate feedback seriously. This can highlight issues or questions about processes that can be addressed as required. Formal candidate feedback is gathered at 2 stages during the selection exercise: at post-application stage and after selection day.

For 2018–19, post-application stage data collected from 24 exercises indicated that 76% of candidates who responded to the survey, rated the customer service received as good or excellent.

Post-selection day data from 12 exercises showed that 89% of candidates, who responded to the survey, rated the customer service received as good or excellent.

78% of candidates at post-application stage rated the information provided about their exercises as good or excellent.

Feedback from 12 exercises post-selection day showed that 79% of candidates, who responded to the survey, rated the selection process as good or excellent.

Previous year feedback can be found in the table below.

	2016–17	2017–18 <sup>1</sup>	2018–19
Customer service rated good or excellent: post-application	106 of 125 responses (85%)	172 of 204 responses (84%)	641 of 842 responses (76%)
Customer service rated good or excellent: selection day	142 of 165 responses (86%)	218 of 263 responses (83%)	251 of 280 responses (89%)
Information provided rated good or excellent: post-application	263 of 357 responses (74%)	405 of 549 responses (74%)	1,920 of 2,468 responses (78%)
Selection processes rated good or excellent: selection day	129 of 147 responses (87%)	168 of 263 responses (64%)	223 of 280 responses (79%)

<sup>1</sup> Figures for 2017-18 do not include responses from the Recorder selection exercise.

### Formal complaints

**Measure:** That no more than 1% of applicants make a complaint about the JAC’s processes

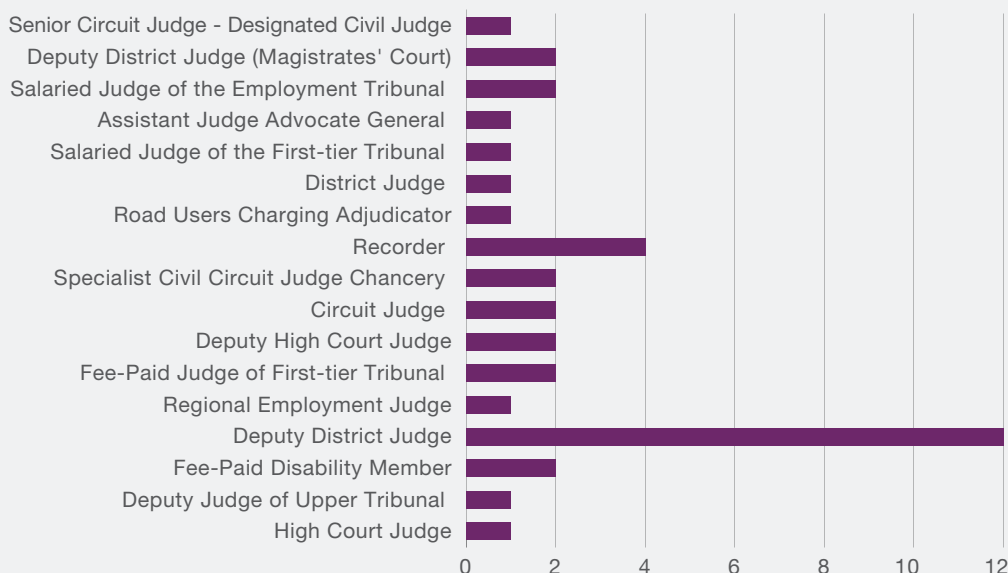
The Constitutional Reform Act 2005 provides for any candidate “who claims to have been adversely affected as an applicant for selection” to make a formal complaint to the JAC. All formal complaints are investigated by a member of JAC staff who is independent of the selection

exercise process, in line with the published complaints policy.

The JAC complaints policy is set out in full on the website. The aim is to make the process clear and easy for candidates.

For the year 2018–19 the JAC received 38 complaints, 12 of which related to the Deputy District Judge (DDJ) exercise where there was a technical problem on the morning of the online qualifying test.

### Breakdown of complaints by selection exercise



All 38 complaints were fully investigated, and 2 cases upheld and a further 1 partially upheld.

The cases upheld concern candidates for the DDJ exercise who encountered technical difficulties with the qualifying test. After their test was marked, they were invited to selection day on merit.

The partially upheld case involved inaccurate feedback being provided, though this did not have an impact on the overall decision to not recommend for appointment.

Complaints were categorised as:

- 32% related to the administration of the DDJ qualifying test
- 16% concerned candidates’ perception that the feedback did not reflect their understanding of their performance on selection day
- 26% related to outcomes where candidates could not understand why they were not recommended for appointment
- 8% concerned candidates disputing that they failed to meet the eligibility conditions and/or additional selection criteria

- 1 case (2%) involved a candidate disputing the Commission decision on character

During 2018–19, 8 candidates took their complaint to the Judicial Appointments and Conduct Ombudsman (JACO), and 7 of the complaints were not upheld by the Ombudsman. The Ombudsman partially upheld 1 case as he concluded that the

candidate feedback was misleading and that the JAC failed to clarify the comments with the selection panel as part of the internal investigation. In one other case, while the complaint was not upheld, the Ombudsman requested that the JAC make an apology to the candidate, on the basis that communication should have been clearer over obtaining information concerning character.

	2016–17	2017–18	2018–19
% complaints/applications	0.003% (8 out of 2,199)	1.2% (59 out of 5,125)	0.77% (38 out of 4,917)
% complaints upheld by the JAC	0% + 0.0005 partial	12%	5.2% + 2.6% partial
% complaints referred to JACO	0%	14%	21%
% JAC referrals upheld by JACO	0%	0%	12.5% partial

**Note:** Numbers in brackets refer to the number of complaints/applications in each year. Complaints may not relate to exercises run the year within which they were received.

# 5

## MAKE THE JAC A CENTRE OF EXCELLENCE IN SELECTION

In 2018 –19 the JAC was involved in several senior appointments in the judiciary. These included:

- the selection of the President of the Queen’s Bench Division, the panel for which was chaired by the JAC Chairman
- the selection of 6 Lord and Lady Justices for the Court of Appeal

In January 2019 the JAC provided advice to the Foreign and Commonwealth Office for the appointment process of the UK judge to the International Criminal Court.

### International engagement

The JAC continued to receive interest from overseas bodies in its appointments model

and processes during 2018–19. The JAC also continues to work closely with the bodies responsible for judicial appointments in Scotland and Northern Ireland to share knowledge and address areas of mutual interest.

Throughout the year the JAC hosted visits from international judicial and official delegations in support of the UK’s efforts to promote the rule of law. While the focus of these visits varied, topics of discussion included the role of Commissioners, diversity and outreach work, developing selection tools, merit-based selection, statistical analysis of diversity data and good character assessment. International connections of particular note included:

Country	Nature of visit	Host
Australia	JAC senior officials met with the Chief Executive Officer of the Judicial College of Victoria, as part of a visit to explore good practice in judicial appointments and training	JAC
Uganda	JAC senior officials met with a delegation of judges from the Ugandan Judicial Services Commission as part of a visit to learn more about the administration of justice in the UK. A particular focus of the visit was judicial appointments, including managing the selection processes to ensure fair selection, promoting judicial diversity and merit-based appointments	Judicial Office
Kazakhstan	JAC senior officials met with a delegation of judges from the Supreme Judicial Council of Kazakhstan and officials from the United Nations Development Programme in Kazakhstan. The delegation sought to learn about the selection of judges in the UK, with a particular focus on good character assessment and developing merit-based selection tools	JAC

## 6

## BE DIGITAL BY DEFAULT

**Measure:** The JAC will deliver services that are well designed and easy to use

### Judicial Appointments Recruitment System (JARS)

The JAC's online recruitment system, JARS, was the main business application for the JAC in 2018–19. It enabled candidates to make online applications and for the JAC to undertake selection exercise activity, such as online qualifying tests.

In 2018–19:

- 9,888 candidate applications were registered on JARS
- JARS enabled 6,474 qualifying tests to be taken
- 3,408 independent assessment requests were sent

On 17 April 2018 the qualifying test for Deputy District Judge experienced a technical problem that caused the test to freeze and prevented some candidates from completing some or all of the 3-part test.

The cause of the freeze was investigated immediately and determined to be insufficient bandwidth on the server of the JAC's hosting supplier. This was rectified within 1 hour by increasing the server capacity. About 1 in 5 of the candidates taking the test were affected.

