
HM Procurator General and Treasury Solicitor

Annual Report and Accounts 2019-20

For the year ended 31 March 2020

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Accounts presented to the House of Commons pursuant to section 6(4) of the Government Resources and Accounts Act 2000

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This is part of a series of departmental publications which, along with the Main Estimates 2019-20 and the document Public Expenditure: Statistical Analyses 2019, present the Government's outturn for 2019-20 and planned expenditure for 2019-20



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Performance Report

Overview

Introduction

The Office of the Solicitor for the affairs of Her Majesty's Treasury (the Treasury Solicitor) was incorporated as a corporation sole by the Treasury Solicitor Act 1876. Since then the nature of the work of the Government Legal Department has expanded greatly and today it provides a comprehensive legal service to other government departments in England and Wales and is one of the largest legal organisations in the country. The Treasury Solicitor is also Head of the Government Legal Profession.

The Government Legal Department (GLD) is a non-ministerial government department and executive agency. In addition to being responsible for all financial activity within GLD, the Treasury Solicitor is also responsible for financial matters at the Attorney General's Office (AGO) and Her Majesty's Crown Prosecution Service Inspectorate (HMCPSI).

The financial statements on pages 66 to 69 cover all these bodies and have been prepared under an accounts direction issued in March 2020 by HM Treasury (HMT), in accordance with section 5(2) of the Government Resources and Accounts Act 2000. The accounts demonstrate the resources that have been consumed in delivering the department's objectives. They have been prepared in accordance with the guidance set out in the Government Financial Reporting Manual (FReM).

Entities within the Accounts

These accounts present the consolidated results for 2019-20 of the:

- Government Legal Department (GLD)
- Attorney General's Office (AGO)
- HM Crown Prosecution Service Inspectorate (HMCPSI)

Purpose and Vision

GLD's purpose is to help the government to govern well, within the rule of law.

GLD's vision for 2019-2024 is to be:

- An outstanding legal organisation, committed to the highest standards of service and professionalism.
- A brilliant place to work, where we can all thrive and fulfill our potential.

Principal Activities

The principal activities of GLD are as follows:

- Advisory Divisions provide legal advice to ministers and officials of all central government departments, other than the Foreign and Commonwealth Office and HM Revenue and Customs, and to a number of smaller departments, agencies and public bodies in England and Wales.
- Litigation Group provides civil litigation services to government departments, agencies and a number of other publicly funded bodies. It is one of the largest practices of its kind in the country. Among its major areas of work are: administrative law; immigration; personal injury; planning; and charity matters. The Group also plays a major role in public inquiries. Its work often raises questions of constitutional importance. It instructs private-sector barristers and solicitors to undertake work on cases where it is appropriate to do so.
- Employment Group is one of the largest employment law practices in the country. It handles all the government's employment litigation and the vast majority of its employment advisory work. The Group undertakes the full range of employment litigation from unfair dismissal to large scale equal pay and pensions cases. In addition to advising departments, the Group also advises the Cabinet Office and Civil Service Employee Policy Unit on major cross Civil Service employment issues of the day.
- Commercial Law Group is a specialist commercial litigation and dispute resolution team and it also supports individual departments in their commercial arrangements. Its lawyers can expect to be involved in some of the most high profile, complex and far reaching commercial issues in government.
- The Finance and Operations, and People and Change Divisions are responsible for developing GLD's strategy and plans and leading and co-ordinating programmes of activity across the department to deliver cost effective legal and support services that address the needs of GLD's clients and staff. This includes the provision of corporate services covering governance and strategy, communications and engagement, finance, planning and performance, human resources, procurement, facilities management, security, information and communications technology (ICT), business assurance and resilience, and library and records management services.
- Bona Vacantia Division, on behalf of the Crown's Nominee administers the estates of people who die intestate and without relatives entitled to inherit and collects the assets of dissolved companies and failed trusts in England, Wales and Northern Ireland, except in the Duchies of Cornwall and Lancaster. The costs of the Division are recovered from the estates and assets it administers. The proceeds of bona vacantia are accounted for in the Crown's Nominee Accounts and separately notified to Parliament as prescribed in the Treasury Solicitor (Crown's Nominee) Rules 1997 (SI.1997/2870).
- Government Legal Service Secretariat advises and supports the Treasury Solicitor in his role as professional Head of the Government Legal Profession and works with government departments to ensure lawyers of the right quality and experience are recruited, retained and developed. It also liaises with the Law Society and Bar Council on matters affecting the legal profession.
- The Knowledge and Innovation Division lead on developing the department's first integrated Legal Knowledge, Capability and Innovation Strategy, working with legal divisions to professionalise legal knowledge and learning activity and to develop innovative and flexible approaches to meeting client needs.

The Attorney General's Office

The Attorney General's Office (the AGO) is a specialist ministerial department serving the Attorney General and the Solicitor General (the Law Officers for England and Wales) across the full range of their functions.

The Law Officers are the government's chief legal advisers, helping the government to deliver policy in the context of upholding and promoting the rule of law and performing a visible and effective role as leaders in the domestic and international legal community.

They also have sponsorship responsibilities in relation to public prosecutions conducted by the Crown Prosecution Service (CPS) and the Serious Fraud Office (SFO). They take a close interest in any matters of criminal justice policy and practice bearing on the role of the prosecutors. In addition, they perform a range of civil and criminal law litigation functions exercisable in the public interest, including referring sentences which may be unduly lenient to the Court of Appeal, bringing proceedings for contempt of court and authorising applications for fresh inquests. The Attorney General is ministerial head of the government legal profession and, alongside the CPS and SFO, is answerable in Parliament for the operations of the Government Legal Department. The Attorney General is also head of the Bar of England and Wales and exercises a leadership role in relation to the wider legal professions; they also hold the separate office of Advocate General for Northern Ireland.

The AGO's Business Plan sets out its priorities for 2019-20 and is published on gov.uk. The plan is reviewed each year based on ministerial priorities, and business requirements. The AGO's objectives focused on:

- the Attorney General's distinctive role in Brexit;
- our international law practice; and
- the modernisation of the sponsorship relationships with the CPS, SFO and HMCPSI.

HM Crown Prosecution Service Inspectorate

The Crown Prosecution Service Inspectorate Act 2000 created the role of HM Chief Inspector of the Crown Prosecution Service. The Chief Inspector is appointed by, and reports, to the Attorney General. He also fulfils the function of Chief Executive of HM Crown Prosecution Service Inspectorate. Since it was established, the Inspectorate's statutory remit has been broadened to include the SFO (ASBCP Act 2014 – section 149 commencement).

The purpose of the Inspectorate's work is to inspect the operation of the Crown Prosecution Service (CPS) and Serious Fraud Office (SFO) and to provide independently assessed evidence to allow others to hold those agencies to account thereby encouraging improvement. HMCPSI can undertake inspection by invitation.

HMCPSI's strategic objectives are:

- To deliver high quality assessments on the SFO and CPS to inform them and those who hold them to account.
- To work collaboratively with other inspectorates and develop effective working relationships in order to achieve the first objective.
- To promote HMCPSI to targeted stakeholder and media audiences to widen and maintain the interest in the work of the inspectorate.
- To ensure that HMCPSI reports are well written so that they are of use to the target audience(s).
- To recruit and develop the best people so HMCPSI has a high performing workforce with the right skills and values for the job.
- To run an efficient and effective organisation that meets the best standards of a government department in order to provide value for money.