The test was re-instated later on the same day and the test window extended by 2 hours. In total 1,470 tests were submitted, although some remained incomplete when the test closed.

In line with the JAC's previous approach, candidates were asked to indicate if they may have been disadvantaged and to set out their circumstances and the impact the problems had had on them. A panel of 2 Commissioners moderated these tests to decide whether the candidate had been materially disadvantaged.

Following a review of this incident, the JAC increased server capacity on JARS, and sought independent expert technical assurance from Ministry of Justice Digital and Technology for future tests.

### New digital services platform

In August 2018 the Commission Board agreed to commission a review of JARS and future digital needs by the independent consultant Comotion. Comotion recommended against upgrading the codebase of JARS. It advised that the JAC's future needs would be better met by commissioning a new integrated suite of tools through a single supplier or designing a custom-built core platform into which other tools could be connected. The Board accepted Comotion's recommendations and agreed to the development of a new digital services platform to replace JARS.

The codebase on which JARS runs will not be supported after November 2021 so over the next 12 to 18 months the JAC will decommission JARS.

The JAC has established a new in-house Digital team to develop the new platform, using existing, open source tools around a custom-built core application system.

As part of the first phase of development, the JAC has built functionality to run online qualifying tests, to collect independent assessments and an online application form.

Since January 2019, the JAC has successfully run 714 qualifying tests on the new platform for Road Users Charging Adjudicators, which were run on 2 different days.

The new independent assessment process was tested in the Deputy High Court Judge exercise.

The new application form was tested with the Designated Civil Judge exercise for candidates and independent assessors.

### **Digital Board**

In October 2018 the JAC introduced enhanced governance and oversight over digital work. The JARS Programme Board closed and the Digital Board was established which meets bi-monthly. Membership includes 2 Commissioners, the Chief Executive and the Head of Operations and Digital.

## PLANS FOR THE FUTURE

The JAC's 2019–20 business plan reflects the continued focus we will place on the effective delivery of what will again be a judicial recruitment programme on a scale comparable to this year, the largest ever.

The overriding priority for the JAC is to select high calibre candidates on merit to meet these requirements. In order to achieve this, the JAC will focus on 4 main strategic priorities designed to enhance the experience of those who apply for judicial office, and build on the Commission's recognised good practice approach to selection on merit:

- develop and implement new digital services and tools that support delivery of selection exercises, and continuous evaluation and improvement of JAC processes
- ensure selection tools and materials used across all exercises fully assess the potential of candidates from diverse backgrounds, and are developed with efficient and sustainable use of expertise
- work actively with our partners to develop a diverse, high calibre candidate pool, including through improving the candidate experience
- support our people to deliver the JAC's aims in line with our values



**Richard Jarvis**

Accounting Officer  
Judicial Appointments Commission  
4 July 2019

"I find the work is intense and feel it is an important responsibility. Our decisions can have a considerable impact on individuals and their families."

Nick Clarke, Disability member of the  
Social Entitlement Chamber







# ACCOUNTABILITY REPORT

# CORPORATE GOVERNANCE REPORT

## DIRECTORS' REPORT

For the purposes of this report, Directors are defined as those who influence the decisions of the JAC as a whole, including Commissioners and those in the Senior Civil Service. Commissioners and the Chief Executive who served during 2018–19 are set out in the Remuneration and Staff Report on pages 52 to 61.

In accordance with the Code of Conduct for the Judicial Appointments Commissioners, a register of financial and other interests

was maintained and updated throughout the year by the Commissioners' Secretariat. It is published online at [www.judicialappointments.gov.uk/commissioners](http://www.judicialappointments.gov.uk/commissioners). The Secretariat can be contacted at 5th floor, Clive House, 70 Petty France, London SW1H 9EX.

There were nil losses of personal data during the year – as set out in the Governance Statement (2 in 2017–18).

## The Commission (as at 31 March 2019)

The members of the Commission are drawn from the lay public, the legal profession, courts and tribunals judiciary, and lay magistracy and non-legal tribunal members.

Twelve Commissioners, including the Chairman, are appointed through open competition. The other 3 are selected by the Judges' Council (2 senior members of the courts judiciary) and the Tribunal Judges' Council (one senior member of the tribunals judiciary).

The Chairman of the Commission must always be a lay member. Of the 14 other Commissioners:

- 6 must be judicial members (including 2 tribunal judges)
- 2 must be professional members (each of which must hold a qualification listed below but must not hold the same qualification as each other<sup>1</sup>)
- 5 must be lay members
- 1 must be a non-legally qualified judicial member

The Commissioners are appointed in their own right and are not representatives of the professions that they may come from. Commissioners during 2018–19 were:

- Professor Lord Ajay Kakkar, Chairman
- Lady Justice Anne Rafferty DBE (judicial), Vice chairman
- District Judge Mathangi Asokan (judicial)
- Her Honour Judge Anuja Dhir (judicial), from 9 June 2018
- Emir Feisal JP (lay magistrate)
- Jane Furniss CBE (lay)
- Her Honour Judge Usha Karu (judicial), until 1 May 2018
- Andrew Kennon (lay)
- Sarah Lee (professional: solicitor), from 9 April 2018
- Professor Noel Lloyd CBE (lay)
- Judge Fiona Monk (judicial)
- Brie Stevens-Hoare QC (professional: barrister), from 9 April 2018
- Dame Valerie Strachan DCB (lay)
- His Honour Judge Phillip Sycamore (judicial: tribunal)
- Professor Sir Simon Wessely (lay)
- Mrs Justice Philippa Whipple DBE (judicial)

<sup>1</sup> The legal qualifications are:

- barrister in England and Wales
- solicitor in England and Wales
- fellow of the Chartered Institute of Legal Executives

## Commission Board, Selection and Character Committee, and Audit and Risk Committee attendance

1 April 2018 to 31 March 2019

Commissioners	Meetings attended by members out of those eligible to attend		
	Board	SCC <sup>1</sup>	ARC
Number of meetings: 01/04/2018 to 31/03/2019	10	17	5
Professor Lord Ajay Kakkar (Chairman)	10 of 10	16 of 17	-
Lady Justice Anne Rafferty (Vice chairman)	9 of 10	11 of 17	-
District Judge Mathangi Asokan	10 of 10	14 of 17	-
Her Honour Judge Anuja Dhir (from 9 June 2018)	8 of 8	13 of 17	-
Emir Feisal JP	9 of 10	12 of 17	-
Jane Furniss CBE	9 of 10	12 of 17	2 of 2
Her Honour Judge Usha Karu (until 1 May 2018)	1 of 1	1 of 1	-
Andrew Kennon	9 of 10	14 of 17	-
Sarah Lee (from 9 April 2018)	9 of 10	12 of 17	-
Professor Noel Lloyd CBE	8 of 10	11 of 17	3 of 5
Judge Fiona Monk	10 of 10	17 of 17	5 of 5
Brie Stevens-Hoare (from 9 April 2018)	9 of 10	15 of 17	-
Dame Valerie Strachan DCB	9 of 10	14 of 17	3 of 3
His Honour Judge Phillip Sycamore	9 of 10	13 of 17	-
Professor Sir Simon Wessely	9 of 10	11 of 17	-
Mrs Justice Philippa Whipple	10 of 10	12 of 17	-

<sup>1</sup> Commissioners are allocated to attend around 11 Selection and Character Committee meetings a year. It is open to them to attend further meetings at their own discretion, or when additional meetings are scheduled to deal with urgent business.

## STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Constitutional Reform Act 2005, the Lord Chancellor with the consent of HM Treasury has directed the Judicial Appointments Commission (JAC) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the JAC and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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

- confirm that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware
- confirm that he has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information
- confirm that the annual report and accounts as a whole is fair, balanced and understandable
- confirm that he takes personal responsibility for the annual report and accounts and judgements required for determining that it is fair, balanced and understandable
- observe the Accounts Direction issued by the Lord Chancellor including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis

- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis

The Accounting Officer of the Ministry of Justice has designated the Chief Executive as Accounting Officer of the JAC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the JAC's assets, are set out in Managing Public Money published by HM Treasury.