Performance Analysis

Performance Measures

GLD agreed the following performance measures with HMT:

Performance Measure	Outturn 2019-20	Outturn 2018-19
To improve client satisfaction ratings:		
% Good or Excellent	96%	96%
Average score (<i>Excellent: 10, Good: 5, Acceptable: 0, Poor: -5, Unacceptable: -10</i>)	7.85	7.50
To recover from clients the full operating costs of chargeable services	Achieved	Achieved
To retain Lexcel accreditation	Achieved	Achieved

Client Satisfaction

GLD's aim is to improve our ratings in our annual survey of client satisfaction. Overall we achieved a 5% improvement in our average score and a marginal improvement in the % Good or Excellent. Given the challenging operational context, over the past year, improving ratings, with 96% Good or Excellent, is a positive outcome, and testament to the hard work and professionalism of GLD staff. GLD clients rated us highly for the quality of our individual relationships with them, however, as in previous years the two areas where the results suggest we could do more are: keeping our clients informed of progress, and understanding their business/policy environment. These results have fed into the GLD Client Care Plan for 2020-21, the objectives of which are to strengthen client relationships, improve client capability and share best practice in client care.

Lexcel

Lexcel is the Law Society's legal practice quality mark for practice management and client care. GLD litigators across Litigation, Employment and Commercial Law Groups again successfully met the Lexcel standard, with an improved performance on last year. GLD met the standard with no areas of non-compliance and demonstrated 39 areas of best practice. GLD remains a Centre of Excellence.

Full cost recovery

GLD is primarily funded from the fees charged to clients for its legal services. Its fee rates are set in accordance with HMT's publication - Managing Public Money - and are designed to recover the costs incurred by the department. Performance is monitored throughout the year, and on a quarterly basis, GLD undertake a formal exercise to forecast the financial outturn for the year. GLD's commitment to its clients is to ensure that they benefit promptly from better than budgeted financial performance; if this forecasting exercise predicts a significant surplus, GLD evaluate the underlying reasons and assess whether a fee reduction or rebate should be made in-year. This year, we did not forecast a significant surplus and therefore the Board decided not to alter fees charged to clients.

Significant events during the financial year

Government Legal Department

GLD maintained the high quality of its legal services to government, playing a central role in advising on all aspects of the process of EU Exit and its domestic implementation. GLD lawyers worked intensively on the European Union (Withdrawal Agreement) Act 2020, which implements in UK law the Withdrawal Agreement between the UK and the EU, and paved the way for the UK to leave the EU on 31 January 2020.

GLD helped to deliver the rest of the government's full legislative agenda and advised on some of the highest profile issues of the year. This has included an intense period of work related to Covid-19 towards the end of the financial year.

GLD launched its refreshed Strategy covering 2019-24, the new strategy makes clear its strong ambitions on leadership, further professionalisation, growth and improvement, inclusion, wellbeing and reward.

Resourcing has continued to be a challenge despite the level of recruitment activity, and increased use of paralegals as well as external legal resources. An EU Taskforce continued its work to plan resource needs as government prepared for the possibility of a No Deal Exit from the EU and to ensure an agile response to shifting demands.

In May 2019 GLD submitted a pay business case to Cabinet Office and HMT for delegated grades to reform the departmental pay structures. The business case is currently awaiting approval. The business case covers all staff, both lawyers and support staff in delegated grades.

The Government's Estates Strategy (2018) set out to reduce the size of the estate in central London, whilst also creating great places to work and enabling smarter working. As part of the strategy, it was agreed that GLD's head office would move from One Kemble Street in Holborn to 102 Petty France (on the Whitehall Campus) in Westminster during summer 2019. The move was the biggest Change Programme undertaken by GLD in recent times and has been an undoubted success.

By way of case studies and commentary, the GLD Annual Report and Accounts 2019-20 provides substantial details of significant events and achievements. It is available at: www.gov.uk/gld.

Attorney General's Office

The AGO supported the Law Officers on policy, legislation, and negotiations and in providing timely, problem-solving legal and constitutional advice on issues across all areas of the government's work. On the wider international side, the Law Officers dealt with legal issues in the areas of trade, security and foreign policy. The Attorney General visited Strasbourg to represent the UK in an intervention in a case before the European Court of Human Rights on the extraterritorial application of the Convention to embassies (also representing the views of Norway, France and Luxembourg), where the minister also made a statement to the Committee of Ministers and met with the Secretary General of the Council of Europe.

This year the Attorney continued to work with the Director of Public Prosecutions and Director of the SFO to modernise the sponsorship relationships. Building on Framework Agreements and Memorandums of Understanding introduced last year the Attorney General ensured governance practice is embedded. The Attorney General chairs ministerial Strategic Boards providing support and oversight, and welcomed a newly appointed cohort of non-executive directors.

The AGO provided high quality support across all the Law Officers' core functions. The Law Officers accomplished a wide variety of Parliamentary business in both Houses, including departmental oral questions every six weeks. Working closely with the Office of the Advocate General for Scotland, the AGO scrutinised around 65 Bills in 2019, supporting the Law Officers' role in the Parliamentary Business and Legislation (PBL) Committee and working with departments to find solutions to legal difficulties in proposed legislation. In 2019 the AGO responded to 181 parliamentary questions, answering 99% within the deadline; 294 MP letters, answering 94% within the deadline; and 612 Cabinet write rounds.

The AGO continued to manage a high number of potentially unduly lenient sentence cases, dealing with almost a thousand in 2019 (984 in 2019, compared with 1,066 in 2018 and 943 in 2017). Of those, 529 cases were within the scope of the unduly lenient sentence scheme, requiring personal consideration by a Law Officer, and 87 were referred by a Law Officer to the Court of Appeal. The Court of Appeal granted leave on the merits in 79% of these cases, agreed the sentence was unduly lenient in 70%, and increased the sentence in 68%. AGO also dealt with a number of complex and high-profile contempt cases.

The Law Officers continued more generally to work closely with the Justice Secretary, the Home Secretary and the senior judiciary to deliver an effective criminal justice system for victims and the public, and to ensure that wider government programmes reflect a clear understanding of the work of prosecutors.

As Criminal Justice Policy has evolved over the last 12 months the AGO supported the Attorney to play a central role in emerging governance structures and the minister sits on the Criminal Justice Taskforce alongside the Prime Minister, Lord Chancellor and Home Secretary.

Following the Attorney General's review of disclosure last year, a consultation on amended Guidelines was published. Aimed at prosecutors, investigators and defence practitioners, the new guidelines seek to give clear guidance on disclosure and help support improved performance of disclosure obligations.

In July 2019 the Attorney successfully hosted the 10th Quintet meeting of Attorneys General. Attorneys and representatives from the United States, Canada, Australia and New Zealand met in London and discussed corporate criminal liability, sentencing frameworks, hostile state activity, social media and data privacy issues, and artificial intelligence. They also signed a statement on international cooperation on cybercrime. Additionally, they joined Interior Ministers attending the annual Five Country Ministerial (FCM) meeting for a joint discussion.

HM Crown Prosecution Service Inspectorate

HM Crown Prosecution Service Inspectorate has delivered a full inspection programme of the CPS and SFO, including two joint inspections with HM Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). The Attorney General also commissioned, as part of the government's Rape Review, an Inspection into how rape cases are handled in the CPS. This was a significant piece of work with a tight deadline. The report was published in December 2019.

The following reports, which are available at: www.justiceinspectors.gov.uk/hmcpsi/our-reports were published this year:

- Cymru-Wales AAP Report (May 19)
- South West AAP Report (May 19)
- Criminal Justice Joint Inspection Programme consultation (2019/20)
- Serious Fraud Office Leadership Review (Jul 19)
- CJI business plan (2019/21)
- The poor relation: The police and Crown Prosecution Service's response to crimes against older people (Jul 19)
- Handling Defence Correspondence (Aug 2019)
- Area Assurance Programme Composite Report (Oct 19)
- Case Progression in the Serious Fraud Office (Oct 19)
- Rape Inspection 2019 (Dec 19)
- Disclosure (Jan 20)
- Evidence Led Domestic Abuse Prosecutions (Jan 20)
- Youth Serious Crime (Mar 20)
- Use of Agents in the CPS (Mar 20)

Future Development

Government Legal Department

GLD's immediate priority for the forthcoming period will be to ensure the health and wellbeing of our people and that the government receives first class legal services to develop and implement its policies and deliver public services in response to the Covid-19 pandemic. At the time of producing this Annual Report there is no certainty about the scale or duration of the emergency, or the impact and demands on GLD. Our response will therefore need to be highly flexible and we may need to adjust our priorities and plans.

Subject to that, GLD will also continue to provide high quality legal support for the implementation of the new government's agenda. A particular priority will be providing effective and joined-up legal advice on issues concerning the Withdrawal Agreement with the EU, the Transition Period and negotiations with the EU on our future relationship, as well as negotiations with other countries, such as the United States.

GLD also aims: to increase the scale, effectiveness and diversity of our recruitment by improving our attraction and branding, and implementing a new capability driven pay framework; further enhance and embed our leadership framework: to equip our people to lead and deliver the changes to become a modern and fit for purpose organisation; to tackle issues around how we manage, reward, develop and promote our people fairly, particularly our ethnic minority and disabled colleagues and taking steps to develop inclusive leadership and the skills and behaviours to build effective working relationships.

There will be a continued focus on legal capability, reducing the time it takes new joiners to become fully effective in their roles, and increasing the support we give to new clients working with us, as well as strengthening our innovation capability and culture, so that GLD encourages innovation, where good ideas are listened to, objectively evaluated and acted on.

GLD will continue to exploit the opportunities of locations outside of London, initially in Leeds and Croydon, to attract, recruit and retain staff, and reduce our costs of occupation, and assess the opportunities that emerging digital tools and technologies, can bring to improve the effectiveness and efficiency of our support services and legal service provision to our clients.

Further details will be contained in the GLD 2020-21 Business Plan, which will be available at: www.gov.uk/gld.

Attorney General's Office

The AGO will continue to provide a range of high quality legal and strategic policy advice and casework in support of the Law Officers. The AGO will also continue to improve partnership working, build capability and ensure increased efficiency for the Office and the Law Officers' Departments as a whole.

Further details will be contained in the AGO 2020-21 Business Plan, which will be available at: www.gov.uk/ago.

Her Majesty's Crown Prosecution Service Inspectorate

HMCPsi will continue to provide evidence for others to hold the CPS and SFO to account in order to encourage improvement in the performance of the prosecution services. It will work with the inspected agencies to identify and promote good practice and continue to undertake a robust follow-up process.

Further details are shown in HMCPsi's 2020-21 Business Plan, to be available at: www.justiceinspectors.gov.uk/hmcpai.

Sustainability Performance

All departments are required to participate actively in developing action plans to achieve and report their performance against the 'Greening Government Commitments' (GGC).

A summary of the department's performance and action taken in 2019-20 to improve sustainability is provided in the Sustainability Report at Annex A (page 82).

Complaints to the Parliamentary Ombudsman

There were no complaints to the Parliamentary Ombudsman regarding GLD, the AGO or HMCPSI.

Performance in responding to correspondence from the public

GLD does not normally receive correspondence from members of the public since it conducts the majority of its business with other government departments. When it does receive such correspondence, it normally relates to the way cases have been handled or people feeling they were treated unfairly. Eight formal complaints were received by the Treasury Solicitor between 1 April 2019 and 31 March 2020 and they were dealt with within the published target of 10 working days. In the calendar year 2019, GLD received 199 Freedom of Information (FOI) requests, responding to 89% within the deadline.

The AGO received 270 FOI requests in 2019. 259 FOI requests (96%) were responded to within the 20 working day statutory deadline.

HMCPSI does not normally receive correspondence from members of the public as its business relates entirely to the inspection of the CPS and SFO. Any letters received tend to be complaints about those two services that fall to be dealt with by the CPS or SFO themselves. It received 17 FOI requests, and they were all dealt within the deadline. This year also saw the First Tier Tribunal appeal of an FOI requests which had initially been received by HMCPSI in 2018. The appeal was dismissed and HMCPSI were found to have acted within the Act.

Health and Safety

Government Legal Department

GLD is committed to providing a safe and healthy working environment and has a number of initiatives in place to promote and support the health and wellbeing of its employees. These include:

- a Health and Wellbeing Action Plan
- the provision of display screen assessments and reasonable adjustments for employees
- access to a GP and an annual flu jab programme
- access to an employee assistance counselling service
- training for Fire Marshals, First Aiders and Mental Health First Aiders
- a commitment to various national events, including Mental Health Awareness Week, World Mental Health Day and Time to Talk

A review was carried out of all existing reasonable adjustments provided to staff prior to the move to 102 Petty France, to ensure that these adjustments were maintained, and in some cases, enhanced, at our new flexible working environment provided at 102 Petty France.

GLD's reasonable adjustment policies have been reviewed to ensure that they are in line with the Cabinet Office Civil Service Employee Policy (CSEP), to help ensure that a uniform approach is taken by all departments where GLD staff are located. The aim is to ensure all GLD employees, no matter which building they work from, have ready access to clear and concise guidance on how and where to seek help for support in relation to reasonable adjustments. The GLD Disability Network Group Champion has been heavily involved in agreeing the content of these new policies.

GLD engages the services of the Civil Service Workstation Assessment Service (CSWAS) for advisory services. These services are available to all staff. The Reasonable Adjustment Passport System is used by GLD and is key to helping to ensure that reasonable adjustments are transferred seamlessly between departments.

Attorney General's Office

The AGO applies the GLD approach to identifying and handling health and safety issues within the department. The AGO has qualified fire marshals, first aid providers and display screen equipment assessors on site to support the health and wellbeing of staff. The health and counselling services which GLD provides are also available to the AGO's staff.

Her Majesty's Crown Prosecution Service Inspectorate

Since September 2019 HMCPPI has co-located within GLD's holding in London and are therefore subject to GLD's health and safety checks on the office space. All new employees are offered display screen equipment and workstation assessments and where necessary, employees have been provided with professional assessments to ensure their wellbeing, and new equipment has been purchased and installed where the assessments identified a need.

Consultation with employees

2019 People Survey

Government Legal Department

The annual People Survey is a key measure of our success in delivering GLD's vision to be the 'best employer for our people'. In the 2019 Survey, we achieved an Engagement Index of 65%, a rise of 2% on the 2018 survey, and one point above the average for the Civil Service. The response rate for 2019 was 81%, up 4% on the 2018 response rate.

We saw one percentage point increases in each of the engagement themes related to 'Organisational objectives and purpose' (80%) and 'Inclusion and fair treatment' (83%) a two percentage point increase in 'My manager' (74%), a three percentage point increase in 'My team' (84%) and 'Resources and workload' (77%) and a five percent increase in 'Leadership and managing change' (55%). 'My work' (79%) and 'Learning and development' (65%) remained unchanged from 2018. 'Pay and benefits' (14%) dropped by one percentage point.

The 2018-19 Action Plan launched in response to the People Survey focused on four main areas: Leadership and managing change, to provide staff with a clearer understanding of GLD's vision; corporate initiatives and change projects; communications that support the effective dissemination of information by all GLD managers; and addressing staff concerns about pay and benefits. The 2019-20 Action Plan was launched at the end of April 2020.