### Auditors

Under paragraph 31(7) Schedule 12 of the Constitutional Reform Act 2005, the Commission's external auditor is the Comptroller and Auditor General. The cost of the audit is disclosed in note 3 to the financial statements, and relates solely to statutory audit work.

The JAC Framework Document requires that internal audit arrangements should be maintained in accordance with the Public Sector Internal Audit Standards. Internal audit services are provided by the Government Internal Audit Agency (GIAA), which provides an independent and objective opinion to the Accounting Officer on the adequacy and effectiveness of the organisation's risk management, control and governance arrangements through a dedicated internal audit service to the JAC. Internal Audit attends the JAC Audit and Risk Committee, which provides oversight on governance and risk management.

## GOVERNANCE STATEMENT

As Accounting Officer for the JAC I have overall responsibility for ensuring the JAC applies high standards of corporate governance – including effective support for the Board’s performance and management of risks – to ensure it is well placed to deliver its objectives and is sufficiently robust to face its challenges.

I have responsibility for maintaining a sound system of internal control that supports the achievement of the JAC’s policies, aims and objectives, while safeguarding public funds and JAC assets for which I am responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

### Committee structure

In order to achieve these aims the JAC has in place the following committee structure, which is supported by a senior leadership team (comprising myself, the Deputy Chief Executive, Head of Corporate Services, and Head of Operations and Digital), who in turn are supported by a dedicated JAC staff. The Chairman and other Commissioners are served by a Secretariat.

- The Commission (comprising 15 Commissioners including the Chairman as set out in the Constitutional Reform Act 2005 (CRA), as amended by the Crime and Courts Act 2013 (CCA) and the Judicial Appointments Regulations 2013) – meets monthly (except in January and August). Members of the Commission come from a wide background and are drawn from the lay public, academia, governance, the legal profession, and the judiciary both courts and tribunals. The Commission has overall responsibility for the JAC’s strategic direction, within the provisions of the CRA, as amended by the CCA, and supporting the Framework Document agreed between the MoJ and the Chairman of the JAC

- Selection and Character Committee (SCC) – generally meets twice a month (with some variation depending on business need). Membership is the same as the Commission, and the Committee is chaired by the JAC Chairman, Vice chairman or another nominated Commissioner. The SCC identifies candidates suitable for recommendation to the Appropriate Authority for appointment to all judicial offices under Schedule 14 to the CRA, as amended by the CCA, and to other offices as required by the Lord Chancellor under Section 98 of the CRA
- Audit and Risk Committee – comprises the Chair (a Commissioner), an independent (non-JAC) member and 2 other Commissioners. The Committee meets 4 times a year, with an additional meeting to consider the annual accounts, and advises me on the adequacy and effectiveness of risk management and internal control, including the strategic risk register processes. The Committee assesses the internal and external audit activity plans and the results of such activity

### Working with partners

In addition to various ad hoc meetings throughout the year, the JAC either hosts or participates in the following forums, to assist it in achieving its aims, in collaboration with its partners:

- Judicial Diversity Forum: chaired by the JAC, the Forum meets quarterly. The Forum comprises the JAC, MoJ, Law Society, Bar Council, CILEx, members of the judiciary and Judicial Office
- JAC Advisory Group: meets every 1 or 2 months as required. The Group comprises the Chair and Deputy Chair (both are JAC Commissioners) and members of the judiciary and legal professions. The Advisory Group considers the suitability of materials to be used in selection processes for specific exercises

- Trilateral group: A meeting between the JAC Chair, the Lord Chancellor and Lord Chief Justice which takes place 3 times a year to discuss judicial strategy, resourcing and policy matters. Judicial diversity is a standing agenda item

## Board and committee performance

### Board papers

Board papers follow a standard template to ensure they are comprehensive, taking account of all dependencies such as finance, risk, digital requirements, presentation and handling, General Data Protection Regulation (GDPR) and where relevant, diversity and equality implications. This enables Board members to make sound decisions.

### Board discussions

I am content with the wide range of issues covered over the year, including:

- analysis of diversity statistics and progression analysis
  - continuing work on judicial pathways
  - reviewing and updating the good character guidance
  - reviewing the approach to non-legal exercises
  - proposing a process for name-blind sifting
  - enhancing protection of the integrity of the selection process
  - reviewing the approach to overall grading of candidates
  - improving feedback given to candidates
  - implementing the recommendations of the Work Psychology Group (WPG) report
  - reviewing the approach to the selection process in particular for the High Court exercise
  - reviewing the process for identifying and actioning lessons learned from selection exercises
  - updating data protection arrangements in accordance with the introduction of General Data Protection Regulations (GDPR)
  - reviewing JAC's digital services platform
  - business plan for 2019–20
  - reviewing the Welsh Language Annual Monitoring Report 2017–18
- The Board also discussed high-level arrangements for a number of exercises run by the JAC, where these were either large, high profile, or involved a change to the selection processes applied previously:
- High Court Judge 2018–19
  - Court of Appeal Criminal Division (CACD) authorisation 2019
  - Justice of the Court of Appeal 2019
  - President of the Queen's Bench Division 2019
  - Employment Tribunal Judge 2018
  - Deputy District Judge (Magistrates' Court) 2018
  - Salaried Judge of First-tier Tribunal 2018
  - District Judge 2018
  - Authorisations for: s9(1) authorisation; s9(4) Deputy High Court Judge and renewal of s9(1) authorisations for Circuit Judges to sit in Court of Appeal Criminal Division 2019
  - Circuit Judge 2019
  - Deputy District Judge, and First-tier Tribunal and Employment Tribunal Judge 2019
  - Road Users Charging Adjudicators 2018
  - Recorder 2018: enhanced panel assurance
- The Chairs of the Audit and Risk Committee, Advisory Group, Welsh Matters Committee and Digital Board briefed the Board on the highlights of their respective meetings.
- Guests may be invited to attend Board meetings to exchange views in addition to discussing priorities and other pertinent issues. Guests attend a portion of a Board meeting and are not present when the Board considers and makes decisions regarding Commission business.



Guests attending Board meetings in the year were:

- Lord Burnett, Lord Chief Justice of England and Wales
- Baroness Hale, President of the Supreme Court
- Rt Hon David Gauke MP, Lord Chancellor and Secretary of State for Justice
- Christina Blacklaws, President of the Law Society of England and Wales

Commissioners participated in strategic and business planning review events on 12 December 2018 and 13 March 2019. Discussions covered a range of issues, including the JAC's approach to diversity and the strategic objectives for 2019–20.

### Changes to the Commission

The following changes to the Commission took place during the year:

- 2 Commissioners were appointed on 9 April 2018: Sarah Lee and Brie Stevens-Hoare QC
- 1 Commissioner stood down on 1 May 2018: Her Honour Judge Usha Karu
- 1 Commissioner was appointed on 9 June 2018: Her Honour Judge Anuja Dhir QC

All new Commissioners received an induction upon their appointment covering the selection process, equality and diversity, exercise programme, regularity and propriety, information assurance, security and general administrative issues.

### Board performance evaluation

The Board assessed its performance in January 2019 and overall the responses were overwhelmingly positive with 99% agreeing (77% strongly agreeing) with the statements on the areas questioned. Steps are being taken to address the minor concerns raised.

### Audit and Risk Committee performance

The Audit and Risk Committee did not assess its performance in this reporting year due to changes in Commissioner representation. The Committee instead reviewed the results of the self-assessment conducted in March 2018. Compliance with the checklist was found to be good with only minor recommendations for change. This included improved succession planning for future changes in membership and a full induction for new members. Both of these recommendations were implemented in 2018–19.

Commission Board, Selection and Character Committee, and Audit and Risk Committee attendance is on page 40.

## Corporate governance

### Guidance followed

The JAC follows HM Treasury/Cabinet Office guidance in Corporate Governance in central government departments: Code of Good Practice 2011, as far as possible in its capacity as a small arm's length body. As such it does not comply with the code provisions relating to a Minister, nor have a separate professionally qualified finance director sitting on the Board given its independent status. The JAC is under a finance service model where support is provided through a finance business partner based in Ministry of Justice Corporate Finance. The Board membership is also governed by the requirements of the CRA, as amended by the CCA.

There is no formal Nominations and Governance Committee in place identifying leadership potential. Compliance with Corporate Governance guidance is outlined in much greater depth in the Triennial Review report, published in January 2015.

### Responsibility

The JAC Board and its other Committees provide the necessary leadership, effectiveness, accountability and sustainability to ensure the JAC delivers its objectives, whilst maintaining an open and transparent dialogue with the MoJ and other key interested parties. As Accounting Officer, I also take seriously my responsibilities on the use of public funds that have been provided to the JAC, to ensure the most effective and efficient use of those funds.

The JAC has a balanced Board in place, which consists of the Chairman and the Commissioners, who all have equal decision-making rights. As Chief Executive I attend Board meetings, in a non-voting capacity. Of utmost importance is that all Board members uphold the 7 principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

## Assurance

### Assurance process

Each member of the senior leadership team reports on exceptions that occurred in their areas of responsibility where processes have not operated as intended. These are scrutinised through the Audit and Risk Committee, and so I am confident that all assurance matters have been brought to my attention, and that assurance is well managed. There were no significant control exceptions identified this year.

### Internal audit

The JAC uses the Government Internal Audit Agency, which is accountable to me as Accounting Officer. The service operates to Public Sector Internal Audit Standards and submits regular reports, which include the Head of Internal Audit's annual independent opinion on the adequacy and effectiveness of the arrangements for risk management, and control and governance, together with recommendations for improvement.

The annual report from the Head of Internal Audit reflects well on the organisation and they provided an indicative 'Substantial' annual audit opinion. This gives me additional assurance that the organisation is managed well.

### External audit

The Comptroller and Auditor General through the National Audit Office provides the external audit function for the JAC, and provided an unqualified opinion on our financial statements. In addition, they identified no significant internal control weaknesses, no issues concerning the regularity of expenditure, nor any material misstatements.

### Sponsor department (MoJ)

My responsibilities also include our requirement to meet the business plan objectives agreed with the MoJ. I therefore have regular meetings with the Lord Chancellor's officials to discuss progress in meeting our strategic objectives. These meetings are very constructive and demonstrate that there is a great deal of co-operation between us.

## Data quality

### Data considered by the Board

At each Board meeting, Commissioners consider the Management Information Pack. The pack contains progress against business plan objectives, statistical data relating to selection exercises, finance, human resources, Freedom of Information Act requests, outreach activity and a summary of the corporate risks.

The pack is updated each month, and reviewed by the senior leadership team prior to Board meetings. Each quarter it is considered by the Audit and Risk Committee in detail, and then issued to the Ministry of Justice (MoJ) Sponsorship team.

Immediately prior to the release of annual official statistics, including diversity data, the reports are circulated to all Commissioners for information, in addition to key partners, in line with Code of Practice for Official Statistics. Data produced as a result of selection processes are regularly checked to ensure they are up-to-date and that figures are correct and consistent.

### Data considered by the Selection and Character Committee

At its meetings, the Selection and Character Committee (SCC) considers proposal papers when agreeing its recommendations to the Appropriate Authority. The SCC looks at the progress of candidates of different backgrounds through selection processes. To help the SCC do this, it is provided with the diversity statistics for each exercise.

If the equal merit provision (EMP) is applied the JAC will rely on the diversity data provided in the candidate's application form. The information provided on diversity does not, under any other circumstances, play a part in the selection process.

It is recognised that this data may come under greater scrutiny as the JAC continues to implement the EMP, whereby consideration is given to increasing diversity when considering candidates of equal merit.

### Data considered by the Audit and Risk Committee

As stated above, the Audit and Risk Committee (ARC) considers the Management Information Pack when it meets. In addition, the ARC considers data presented in other documents, including a summary of the JAC's quarterly accounts that are consolidated with MoJ.

## Risk

Risk is managed in the JAC through the embedded risk registers throughout the organisation, underpinned by a supporting Risk Management Policy and Framework and Risk Improvement Manager. This provides guidance and assistance as required, whether through the handling of individual queries, attendance at various meetings, or to support my role as Accounting Officer.

### Audit and Risk Committee

The Committee monitors the key risks to achieving our strategic objectives through the Corporate Risk Register, which is updated by the senior leadership team. Commissioners have delegated to the Committee responsibility for advising on the adequacy and effectiveness of risk management and internal control, including the risk management process.

### Risk Management Policy and Framework

The JAC's Risk Management Policy and Framework outlines the key principles underpinning the JAC's approach to risk management and explains the risk management processes and the roles and responsibilities of staff. The JAC has a low to medium risk appetite, which means that the JAC is prepared to accept, tolerate or be exposed to a low to medium level of risk at any one point in time. The Framework is reviewed annually by the Audit and Risk Committee (ARC). We maintain risk at a tolerable level rather than try to eliminate all risk of failure to achieve policies, aims and objectives. We can therefore only provide reasonable and not absolute assurance of effectiveness. I am satisfied that this is a proportionate approach.

### Risk management and training

All staff have been informed of their responsibility for managing risk and new staff receive a summary on managing risk in their induction packs. Many staff members are involved actively in the management of risk through reporting at individual project boards and other forums.

### Risk registers

The JAC regularly reviews risks to its objectives and monitors controls to mitigate these risks through the effective use of risk registers. We follow the guidance in HM Treasury's Orange Book (2004), by evaluating risks in terms of their impact on corporate objectives and likelihood of occurrence.

There is a hierarchy of risk registers, starting with the organisation-wide Corporate Risk Register at the top (the key risks in the Corporate Risk Register are set out in the Overview section of the Performance report on page 12). Feeding into this are detailed registers on: health and safety; information security; and operational and policy risks as identified and discussed at regular Selection Exercise checkpoints which escalate risks, as appropriate, to the senior leadership team. I consider this to be appropriate for the JAC.

The JAC jointly owns and manages the Joint Delivery Group risk register with HM Courts & Tribunals Service, Judicial Office and the Ministry of Justice. This register is reviewed quarterly at the group's regular meetings.

## Information security, fraud and whistleblowing

### Senior Information Risk Owner (SIRO)

The SIRO is responsible for managing information risk on behalf of myself, as Accounting Officer, and the Board, and for providing the necessary assurance.

Any data recorded on JARS is subject to specific legislative provisions set out in the CRA, the Data Protection Act (DPA) 2018 and Freedom of Information Act (FoIA) 2000. User access is strictly controlled and trail logs are kept for security checks and audit purposes. Requests for information are handled in full compliance with both the DPA and FoIA.

Any operational requirements to deviate from the JAC Security Policy regarding data security require SIRO agreement.

Nine security incidents were reported during 2018–19, in comparison to 11 in the previous year. Of the incidents reported most were minor in nature. However, one of our highest risks is the management of paper records when off-site and under the custody of an assigned individual. To manage these records, we have robust policies and procedures in place that have proven effective over many years.

This year there was one occasion where policies were not followed by the individual that had the paper files. The occurrence did not lead to a breach serious enough to report to the Information Commissioner's Office and there was no evidence to suggest the data had been compromised. Following this, all staff handling paper files were reminded of their responsibilities verbally and in writing to emphasise the importance of handling official information.

An Anti-Fraud Policy and Anti-Fraud Response Plan are available to staff on our intranet and we have a whistleblowing policy in place. I am content that the measures we have in place are effective for the JAC to enable staff to report any concerns that they may have and that we are well placed to deal with such concerns should they arise.

### General Data Protection Regulation (GDPR)

The General Data Protection Regulation (GDPR) came into effect in the UK from 25 May 2018, together with the Data Protection Act 2018 (DPA). The JAC has undertaken the work required to adjust policies and procedures to ensure the JAC was compliant with the introduction of the GDPR. This included engaging a GDPR consultant in early 2018 to assist the JAC with achieving compliance through the development and delivery of an action plan.

The plan was implemented in conjunction with the launch of GDPR with the publication of a privacy notice on the JAC website.

A Data Protection Officer was appointed and Commissioners, staff and panel members were provided with information about their responsibilities under GDPR and training provided where necessary.

An action plan is in place to deliver any outstanding issues required to achieve compliance with GDPR.

## Summary

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control, including the risk management framework. My review is informed by the work of the internal auditors and the senior leadership team within the JAC who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review by the Board and the Audit and Risk Committee. I am satisfied that a plan to address weaknesses in the system of internal control and ensure continuous improvement of the system is in place. I can also confirm that I have taken all necessary steps to make myself aware of any material risks to the JAC and that there is no relevant audit information of which the auditors are unaware.