Attorney General's Office

The AGO achieves through its people. In the 2019 Civil Service People Survey, the AGO achieved an Engagement Index of 76%, with a response rate of 100%. The engagement result was the highest across Whitehall and is nine points higher than Civil Service High Performers. The AGO Staff Engagement Group led staff discussions on the results with recommendations developed approved by the Executive Board to continue to deliver in areas of high engagement, and support continuous improvement across the Office.

HM Crown Prosecution Service Inspectorate

HMCPSP achieved an Engagement Index of 79% (2018: 69%), with a response rate of 96%. The increase in the Engagement Index was the biggest of all participating organisations, with the Index being 12% above the Civil Service High Performers which meant that HMCPSP is in the high performing organisation category.

The biggest improvements were achieved in 'My work' and 'Learning and development'. A small group has been commissioned to look at the results and produce an action plan before the end of the financial year. This action plan will focus on maintaining engagement levels.

Partnership

GLD has continued to maintain a positive working relationship with the Trade Unions (First Division Association and Public and Commercial Services). Human Resources regularly meet the unions on an informal basis to discuss a range of issues that have an impact on union members, and there are also regular formal Partnership meetings, which include representatives from across GLD, and departmental and national union representatives. Business managers are also encouraged to meet trade union colleagues at an early stage where resourcing levels or workloads may be changing.

GLD also manages the working relationship with the Trade Unions on behalf of the AGO and HMCPSP.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation.

Table 1: Relevant Union Officials

Total number of employees who were relevant union officials between 1 April 2019 and March 2020

	2019-20 No.
Employees who were relevant union officials during the relevant period	26
Full-time equivalent number	25.21

Table 2: Percentage of time spent on facility time

For employees who were relevant union officials employed between 1 April 2019 and March 2020, percentage of their working hours spent on facility time

	2019-20 No.
0%	5
1% - 50%	20
51% - 99%	1
100%	0

Table 3: Percentage of pay bill spent on facility time

For employees who were relevant union officials employed between 1 April 2019 and March 2020, percentage of pay bill spent on facility time

	2019-20
The total cost of facility time (£k)	89.71
The total annual pay bill for Government Legal Department (£k)	162,049
The percentage of total pay bill spend on facility time (%)	0.06%

Table 4: Paid trade union activities

For employees who were relevant union officials employed between 1 April 2019 and March 2020, percentage of time spent on paid trade union activities.

	2019-20
Time spent on paid trade union activities as a percentage of total paid of facility time hours (%)	0%

Financial Results

In delivering its wide range of legal services to its clients, legal and strategic policy advice and support to the Law Officers, and inspection and assessment of prosecution services, the department spent £264.8m. After taking into account income of £252.5m and Resource Annually Managed Expenditure (AME) costs of £0.4m, the net resource requirement for 2019-20 was £12.6m, £6.0m less than the sum approved by Parliament in the 2019-20 Supplementary Estimate for HM Procurator General and Treasury Solicitor.

Total operating income was £252.5m; operating income of £208.2m was generated through charges for legal services provided to clients; £36.3m from the recovery of disbursements incurred in providing legal services to clients; £4.5m was recovered from the Crown's Nominee's Account and other income of £3.6m including rent, service charges, subscription services and the recovery of costs of outward secondments was received. After taking into account costs which are met from the Vote, including the cost of the Attorney General's Office and HMCPSI, GLD met its financial objective to recover the full cost of its chargeable services.

There was capital expenditure of £5.0m against voted capital provision of £5.3m. In addition to the annual cycle of replenishing furniture, fittings and ICT equipment, the main investment this year has been fitting out and furnishing GLD's new head office building at 102 Petty France.

Comparison of Estimate and outturn

GLD underspent by £6.1m; this includes a £3.6m underspend against AME as provisions made were less than originally anticipated, the residual £2.5m underspend relates to Resource Departmental Expenditure Limit (RDEL). GLD operates largely on a demand led, full cost recovery basis. Fee rates are set in accordance with HMT guidance published in Managing Public Money and are designed to recover the direct costs incurred by the organisation. Throughout the year, performance is monitored and on a quarterly basis we undertake a formal exercise to forecast the financial outturn for the year. Our commitment to our clients is to ensure that they benefit promptly from better than budgeted performance; so if this forecasting exercise predicts a significant surplus, we evaluate the underlying reasons and assess whether a fee reduction or rebate/refund should be made in-year. In the event, there was no need to adjust fees in year, with the department over performing only marginally against full cost recovery and with a relatively small underspend against RDEL of under 1% of gross costs.

The AGO spent its budget in full, with a small overspend of £0.2m, arising from higher staff costs.

HMCPSI underspent against budget by £0.2m, due to prudent management of its budget and staff vacancies earlier in the financial year.

The department used 69% of its net cash requirement of £18.1m, due to the underspends on resources and capital, and movements in working capital.

The Capital budget was increased by £2.6m in the Supplementary Estimate, most of this was utilised resulting in an underspend of just £0.3m.

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

£m	2019-20	2018-19
Net Resource Outturn (Estimates)	12.6	0.1
Net Operating Expenditure (Accounts)	12.2	0.1
Resource Budget Outturn (Budget)	12.6	0.1
Of which		
Departmental Expenditure Limits	12.2	1.6
Annually Managed Expenditure	0.4	(1.5)

Publicity and advertising

During the year, GLD applied the required controls in granting exemptions from the freeze on new advertising and marketing spend as follows:

- advertising for the recruitment of Panel Counsel to the Attorney General's Panels; and
- advertising for the recruitment of Legal Trainees

Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There are none to report.

Sir Jonathan Jones KCB QC (Hon)
Accounting Officer
30 June 2020

Accountability Report

Corporate Governance Report

Directors' Report

Directors

The Governance Statement on page 25 includes the ministerial titles and names of ministers who had responsibility for the department for the year, the name of the permanent head of the department and the composition of the GLD Board. Management matters in the AGO are the responsibility of the Director General and HMCPSP is led by the Chief Inspector, who also fulfils the function of Chief Executive.

Pension Liabilities

The employees of the department are covered by the Principal Civil Service Pension Scheme and the Civil Servants and Others Pension Scheme, which are defined benefit schemes. The rates of the employer's contribution are determined from time to time by the Government Actuary and advised by HMT.

Employees joining after 1 October 2002 could opt to open a partnership pension, a stakeholder pension with an employer contribution.

Details of pension arrangements can be found in the Remuneration Report and Note 1.8 to the Accounts.

Register of interests

No directorships or other significant interests, which may have caused a conflict with their management responsibilities, were held by any Board Members. Note 15 to the Accounts confirms that no members of the Board, including Non-Executive Directors, has any related party interests.

Personal data related incidents

All government departments are required to publish information about any serious personal data related incidents, which have to be reported to the Information Commissioner (ICO). Five incidents were reported.

Table 1: Summary of protected personal data related incidents formally reported to the Information Commissioner's Office in 2019-20.

Date of incident	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
1st May 2019	Unauthorised transfer of email to personal email address	Personal data	50	ICO notified. Investigation conducted and no further action taken
17th May 2019	Papers lost in post	Personal data	1	ICO notified. Investigation conducted and no further action taken
15th November 2019	USB sticks temporarily missing in transit. Subsequently located with Royal Mail	Personal data	multiple (contained CCTV footage)	ICO notified
17th January 2020	Papers temporarily missing in transit. Subsequently demonstrated to have been received by addressee	Personal data	1	ICO notified
27 February 2020	Papers missing in transit	Personal data	1	ICO notified

There were no other protected personal data related incidents, which have to be recorded by the department, but which are deemed by the Data Controller not to fall within the criteria for report to the Information Commissioner's Office.