I am therefore able to confirm that the known significant governance issues that could undermine the integrity or reputation of the JAC up to 31 March 2019 and up to the date of this report are being effectively managed.

# REMUNERATION AND STAFF REPORT

## REMUNERATION POLICY

### Chief Executive

The Chief Executive (a senior civil servant) is a permanent member of the JAC. Details of his contract are set out below. The terms and conditions of his appointment, including termination payments, are governed by his contract.

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Senior Salaries Review Board (SSRB). The SSRB also advises the Prime

Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on peers' allowances; and on the pay and pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

Further information about the work of the SSRB is on the Office of Manpower Economics website at [www.gov.uk/ome](http://www.gov.uk/ome)

The Chief Executive served during the year, and details of his appointment are set out below:

	Date of appointment	Date of leaving	Contract
Chief Executive: Richard Jarvis	15/02/2017	n/a	Permanent member of staff (3 month notice period)

### Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. JAC staff are employed as public servants, rather than civil servants, but the principles of this Act still apply. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the Chief Executive covered by this report holds his appointment which is governed by his contract. Early termination, other than for misconduct, results in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners is at <http://civilservicecommission.independent.gov.uk>

### Panel members

The JAC has appointed panel members who are used, when required, to assess candidates for selection. Panel members may be required to chair the panel or participate as another member alongside the chair. The panel chairs provide a summary report for Commissioners on candidates' suitability for selection. These panel chairs and members are paid a fee for each day worked and are entitled to reimbursement for travel and subsistence. The taxation on such expenses is borne by the JAC. They do not have any pension entitlements.



## Commissioners

Commissioners are appointed by the Lord Chancellor for fixed terms in accordance with Schedule 12 of the Constitutional Reform Act 2005. No Commissioner is permitted to serve for periods (whether or not consecutive) for longer than 10 years. Commissioners are public appointees and provide strategic direction to the JAC and select candidates for recommendation for judicial office to the Appropriate Authority.

Commissioners, excluding the Chairman and those who are members of the judiciary, are paid a fee by the JAC. The fee is neither

performance-related nor pensionable. Any increase in the level of fees is at the discretion of the Lord Chancellor. Commissioners who are in salaried state employment, including judges, receive no additional pay for their work for the JAC. Commissioners do not receive any pension benefits.

Commissioners who are entitled to a fee are paid an annual amount of £9,473 in respect of 28 days service a year. In exceptional circumstances they may be paid for additional days' work at £338.33 a day. The remuneration of the Chairman is included in the Chief Executive's remuneration table on page 54.

## Members of the commission in 2018–19

Commissioners	Date of original appointment	End of term
<b>Chairman:</b> Professor Lord Ajay Kakkar	03/10/2016	02/10/2022
<b>Vice chairman:</b> Lady Justice Anne Rafferty	14/11/2017	26/07/2020
District Judge Mathangi Asokan	01/09/2017	31/08/2020
Her Honour Judge Anuja Dhir	08/06/2018	07/06/2021
Emir Feisal JP	01/09/2017	31/08/2020
Jane Furniss CBE	01/09/2017	31/08/2020
Her Honour Judge Usha Karu	09/06/2014	Left 01/05/2018
Andrew Kennon	01/09/2017	31/08/2020
Sarah Lee	09/04/2018	08/04/2021
Professor Noel Lloyd CBE	01/02/2012	31/07/2019
Judge Fiona Monk	01/09/2017	31/08/2020
Brie Stevens-Hoare QC	09/04/2018	08/04/2021
Dame Valerie Strachan DCB	01/02/2012	31/07/2019
His Honour Judge Phillip Sycamore	09/06/2014	08/06/2020
Professor Sir Simon Wessely	01/09/2017	31/08/2020
Mrs Justice Philippa Whipple	22/12/2016	21/12/2019

## TOTAL FIGURE OF REMUNERATION

### Remuneration (including salary) and pension entitlements (including the Chairman)

The following sections provide details of the remuneration and pension interests of the Chairman and Chief Executive of the JAC, (audited), which were as follows:

#### Single total figure of remuneration:

Officials	Salary £000		Bonus Payments £000		Benefits in kind (to nearest £100)		Pension benefits <sup>1</sup> £000		Total £000	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Professor Lord Ajay Kakkar	55-60 <sup>2</sup>	55-60 <sup>2</sup>	-	-	-	-	-	-	55-60	55-60
Richard Jarvis	90-95	90-95	5-10	-	-	-	25-30	175-180	125-130	265-270

#### Notes:

1 The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

2 The figure is the rate based on a 0.4 FTE, full-time equivalent rate being £135-140k.

### Benefits in kind

The Chairman and Chief Executive, as Directors, have no entitlement to benefits in kind and did not receive any (nil 2017-18). In 2018-19 no Director received any benefits in kind.

## Commissioners' remuneration

The Commissioners' remuneration (audited) for the year is as shown below (for joining or leaving dates see the Governance Statement), including payments to Commissioners for acting as panel members in selection exercises:

	2018-19			2017-18		
	Remuneration <sup>1</sup> £000	Benefits in kind £000 (to nearest £100)	Total £000	Remuneration <sup>1</sup> £000	Benefits in kind £000 (to nearest £100)	Total £000
Her Honour Judge Usha Karu (left 01/05/2018)	-	-	-	-	-	-
Mrs Justice Philippa Whipple	-	-	-	-	-	-
His Honour Judge Phillip Sycamore	-	-	-	-	-	-
Lady Justice Anne Rafferty	-	-	-	-	-	-
District Judge Mathangi Asokan	-	-	-	-	-	-
Judge Fiona Monk	-	-	-	-	-	-
Her Honour Judge Anuja Dhir (started 09/06/2018)	-	-	-	-	-	-
Emir Feisal JP	9	-	9	6	0.8 <sup>2</sup>	6
Jane Furniss CBE	19 <sup>1</sup>	0.4	20	14 <sup>1</sup>	0.7 <sup>2</sup>	14
Andrew Kennon	16 <sup>1</sup>	7.0	23	7	2.2 <sup>2</sup>	9
Professor Noel Lloyd CBE	17 <sup>1</sup>	4	21	20 <sup>1</sup>	14.3 <sup>2</sup>	34
Dame Valerie Strachan DCB	14 <sup>1</sup>	-	14	20 <sup>1</sup>	-	20
Professor Sir Simon Wessely	9	-	9	5	-	5
Sarah Lee (started 09/04/2018)	9	-	9	-	-	-
Brie Stevens-Hoare QC (started 09/04/2018)	9	-	9	-	-	-

1. Remuneration in excess of the £9k payable for their role as a Commissioner is due to additional days worked as a panel member on selection exercises.

2. Commissioners' benefits in kind are reimbursed in cash for expense claims relating to their travel and subsistence costs in relation to JAC business.

**Note:** Nil balances are disclosed for judicial Commissioners as they are not directly paid by the JAC.

All remuneration is based on the time each Commissioner was in office, so does not necessarily represent a full year's service – see dates for original appointments on page 53.

### Benefits in kind

Commissioners may be reimbursed for their travel and subsistence costs in attending Commission business if the cost of their journey is greater than what they would otherwise have incurred with their other employment. Since non-judicial Commissioners are deemed to be employees of the JAC, the amounts of these reimbursements are treated as benefits in kind and are disclosed in the table on page 55 and

incorporated into the benefits in kind amounts. The taxation on such expenses is borne by the JAC. There are no other benefits in kind.

Judicial Commissioners are not deemed to be employees of the JAC, and therefore their travel and subsistence costs are not treated as benefits in kind. There were no claims made by Judicial Commissioners.

### Pension entitlements

The pension entitlements of the Chairman and Chief Executive (audited) were as follows:

	Total accrued pension at pension age as at 31/03/2019 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/19	CETV at 31/03/18	Real increase in CETV
	£000	£000	£000	£000	£000
Professor Lord Ajay Kakkar <sup>1</sup>	-	-	-	-	-
Richard Jarvis	30-35 plus a lump sum of 75-80	0-2.5 plus a lump sum of 0	630	549	10

1. Is not entitled to pension benefits.

The CETV figures are provided by approved pensions administration centres, who have assured the JAC that they have been correctly calculated following guidance provided by the Government Actuary's Department.

### Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has 4 sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the 2 schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to 3 years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme

year and the accrued pension is updated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the 2 schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real increase in CETV

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

### Pay multiples (as at 31 March 2019)

Reporting bodies are required to disclose the relationship between the remuneration of their highest-paid director in the organisation and the median remuneration of the organisation's workforce (audited).

The banded remuneration of the highest-paid director in the JAC in the financial year 2018–19 was £100–105,000 (2017–18, £90–95,000). This was 3.2 times (2017–18, 2.9 times) the median remuneration of the workforce, which was £32,132 (2017–18, £31,615).

In 2018–19, 2 (2017–18, nil) employees received remuneration in excess of the highest-paid director. This disclosure is based on the annualised salaries of 2 agency contactors who were not in post for the full reporting year. Remuneration ranged from £20–25,000 to £100–105,000 (2017–18, £20–25,000 to £90–95,000).

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

The calculations exclude the pay to the Chairman and Commissioners as their employment terms and conditions, including pay rates, are determined by the Ministry of Justice, and the JAC is unable to influence those rates. Details of their pay is provided above. The calculations also exclude the pay made to our panel chairs and panel members, who are employed on a fee-paid basis, as to include them would lead to misleading information.

## STAFF REPORT

### Staff composition

The split of the staff as at 31 March 2019 is as follows:

These correspond to the total of permanent, fixed term contracts and seconded staff as set out below:

	Male	Female	Total
Director (senior civil servant)	1	-	1
Senior leaders	1	2	3
Other staff	24	35	59
<b>Total</b>	<b>26</b>	<b>37</b>	<b>63</b>

These correspond to the total of permanent, fixed term contracts and seconded staff as set out below (audited):

Staff costs comprise								
	2018–19							2017–18
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed term contracts	Other contracted staff	Total	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Wages and Salaries	92	1,125	2,297	60	-	343	3,917	2,887
Social Security Costs	9	170	268	-	-	-	447	365
Other Pension Costs	-	-	463	-	-	-	463	329
<b>Total</b>	<b>101</b>	<b>1,295</b>	<b>3,028</b>	<b>60</b>	<b>-</b>	<b>343</b>	<b>4,827</b>	<b>3,581</b>

During the year, no staff costs were capitalised (nil in 2017–18).

In 2018–19 the JAC employed its own staff (permanent staff, on loan and those on fixed-term contracts). Other contracted staff are supplied by agencies. All irrecoverable Value Added Tax (VAT) is included within wages and salaries. No VAT is included in social security or other pension costs.

The JAC has a cost associated with staff who were relevant trade union officials during 2018–19, as disclosed in annex A on page 78.

The PCSPS and the Civil Servants and Others Pension Scheme (CSOPS) – known as ‘alpha’, are unfunded multi-employer defined benefit schemes where the JAC is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary valued the scheme as at 31 March 2018. Details can be found in the Civil Superannuation annual accounts 2017

to 2018 at: <https://www.gov.uk/government/publications/civil-superannuation-annual-accounts-2017-to-2018>

For 2018–19, employers’ contributions of £463k were payable to the PCSPS (2017–18: £329k) at 1 of 4 rates that ranged from 20.0% to 24.5% (2017–18: 20.0% to 24.5%) of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions approximately every 4 years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers’

contributions to partnership pension accounts were £4,600 (2017–18: £300) and were paid to one or more of the panel of 3 appointed stakeholder pension providers. Employer contributions, which are age-related, ranged from 8.00% to 14.75% (2017–18: 8.00% to 14.75%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

In addition, employer pension contributions equivalent to 0.5% (2017–18: 0.5%) of pensionable pay were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of employees in the PCSPS.

The average numbers of full-time equivalent persons employed during the year were as follows (audited):

	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed term contracts	Other contracted staff	Total
<b>2018–19</b>	2	12	54	3	4	8	<b>83</b>
<b>2017–18</b>	2	10	42	1	1	5	<b>61</b>

The average numbers for Commissioners, panel chairs and lay panel members represent their total respective input into the JAC in full-time equivalent terms.

### Civil Service and other compensation schemes: exit packages

There were no departures, voluntary or otherwise, in 2018–19 (2017–18: nil departures).

### Off-payroll engagements

During the year, JAC has reviewed the tax arrangements of all its off-payroll appointments. All contractors within the scope of this exercise have been required to provide evidence of tax compliance. There have been no instances of non-tax compliant off-payroll engagements as at 31 March 2019. Further details of off-payroll engagements in JAC can be found in the Ministry of Justice annual report and accounts.

### Spend on consultancy

During 2018–19, the JAC spent £25k on consultancy (2017–18: £59k). This related to media support for the Commission.

### Sickness absence data

Staff sickness absence levels have fallen this year, though remain around the average compared with other Civil Service organisations. For 2018–19 an average figure of 1.30 days for each member of staff was lost due to absences (compared to a figure of 5.93 days in 2017–18). Of this figure 0.43 days relate to long term absence and 0.87 days short term absence for each member of staff.



## Staff policies

The JAC works directly with staff through team meetings and communications. All staff are encouraged to ask about organisational issues and how these relate to themselves and their work.

We continue to monitor the JAC's intranet to ensure that it contains relevant information in a format that is easy to understand, and staff bulletins are issued fortnightly.

The JAC health and safety policy was revised in May 2018 and published on the intranet for staff, along with a health and safety action plan. The JAC communicates other health and safety information to staff through the intranet and by notices. The JAC has sufficient trained first aiders and fire wardens in place. There were no reportable health and safety incidents in 2018–19.

The annual People Survey in 2018 showed an increased response rate of 97% (87% in 2018), with an overall engagement score of 53% (55% in 2018). In keeping with the aims of the JAC People Plan, senior leaders agreed a further 7 key actions to be taken forward in 2019 to address the main issues arising from the survey.

The JAC fully considers human rights issues in relation to its staff and candidates.

The JAC works to ensure that disability is not regarded as a barrier to recruitment, learning and development or promotion. We are committed to ensuring that staff with a disability have access to the same opportunities when they first join the JAC and at all stages in their career. This includes making sure that they have the right workplace adjustments to be fully effective in their roles, irrespective of whether their condition is pre-existing or acquired while employed by the JAC. Additionally, we provide internal support to staff with disabilities through the Ministry of Justice (MoJ) disability network. We also link into a range of other MoJ networks where staff with disabilities can obtain peer support and advice.

The JAC operates a Guaranteed Interview Scheme, which guarantees an interview to anyone with a disability whose application meets the minimum criteria for the post.

The JAC meets its responsibilities under the Equality Act 2010 and uses name-blind recruitment for all staff appointments.

The JAC continues to promote equality of opportunity, both in the selection of candidates for judicial office and in the recruitment, training and promotion of staff.

# PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

## Regularity of expenditure

There were no losses and special payments made during the year (nil in 2017–18) and no irregular spend (audited).

## Remote contingent liabilities

In addition to contingent liabilities reported within the meaning of IAS 37, the JAC discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of Managing Public Money. Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament. There were none this year (audited).



### **Richard Jarvis**

Accounting Officer  
Judicial Appointments Commission  
4 July 2019

# CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

## Opinion on financial statements

I certify that I have audited the financial statements of the Judicial Appointments Commission for the year ended 31 March 2019 under the Constitutional Reform Act 2005. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the Judicial Appointments Commission's affairs as at 31 March 2019 and of the Judicial Appointments Commission's net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Constitutional Reform Act 2005 and the Lord Chancellor's directions issued thereunder.

## Opinion on regularity

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

## Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Judicial Appointments Commission in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

I am required to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Judicial Appointments Commission's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence

obtained up to the date of my auditor’s report. However, future events or conditions may cause the entity to cease to continue as a going concern. I have nothing to report in these respects.

### **Responsibilities of the Commission and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer’s Responsibilities, the Commission and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### **Auditor’s responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Constitutional Reform Act 2005.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk

of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Judicial Appointments Commission’s internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

### Other information

The Commission and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Remuneration and Staff Report and the Parliamentary Accountability and Audit Report described in that report as having been audited, the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Parliamentary Accountability and Audit Report to be audited have been properly prepared in accordance with Lord Chancellor's directions made under the Constitutional Reform Act 2005; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which I report by exception

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

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

### Report

I have no observations to make on these financial statements.