Statement on Information Risk

GLD holds personal data relating to GLD employees and keeps data owned by other government departments in relation to its role as the principal legal adviser to government. It continues to work with delivery partners and third parties to manage effectively the risk of any loss of personal data held by these other bodies.

During 2019-20, the framework for handling data and to provide assurance over the management of information held within GLD has included:

- continued review and production of data handling policies, guidance and awareness training promoting best practice within GLD, including the mandatory completion by all staff of the Civil Service Learning – 'Responsible for Information and Data Protection' and General Data Protection Regulations (GDPR) related e-learning courses
- ongoing review of information assets and their associated risks, including assessments of the third party delivery chain, and the incorporation of information risks within the risk management policy and processes
- maintaining certification against the ISO 27001:3013 information security standard. The department also adheres to the current PSN Code of Connection, Cabinet Office Security Standards and Cabinet Office Security Policy Framework requirements. A new certification achieved this year was a Cyber Essentials Plus certificate, in support of the recently revised Lexcel standard.

Audit

The National Audit Office (NAO) on behalf of the Comptroller and Auditor General audits HM Procurator General and Treasury Solicitor Accounts.

The C&AG also audit the Crown's Nominee Accounts administered by the Bona Vacantia Division of the department.

The auditors provide no further assurance or other advisory services.

Remuneration to external auditors for non audit work

GLD, the AGO and HMCPST did not pay any remuneration to the NAO for non-audit work. The notional audit fee for the departmental audit was £79.5k (2018-19: £75k).

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HMT has directed HM Procurator General and Treasury Solicitor to prepare, for each financial year, Accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the department during the year. The Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the department and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by HMT, 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; and
- prepare the Accounts on a going concern basis.

HMT has appointed the permanent head of the department as Principal Accounting Officer of the department.

In addition, the Principal Accounting Officer has appointed HM Chief Inspector, Kevin McGinty, as Accounting Officer for HMCPSI, to be accountable for that part of the department's Accounts relating to HMCPSI. This appointment does not detract from the head of department's overall responsibility as Accounting Officer for the department's accounts.

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 GLD's assets, are set out in *Managing Public Money*, published by HMT.

Statement regarding disclosure of information to the auditors

As Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the department's auditors are aware of that information. As far as I am aware, there is no relevant audit information of which the auditors are unaware.

I also confirm that this Annual Report and Accounts as a whole is fair, balanced and understandable, and I take personal responsibility for the judgements made to ensure that it is fair, balanced and understandable.

Governance Statement

The Office of the Solicitor for the affairs of Her Majesty's Treasury (the Treasury Solicitor) was incorporated as a corporation sole by the Treasury Solicitor Act 1876.

The Government Legal Department (GLD) is a non-ministerial department and an executive agency. Ministerial responsibility lies with the Attorney General. HM Procurator General and Treasury Solicitor leads the department, in the role of Permanent Secretary and Chief Executive. In addition to being responsible for all financial activity within GLD, the Treasury Solicitor is also responsible for financial matters at the Attorney General's Office (the AGO) and Her Majesty's Crown Prosecution Service Inspectorate (HMCPPI).

Ministers

The ministers who had responsibility for the department during the year were:

- The Rt Hon Suella Braverman QC, MP, Attorney General from 13 February 2020
- The Rt Hon Geoffrey Cox QC, MP, Attorney General until 13 February 2020
- The Rt Hon Michael Ellis QC, MP, Solicitor General from 26 July 2019
- Lucy Frazer QC, MP, Solicitor General from 9 May 2019 to 25 July 2019
- The Rt Hon Robert Buckland QC, MP, Solicitor General until 9 May 2019

Accounting Officer System Statement

As Accounting Officer of the department, I am personally responsible for safeguarding the public funds for which I have been given charge under the name of the HM Procurator General and Treasury Solicitor Estimate. This includes responsibility for GLD, the AGO and HMCPPI. To help me ensure I am fulfilling my responsibilities as an Accounting Officer, this Governance Statement also describes the accountability system in place, and the relationship between GLD, the AGO and HMCPPI.

To support me in discharging my responsibilities, there is a framework of delegated authority in place. The GLD Board also supports me. Management matters in the AGO are the responsibility of the Director General (Rowena Collins Rice) and HMCPPI is led by the Chief Inspector (Kevin McGinty), who also fulfils the function of Chief Executive. The Chief Inspector has been appointed as Accounting Officer for HMCPPI. In accordance with Managing Public Money, this relationship is set out in writing. The Director General of the AGO and the Chief Inspector of HMCPPI meet me regularly and each provides an annual assurance report. The AGO's Director General and officials meet the Law Officers regularly to provide high quality legal and strategic policy advice and support. The HMCPPI Chief Inspector meets regularly with the Law Officers to provide assurance on the practices of the CPS and SFO.

The governance arrangements for the AGO and HMCPPI can be found at: <https://www.gov.uk/government/organisations/attorney-generals-office/about/our-governance>.

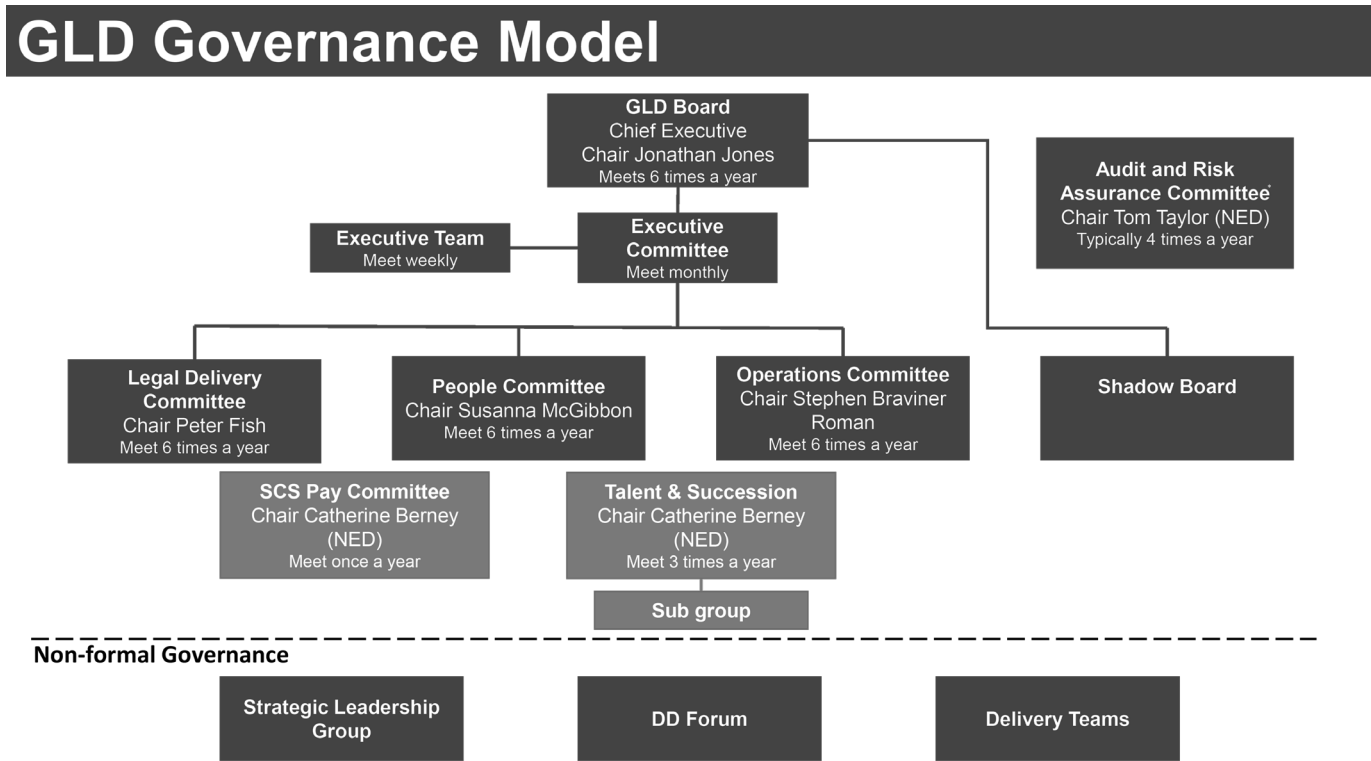
The department enters into contracts with third party suppliers in the normal course of business. There are no significant contracts. GLD administers the Attorney General's Panel Counsel. The Attorney General maintains four panels of junior counsel to undertake civil and EU work for all government departments. There is also a Public International Law Panel to undertake such work on behalf of government. These are in addition to any standing counsel and the First Treasury Counsel, Sir James Eadie QC. There are three London Panels (an A Panel for senior juniors, a B Panel for middle juniors, a C Panel for junior juniors) and a regional panel. The size of each panel is determined by need. All government departments and agencies of government departments must use the Panels.

Working with the Crown Commercial Service, GLD has also reviewed how external legal services are purchased from private sector law firms and has put in a place a General Legal Advisory Services Panel, Finance and Complex Transaction Panel and Rail Panel.

GLD Board and Committees

Following a Governance Review led by Erica Handling, a Non-Executive Director (NED), GLD established a new governance structure from January 2020, to align with, and support implementation and delivery of, GLD’s Strategy for 2019-24. This review took place in response to a recommendation from the GLD Board Effectiveness Evaluation 2017-18, with a view to ensuring that GLD’s governance reflected how the department had evolved following its creation, and effectively supported the delivery of the GLD Core Purpose and Vision.

The new structure is set out below:



*The Audit and Risk Assurance Committee (ARAC) provides assurance to the Accounting Officer and the Board.

GLD Board

Chair: *Sir Jonathan Jones KCB QC (Hon)*

The GLD Board focuses on strategic matters for the department. It supports the Treasury Solicitor in providing leadership of GLD. It sets GLD's vision and strategic direction.

Executive Committee (from January 2020)

Chair: *Sir Jonathan Jones KCB QC (Hon)*

The Executive Committee reports to the Board. It oversees the operational management of all aspects of the department.

The Executive Committee has three sub committees which provide assurance, challenge and support to the strategic outcomes and key priorities for GLD:

Legal Delivery Committee (from January 2020 - previously the Legal Quality Committee)

Chair: *Peter Fish CB, Legal Director General C*

This provides oversight and assurance in relation to the quality and efficiency of GLD's legal work and oversees client relationships. It oversees and supports the development of activities in relation to legal knowledge training and induction, client capability, and innovation in the delivery of legal services.

Operations Committee (from January 2020)

Chair: *Stephen Braviner Roman, Legal Director General A*

This provides oversight and assurance in relation to the delivery of non-legal priorities, including Corporate Services and Bona Vacantia, by monitoring performance and supporting the development of strategic priorities within its remit, including the Accommodation and Location Strategy, the Digital and Technology Strategy and the Management Information Strategy.

People Committee (from January 2020)

Chair: *Susanna McGibbon, Legal Director General B*

The People Committee exercises strategic oversight of the People Strategy and the underpinning strategies within its remit, including the Diversity and Inclusion Strategy and Talent and Succession Management. It promotes health and wellbeing activities; supports activities to build leadership amongst staff; actively reviews the skills and capabilities needed to deliver outstanding legal and corporate services; reviews activities to attract, recruit and retain GLD staff; and drives improvements in response to the People Survey.

Audit and Risk Assurance Committee

Chair: *Tom Taylor, Non-Executive Director*

The Audit and Risk Assurance Committee (ARAC) provides assurance to the Accounting Officer and the Board. It supports the Accounting Officer by monitoring and reviewing the department's risk, control and governance processes, and the associated assurance processes, including external and internal audit. The membership of the Committee includes one Non-Executive Director, in addition to the Chair, and an additional independent member, Jenny Rowe, the former Chief Executive of the Supreme Court.

The ARAC met four times in 2019-20. It considered the Annual Report and Accounts for 2018-19, and the External Auditors' opinion. The Committee was satisfied with the quality of the external auditors work and their approach to their responsibilities.

The Committee also considered the findings contained in management letters and reports prepared by the Head of Internal Audit based on an Internal Audit Plan agreed in advance by the Committee and monitored the implementation of internal audit recommendations.

The ARAC was satisfied that assurances provided by the various internal audit reports met the requirements of the Board and the Accounting Officer.

The Committee also considered the GLD position on fraud, risk management and security.

Two committees were dissolved in December 2019:

Performance and Client Committee

Chair: *Stephen Braviner Roman, Legal Director General A*

This was responsible for overseeing the health of GLD by monitoring the services delivered to all our clients and staff. It reviewed GLD's performance against standards and targets, celebrated success and identified improvement activities, where needed. The Committee oversaw the implementation and delivery of a Client Care Plan resulting from the annual Client Satisfaction Survey and monitored the functioning of new ways of working. The Committee also supported the Board in providing assurance on the annual budgeting and forecasting process.

Change Delivery Committee

Chair: *Anna Sanders, Director of Strategy, People and Culture*

This managed change activities in GLD by taking the long term corporate strategy and policies and turning them into programmes and projects with defined outcomes.

Membership of each Committee is drawn from GLD's Strategic Leadership Group and each has one of the Non-Executive Directors as a member:

- Tom Taylor – Operations Committee (and until its dissolution the Performance and Client Committee)
- Catherine Berney – People Committee
- Erica Handling – Legal Delivery Committee

GLD Board Members:

Membership of the GLD Board as at 31 March 2020 was as follows:

Executive members:

-	Sir Jonathan Jones KCB QC (Hon)	HM Procurator General and Treasury Solicitor
-	Stephen Braviner Roman	Legal Director General A
-	Susanna McGibbon	Legal Director General B
-	Peter Fish CB	Legal Director General C
-	Anna Sanders	Strategy, People and Culture Director
-	Nick Payne	Finance and Operations Director

Non-Executive members:

Catherine Berney took up her appointment as People and Culture lead NED, on 15 October 2018 and is Chair of both the Senior Civil Servant (SCS) Pay and Talent & Succession committees. Catherine is a qualified organisational psychologist and solicitor, with a background in private practice and international finance. She has held a previous NED role for Arts Inform, an organisation that seeks to build links between the creative and cultural industries and the London schools system, in addition to chairing a local community association. Catherine leads a consultancy firm and brings considerable experience to GLD in leadership, strategic direction, communications and talent development.

Erica Handling joined GLD on 29 October 2018, as lead NED for Legal Quality. Erica brings experience and expertise to GLD having worked as head of large legal departments in private practice and in-house (where she introduced a range of procedural and technological efficiencies). Her previous roles have included General Counsel for Europe at BlackRock and Barclays Investment Bank and Head of Securities and Structured Finance at Ashurst LLP. She is currently working as an executive coach and yoga teacher. She is also currently acting Chair of Working Chance (charity).