#### Gareth Davies

Comptroller and Auditor General

11 July 2019

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



# FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE

for the year ended 31 March 2019

		2018-19	2017-18
	Note	£000	£000
<b>Income</b>		-	(6)
<b>Expenditure</b>			
Staff costs	2	4,827	3,581
Other operating costs	3	3,401	2,211
<b>Net expenditure for the year</b>		<b>8,228</b>	<b>5,786</b>
<b>Other Comprehensive Net expenditure</b>			
Net (gain)/loss on revaluation of:			
Intangible asset	4	39	(13)
<b>Comprehensive net expenditure for the year</b>		<b>8,267</b>	<b>5,773</b>

The notes on pages 72 to 77 form part of these accounts.



## STATEMENT OF FINANCIAL POSITION

as at 31 March 2019

		2018–19	2017–18
	Note	£000	£000
<b>Non-current assets</b>			
Intangible assets	4	191	635
<b>Total non-current assets</b>		<b>191</b>	<b>635</b>
<b>Current Assets</b>			
Trade and other receivables	5	68	143
Cash at bank	6	244	230
<b>Total current assets</b>		<b>312</b>	<b>373</b>
<b>Total assets</b>		<b>503</b>	<b>1,008</b>
<b>Current liabilities</b>			
Trade and other payables	7	(80)	(59)
Other liabilities	7	(771)	(770)
<b>Total current liabilities</b>		<b>(851)</b>	<b>(829)</b>
<b>Total assets less current liabilities</b>		<b>(348)</b>	<b>179</b>
<b>Taxpayers' Equity</b>			
Revaluation Reserve		-	41
General reserve		(348)	138
<b>Total taxpayers' equity</b>		<b>(348)</b>	<b>179</b>

The notes on pages 72 to 77 form part of these accounts.



**Richard Jarvis**

Accounting Officer  
Judicial Appointments Commission  
4 July 2019

## STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

		2018-19	2017-18
	Note	£000	£000
<b>Cash flows from operating activities</b>			
Net expenditure for the year		(8,228)	(5,786)
Adjustments for non-cash transactions:			
– Ministry of Justice overhead recharges	3	1,240	892
– Write off intangible asset value	4	-	21
– Amortisation	3	93	71
– Impairment of intangible assets	3	312	-
(Increase)/Decrease in trade and other receivables	5	75	(92)
Increase/(Decrease) in trade and other payables	7	22	347
<b>Net cash outflow from operating activities</b>		<b>(6,486)</b>	<b>(4,547)</b>
<b>Cash flows from investing activities</b>			
Purchase of Intangible asset	4	-	(147)
<b>Net cash (outflow) from investing activities</b>		<b>-</b>	<b>(147)</b>
<b>Cash flows from financing activities</b>			
Grant-in-aid received from Ministry of Justice		6,500	4,500
<b>Net financing</b>		<b>6,500</b>	<b>4,500</b>
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		<b>14</b>	<b>(194)</b>
Cash and cash equivalents at the beginning of the year		230	424
Cash and cash equivalents at the end of the period	6	244	230

The notes on pages 72 to 77 form part of these accounts.

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

for the year ended 31 March 2019

	General Reserve	Revaluation Reserve	Total
	£000	£000	£000
<b>Balance at 31 March 2018</b>	138	41	179
<b>Changes in taxpayers' equity in 2018-19</b>			
Net expenditure for the year ended 31 March 2019	(8,228)	-	(8,228)
Grant-in-aid towards expenditure	6,500	-	6,500
Grant-in-aid received, being costs settled by Ministry of Justice	1,240	-	1,240
Revaluation of intangible assets	-	(39)	(39)
Transfers between reserves	2	(2)	-
<b>Balance at 31 March 2019</b>	<b>(348)</b>	<b>-</b>	<b>(348)</b>
<b>Balance at 31 March 2017</b>	<b>526</b>	<b>34</b>	<b>560</b>
<b>Changes in taxpayers' equity in 2017-18</b>			
Net expenditure for the year ended 31 March 2018	(5,786)	-	(5,786)
Grant-in-aid towards expenditure	4,500	-	4,500
Grant-in-aid received, being costs settled by Ministry of Justice	892	-	892
Revaluation of intangible assets	-	13	13
Transfers between reserves	6	(6)	-
<b>Balance at 31 March 2018</b>	<b>138</b>	<b>41</b>	<b>179</b>

The notes on pages 72 to 77 form part of these accounts.

# NOTES TO THE ACCOUNTS

for the year ended 31 March 2019

## Note 1: Statement of accounting policies

These financial statements are prepared on a going concern basis in accordance with the Constitutional Reform Act 2005 and with the 2018–19 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public-sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the circumstances of the JAC for the purpose of giving a true and fair view has been selected.

The policies adopted by the JAC are described below. They have been applied consistently in dealing with items that are considered material to the accounts, and are in a form as directed by the Lord Chancellor with the approval of HM Treasury.

### a) Accounting convention

The accounts are prepared under the historical cost convention modified to account for the revaluation of intangible assets, in accordance with HM Treasury guidance.

### b) Changes in accounting policy and disclosures

New accounting policies have been adopted during the year. These do not, however, have a material impact on the JAC.

### New and amended standards adopted

IFRS 9: Financial Instruments and IFRS 15: Revenue from contracts with customers have come into effect in 2018–19 but neither has a significant impact on the JAC.

### New standards, amendments and interpretations issued, but not yet effective

IFRS 16: Leases is not yet effective for public sector reporting. It is expected to become effective in 2020–21 but is not expected to have a significant impact on the JAC unless new leases are entered into. The JAC has no old leases.

### c) Funding

Government grant-in-aid received is accounted for as funding through the general fund.

### d) Accounting for value added tax

The JAC is not permitted to recover any VAT on expenditure incurred. All VAT is therefore charged to the relevant expenditure category.

### e) Intangible assets

The intangible asset associated with the development of the Judicial Appointments Recruitment System (JARS) comprises internally developed software for internal use and software developed by third parties. Development costs that are directly attributable to the design and testing of this identifiable and unique software product controlled by JAC are capitalised when they meet the criteria specified in the FReM, which has been adapted from IAS 38 'Intangible Assets'. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

After initial recognition, intangible assets are recognised at fair value. As no active market exists for the JAC's Intangible Asset, fair value is assessed as replacement cost less any accumulated amortisation and impairment losses (Depreciated Replacement Cost, or DRC). The capitalisation threshold for software projects and for subsequent additions that enhance the economic benefit of the asset is £5,000. Intangible Assets are revalued at each reporting date using the Producer Price Index (PPI) produced by the Office for National Statistics (ONS). The accumulated amortisation is eliminated against the gross carrying amount of the asset. The policy is to revalue at the year-end through indexation unless any other information is available which gives a better indication of fair value, in which case this takes precedence.

The full useful life of this internally developed software was revised from 5 years to 10 years in 2015–16. During 2018–19 this has been revised down to 6 years and 8 months as the software platform on which the current system sits (Drupal 7) will become unsupported after November 2021.

### f) Pensions policy

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). This defined benefit scheme is unfunded except in respect of dependants' benefits. The JAC recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from the employees' services, by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

### g) Employee benefits

In compliance with IAS19 Employee Benefits an accrual is made for holiday pay in respect of leave which has not been taken at the year end and this is included within payables.

### h) Services and facilities provided by sponsoring department

The Ministry of Justice provides the JAC with accommodation, facilities management and corporate services. These services are recorded in the Statement of Comprehensive Net Expenditure

to report the full cost of the JAC's operations and the funding for these costs is included in grant-in-aid, credited to reserves.

### i) General Reserve

Net parliamentary funding drawn down for the current financial year, as well as funding from prior years that had not been spent and was still available, are included in the General Reserve. The General Reserve is also used to settle notional charges that are reported in the accounts as expenditure, but not settled in cash.

### j) Revaluation Reserve

The Revaluation Reserve shows any gains or losses on values of property, plant and equipment, or on intangible assets, where a revaluation has been recorded.

### k) Significant judgement and estimates

The valuation of intangible assets requires significant judgement. The key assumptions upon which the valuation has been based are explained fully in Note 4 intangible assets.

Note 2 Staff and member costs						
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Other contracted staff	Total
	£000	£000	£000	£000	£000	£000
<b>2018–19</b>						
Wages and salaries	92	1,125	2,297	60	343	3,917
Social security costs	9	170	268	-	-	447
Pension contributions	-	-	463	-	-	463
<b>Total</b>	<b>101</b>	<b>1,295</b>	<b>3,028</b>	<b>60</b>	<b>343</b>	<b>4,827</b>
<b>2017–18</b>						
Wages and salaries	107	774	1,672	147	187	2,887
Social security costs	10	161	194	-	-	365
Pension contributions	-	-	329	-	-	329
<b>Total</b>	<b>117</b>	<b>935</b>	<b>2,195</b>	<b>147</b>	<b>187</b>	<b>3,581</b>

<b>Note 3 Other operating costs</b>		
	<b>2018-19</b>	<b>2017-18</b>
	<b>£000</b>	<b>£000</b>
<b>Selection exercise programme</b>		
Panel member travel and subsistence	395	344
Staff travel and subsistence	3	5
Selection day costs	320	110
Advertising	48	14
Direct selection process costs	31	23
	<b>797</b>	<b>496</b>
<b>Other programme costs</b>		
Outsourced accommodation costs	114	56
Commissioners' travel and subsistence	10	13
Consultancy	25	59
Judicial Appointments Recruitment System	499	474
	<b>648</b>	<b>602</b>
<b>Administration costs</b>		
Staff training	40	20
Office expenses	202	65
Legal services	6	4
External audit <sup>1</sup>	33	29
Internal audit	28	31
Bank charges	2	1
	<b>311</b>	<b>150</b>
<b>Non-cash items</b>		
Amortisation	93	71
Impairment	312	-
Services and facilities provided by sponsoring department	1,240	892
	<b>1,645</b>	<b>963</b>
<b>Total other operating costs</b>	<b>3,401</b>	<b>2,211</b>

1. No non-audit services were provided by external audit.

<b>Note 4 Intangible assets</b>		
	<b>Information Technology £000</b>	<b>Total £000</b>
<b>Movements in 2018–19</b>		
<b>Cost or valuation</b>		
At 1 April 2018	880	880
Revaluations	(689)	(689)
<b>At 31 March 2019</b>	<b>191</b>	<b>191</b>
<b>Amortisation</b>		
At 1 April 2018	245	245
Charged in year	93	93
Revaluations	(338)	(338)
<b>At 31 March 2019</b>	<b>-</b>	<b>-</b>
<b>Carrying amount at 31 March 2019</b>	<b>191</b>	<b>191</b>
<b>Carrying amount at 31 March 2018</b>	<b>635</b>	<b>635</b>
	<b>Information Technology £000</b>	<b>Total £000</b>
<b>Movements in 2017–18</b>		
<b>Cost or valuation</b>		
At 1 April 2017	737	737
Additions	147	147
Disposals	(21)	(21)
Revaluations	17	17
<b>At 31 March 2018</b>	<b>880</b>	<b>880</b>
<b>Amortisation</b>		
At 1 April 2017	170	170
Charged in year	71	71
Revaluations	4	4
<b>At 31 March 2018</b>	<b>245</b>	<b>245</b>
<b>Carrying amount at 31 March 2018</b>	<b>635</b>	<b>635</b>
<b>Carrying amount at 1 April 2017</b>	<b>567</b>	<b>567</b>

The Judicial Appointments Recruitment System (JARS) is the JAC's only non-current asset (see note 1). During 2018–19 new information has enabled the JAC to perform a more accurate valuation of JARS. On 31 March 2019 the full useful economic life (UEL) of JARS was revised down from 10 years to 6 years and 8 months, with the remaining UEL reducing from 6 years to 2 years 8 months. This is to bring its useful economic life to an end in November 2021, when the software platform (Drupal 7), on which it sits, will no longer be supported. There will be no recoverable amount at the end of this period.

Furthermore, during 2018–19, the JAC commissioned a report from an appropriately qualified firm to scope options for the replacement of JARS. As the replacement will have similar functionality, the proposed system has been used as the basis for a revaluation of JARS. The full-life cost on this basis has therefore been revalued down from £880k to £480k, also on 31 March 2019.

The combined impact of the revaluation down of the full life cost to £480k and the reduction in the useful economic life has resulted in a £351k impairment and carrying value of £191k. Had

these changes not been made JARS's net book value at 31 March 2019 would have been approximately £542k. Part of the impairment has been offset against accumulated amortisation and the related balance on the revaluation reserve. The remaining £312k impairment loss, of which £39k was from the revaluation reserve, has been charged through the SOCNE.

The table below shows the change in net book value of JARS based on the former and revised valuation and estimate of UEL of JARS.

Financial year	NBV at year end: current treatment £000	NBV at year end: with new UEL and revaluation £000
2017-18	635	635
2018-19	542	191
2019-20	448	120
2020-21	355	48
2021-22	262	-
2022-23	168	-
2023-24	75	-

**Note 5 Receivables**

	2018-19 £000	2017-18 £000
<b>Amounts falling due within one year</b>		
Deposits and advances	62	51
Other receivables	6	92
<b>Total</b>	<b>68</b>	<b>143</b>

**Note 6 Cash at bank**

	2018-19 £000	2017-18 £000
Balance at 1 April	230	424
Net change in cash and cash equivalent balances	14	(194)
Balance at 31 March	244	230
<b>Total cash held at Government Banking Service</b>	<b>244</b>	<b>230</b>



<b>Note 7 Trade and other payables</b>		
	2018-19 £000	2017-18 £000
<b>Amounts falling due within one year</b>		
Trade payables	18	28
Other payables	62	31
Tax and social security	150	69
Accruals	530	635
Accrued holiday pay	91	66
<b>Total</b>	<b>851</b>	<b>829</b>

#### **Note 8 Financial instruments**

As the cash requirements of the JAC are met through grant-in-aid provided by the MoJ, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the JAC's expected purchase and usage requirements and the JAC is therefore exposed to little credit, liquidity or market risk.

#### **Note 9 Contingent assets and liabilities**

The JAC discloses contingent liabilities where it determines that there is a chance that it may be required to make an economic outflow as a result of a current obligation arising from past events, but that at the year end, this outflow is only possible rather than probable. At the end of March 2019, invoices totalling £19,326 relating to the period of an IT failure in February 2017 are currently the subject of dispute.

#### **Note 10 Related party transactions**

The JAC is a non-departmental public body sponsored by the MoJ. The MoJ is regarded as a related party with which the JAC has had various material transactions during the year. In addition, the JAC has had material transactions with HM Courts & Tribunals Service (HMCTS).

No board members, key managers or other related parties have undertaken transactions with the JAC during the year to 31 March 2019.

#### **Note 11 Events after the reporting period**

There were no significant events after the reporting period.

In accordance with the International Accounting Standard 10 'Events after the reporting period', accounting adjustments and disclosures are considered up to the point where the financial statements are 'authorised for issue'. In the context of the JAC, this is interpreted as the date on the Comptroller and Auditor General's audit certificate.

# ANNEX A

## TRADE UNION FACILITY TIME DATA

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require certain public-sector employers to publish information on facility time used by trade union representatives. The information below sets out the relevant trade union facility time data for the Judicial Appointments Commission covering the period 1 April 2018 to 31 March 2019.

This table shows the total number of employees who were trade union representatives during the period 1 April 2018 to 31 March 2019.

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

This table shows, of the employees who were trade union representatives employed during the period 1 April 2018 to 31 March 2019, the percentage of their working hours spent on facility time.

Percentage of time	Number of employees
0%	0
1% to 50%	1
51% to 99%	0
100%	0

This table shows the percentage of the total pay bill spent on trade union facility time during the period 1 April 2018 to 31 March 2019.

Total cost of facility time	£11k <sup>1</sup>
Total pay bill	£3,532k
Percentage of the total pay bill spent on facility time	0.3%

This table shows, as a percentage of total paid facility time hours, the number of hours spent by employees who were trade union representatives during the period 1 April 2018 to 31 March 2019, on paid trade union activities.

Time spent on paid trade union activities as a percentage of total paid facility time hours	Nil
---------------------------------------------------------------------------------------------	-----

<sup>1</sup> Total cost of facility time has been calculated using the median salary for individual's pay band.



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