Tom Taylor is Deputy Board Chair, Audit and Risk Assurance Committee Chair and the NED on the Operations Committee. He took up his appointment on 24 September 2018. He is a dual qualified accountant who has worked in the energy, health, education, water, agriculture, environment and manufacturing sectors. He has more than 30 years' experience working at Board level in the public, private and third sectors as a Chair, Non-Executive Director, Chief Executive, Finance Director and Commercial Director. Tom currently holds a number of roles in various government departments. He is Chair of the NHS Counter Fraud Authority, a Non-Executive Board Member for the Northern Ireland Government Department of Finance (where he is Chair of NI Statistics and Research Agency Audit and Risk Committee and a Member of the Departmental Audit and Risk Committee) and also an Independent Member of Her Majesty's Revenue & Customs Audit and Risk Committee. From 2015 – 2018, Tom was Wales Chair for the Consumer Council for Water - the Consumer Watchdog for over three million residents of Wales and Herefordshire. From 2012 – 2018, Tom was a Non-Executive Director for the English Education Regulator, the Office of Qualifications and Examinations Regulation (where he was Chair of the Finance Committee and a member of the Enforcement Committee).

GLD Board attendance

The GLD Board met ten times between April 2019 and March 2020, with attendance as follows:

Executive Members	Eligible to attend	Attended (to end March)
Jonathan Jones	10	10
Peter Fish	10	10
Susanna McGibbon	10	10
Stephen Braviner Roman	10	9
Anna Sanders	10	10
Nick Payne	10	10
Non-Executive Members		
Catherine Berney	10	9
Erica Handling	10	9
Tom Taylor	10	9

The work of the GLD Board covers the five main areas expected by the Corporate Governance Code:

- Strategy – setting the vision;
- Commercial focus – scrutinising the allocation of resources to achieve plans; ensuring controls are in place to manage risk;
- Talented people – the Board has a People Strategy to help ensure that GLD has the capability to deliver and to meet current and future needs;
- Results focus – the Board agrees the annual Business Plan and monitors and manages performance against the Plan; and
- Management information – the Board receives a monthly Performance Report containing clear, consistent and comparable performance information.

The GLD Board's performance

GLD adheres to centrally set standards of good governance practice for government departmental boards and follows the Board Effectiveness Evaluation process, recommended in guidance produced by the Cabinet Office.

The GLD Board Effectiveness Evaluation for 2018-19, made recommendations relating to: Board development (improving team-work and productivity); improving the quality of board papers and timings; and improving Management Information processes and requirements.

In 2019-20, the GLD Board have used their two Away Days to focus on team building using an external facilitator, to improve their productivity as a team. They took part in Leadership Behaviour training, which is now being rolled out to all teams with the department and involved each Board member making a personal commitment and forming a buddy relationship with another member of the Board. They have also held two extended sessions, outside of the usual Board meetings, to work together on strategy development.

New templates have been developed to address the quality and timing of Board papers, along with clear guidance on what information should be included. This has helped to standardise and improve the quality of papers. Intranet pages for the Board, Committees and the Strategy and Governance Team have been updated to make these documents readily available to staff.

A light touch Board Effectiveness Evaluation for 2019-20 is currently underway and comprises:

- Board members completing questionnaires, devised in line with the Guidance and reflecting the previous year's evaluation recommendations;
- Year-on-year analysis of responses;
- Desk research (focusing inter alia on attendance levels, effectiveness of agenda setting and of the information flow and efficacy of the content and format of management information).

The process continues as recommendations arising from the evaluation are being put to the Board.

Compliance with the Corporate Governance Code

The Corporate Governance Code Relevant to Central Government and accompanying Protocol apply primarily to ministerial departments. This means that the key provisions relating to the composition of boards do not apply to GLD; specifically the involvement of ministers and the requirement to have roughly equal numbers of ministers, senior civil servants, and Non-Executive Directors.

Although GLD is not required to have a 'lead NED' (whose role is one of supporting the Secretary of State in his or her role as Chair of the Board), Tom Taylor has been appointed as deputy chair of the Board and the remaining lead NED functions have been shared between all of the NEDs.

Risk Management

Risk management is carried out in accordance with HMT Risk Management guidance. Regular risk reviews are undertaken and risk registers are maintained corporately and for each Group and Division. The GLD Board identifies and determines the appropriate risk appetite and monitors and manages key strategic risks.

The ARAC provides a challenge function to the department's risk management arrangements, including deep dive reviews, Internal Audit reviews and the assurance of processes. The Committee is supported in its work by the Risk Management Group, with membership drawn from Divisional Risk Managers. Its role is to share and promote best practice and lessons learned, encourage networking, promote risk improvement, and to provide additional challenge and report periodically to the Committee.

Risk management is embedded at every level in the department by encouraging empowerment and delegation so that risks can be managed proactively by those with the local knowledge and experience, and who are held accountable for the effective management of those risks.

The process is to identify and evaluate a risk, determine an appropriate response and actively manage the response to ensure that GLD's exposure is limited to an acceptable level.

Strategic risks are agreed by the GLD Board and monitored by the ARAC, and each key strategic risk is owned by a Board member. The risks and actions to mitigate them are reported monthly to the Executive Committee¹, and the Board. The strategic risks and the actions to mitigate them are detailed in the GLD Business Plan.

¹ Performance and Client Committee until December 2019

Risk Profile

For GLD, the UK's withdrawal from the European Union presented a significant challenge in terms of legal demand, its ability to resource this and its reputation with its clients. The outbreak of Covid-19 towards the year end added major new challenges in terms of meeting the intense demands for legal services related to the outbreak whilst managing the impact of the virus on our workforce, as we adapted to much more remote working and new use of technology while supporting the health and wellbeing of our people.

The potential impact of these challenges, which also impacted on its ability to deliver business as usual, are recognised in its key strategic risks and mitigating actions, which are:

Risk Category	Risk Description	Actions to Treat/Tolerate/Transfer/Terminate
Commercial	We are unable to manage the demands placed on us, as they do not match the expected levels forecast by our clients.	Annual business planning and regular progress meetings with clients to assess demand. Directors' weekly and monthly reports. Flexible use of internal and external resources to meet changes in client demands. Close monitoring of casework trends. Time recording reports. MoUs agreed with clients setting out how in-year demand changes will be dealt with. Ability to redeploy and/or release excess staff.
Operations	We damage the confidence, trust and relationships with our clients, the judiciary and other stakeholders, as the quality of our work falls below the standards both we and they expect.	A focus on effective line management, a strong culture of sharing legal knowledge and raising capability through effective legal induction and core curriculum training. The continual development and deployment of legal knowledge tools, training and quality policies and procedures. Quality Assurance panels. Lexcel accreditation. JCSI and Merit Committee reports. Feedback from the AGO, LCJ and OPC. Client Satisfaction Survey and NED client 'deep dives.' Client Services Forum and Client Care Action Plan.
People	We cannot recruit or retain sufficient numbers of people to deliver the breadth and quality of legal services our clients' need.	Recruitment and retention of staff with the necessary skills. Effective workforce planning, and our annual Resourcing Cycle, including the deployment of staff to expand client and work experience. Improving the Employment Offer. A focus on diversity and inclusion and the promotion of health and wellbeing. Increased use of Apprenticeships and of paralegals. Access to agency staff, locums and secondees or outsourcing to law firms or panel counsel.
People	We have insufficiently competent, experienced and skilled professional and support staff to deliver the breadth and quality of legal services required by our clients.	The provision of learning and development opportunities to build and refresh capabilities, knowledge, and skills. Leadership and management development at all levels. Succession planning and Talent management. Improving the Employment Offer. Access to external expertise through legal panels and panel counsel.
Financial	We fail to achieve full cost recovery, as our clients cannot afford to pay for our legal services, or are unwilling to pay, as they do not believe that the services we provide or procure offer the best possible value for money.	Close engagement with clients to ensure that we can respond to their budget pressures, including the redeployment of staff and the use of different delivery models. Building client capability so that they know when to come to GLD for advice and support, and when they don't. Ensuring that we operate an efficient business, keeping our fixed fees and hourly rates to a minimum. Client Satisfaction Survey and NED client 'deep dives.' Transparency in determining fixed fees and hourly rates. The provision of activity case related management information to clients.
Property	Our staff, contractors or visitors suffer injury or harm, in the workplace or in the course of their work.	Adherence to health and safety policies and processes. Mandatory bomb/fire, health and safety training and exercising. Training of First Aiders, and Mental Health First Aiders. Staff communications to reinforce PHE/NHS advice and building cleaning and physical security controls, e.g. guarding, CCTV, secure door entry, etc.
Strategy	Significant external events may have an adverse impact on our ability to deliver legal services to our clients and/or achieve full cost recovery, or results in a major loss of information.	Contingency arrangements to reduce the risk of service disruption. Business Continuity exercising, planning and testing, including critical role succession planning. Remote working capability. Disaster Recovery Centre capability. ISO 22301 accreditation
Security	A major loss of our, or our clients', information or assets, or a cyber-attack, which has an adverse impact on our ability to deliver legal services to our clients and/or to achieve full cost recovery.	Adherence to information security policies and procedures. Mandatory information management training. Internet access policy and blocked site access. Use of CJSM to securely communicate with counsel. Penetration testing, the use of active cyber defence tools, security patching applied regularly, and daily backups, with tapes stored offsite. Building intruder detection systems, security guards, protective enclosures and protective monitoring systems. ISO 27001, PSN and Cyber Essentials Plus accreditation.

The AGO's strategic risks relate to capacity and capability; ineffective knowledge management; poor stakeholder relationships; failure to protect the AG's interests and security. Mitigations include: recruitment processes, introduction of knowledge management leads and a programme of work to increase resilience and effectiveness; framework agreements with key stakeholders; effective intelligence gathering and cross-Whitehall engagement; and the implementation of additional security measures.

The risks which HMCPSI recognised this year related to resources and resilience, reputational damage and the impact on staff morale. Action has been taken to mitigate these including moving to a more flexible programme of inspection, the use of associate inspectors and stakeholder engagement.

Security and business continuity

Client data security remains critical and is assured by GLD's adherence to Cabinet Office Security Standards, maintaining ISO 27001 certification and Public Service Network (PSN) accreditation. Additionally, this year the department has attained a Cyber Essentials Plus certificate, which is a requirement of the latest version of the Lexcel standard. Cyber resilience is maintained through comprehensive penetration testing, vulnerability management and protective monitoring policies.

GLD continues to contribute to work carried out by the Cabinet Office on the wider security transformation agenda and is actively contributing to the government-wide security governance review. We are additionally working with the National Cyber Security Centre to improve cyber security resilience and have implemented the General Data Protection Regulations (GDPR). All staff have completed mandatory Information Security and GDPR courses to ensure staff are fully aware of their responsibility to keep information secure.

Further detail on information risk is contained in the Directors' Report on page 21.

GLD enjoys a high level of client satisfaction and it is essential that it is able to maintain its high quality service in all circumstances. Business continuity is assured through the maintenance of an ISO22301 aligned business continuity management system and a comprehensive suite of recovery plans. Incident management exercises are carried out and GLD's disaster recovery facilities are tested on a regular basis. The GLD disaster recovery site has remote access capacity, resilience and security, which reduces the risk of service disruption should the GLD head office be unavailable. A complimentary plan, to assist the organisation during the Covid-19 pandemic, was developed during the year. This was supported by Divisional staff succession plans, the aim of which are to ensure all critical posts and activities are adequately covered during periods of excess staff absence.

Whistleblowing

Anna Sanders, Director for Strategy, People and Culture, is the GLD Board member with responsibility for whistleblowing in GLD. She works with the ARAC, which has been given the role of assuring GLD's processes and reviewing whistleblowing numbers and cases, and the lessons to be learned from them.

The ARAC has considered quarterly reports on whistleblowing from the Director of Strategy, People and Culture throughout 2019-20, and has reported to the GLD Board on a six-monthly basis. There were no whistleblowing incidents in 2019-20. Attention has continued to focus on what more can be done to encourage potential whistleblowers to come forward and via other channels through which staff may express concerns.

Civil Service HR (CSHR) is currently reviewing the Whistleblowing policy to better support a culture across the Civil Service. New materials will be available in August 2020.

The ARAC has reviewed bullying and harassment data from the People Survey across the department between 2014 and 2019. This identified areas within the department where bullying and harassment appears to be unacceptably high. A refreshed Diversity & Inclusion strategy, which included ways that GLD is taking action to ensure that the culture is inclusive, supportive and respectful, was launched in June 2019 and the departmental People Survey Action Plan was published at the end of April 2020.

Effectiveness of the risk management and governance framework

Assurance is provided, inter alia, by the work of the Internal Auditors. In his Annual Assurance Report, which offers an opinion on the adequacy and effectiveness of risk management, control and governance, the Head of Internal Audit gave a moderate level of assurance. In his opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

Assurance on information handling in GLD provided by the Senior Information Risk Owner, Nick Payne, Finance and Operations Director, supported by the Security Team and the work of the Security Advisory Group.

GLD Directors, the Director General of the AGO, and the Chief Inspector, HMCPSI, provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by the ARAC.

As part of the GLD business planning process, the Treasury Solicitor holds Panel Reviews with all Executive Team Members to challenge their bids for resources. The Treasury Solicitor also holds annual Accountability Reviews with the Director General of the AGO, and the Chief Inspector HMCPSI, to review in year progress against objectives, financial management and the delivery of value for money and to seek assurances on internal control and other governance matters.

At the end of each quarter, GLD conducts a formal forecasting exercise. GLD Directors, the Director General of the AGO, and the Chief Inspector HMCPSI, are asked to review their resourcing priorities and relevant income and expenditure against budget and to forecast their year-end position. This information enables the Executive Committee² and the Board to identify areas of concern and, if necessary, to review and consider the allocation of resources in meeting GLD strategic outcomes and key priorities. From quarter two, it also enables consideration of potential in-year fee reductions and rebates/refunds, where a surplus is forecast, or increases if a deficit is forecast.

External assurance of GLD's Litigation standards is provided by the Law Society (the Lexcel Standard), and of information system standards by Lloyd's Register Quality Assurance Ltd ISO27001.

These processes highlighted no issues of significance to the corporate health or operations of HM Procurator General and Treasury Solicitor in 2019-2020.

² Performance and Client Committee until December 2019

Remuneration and Staff Report

Remuneration Report

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. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this Report hold appointments, which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at: <https://civilservicecommission.independent.gov.uk/>.

Remuneration Policy

The Prime Minister, following independent advice from the Senior Salaries Review Body, sets the remuneration of senior civil servants. The Review Body 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, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body has regard to the following considerations:

- The need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- Regional/local variations in labour markets and their effects on the recruitment and retention of staff
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services
- The funds available to departments as set out in the government's departmental expenditure limits; and
- The government's inflation target

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at: <https://www.gov.uk/government/organisations/office-of-manpower-economics>.

Permanent Secretaries are paid within the Permanent Secretaries pay range. The exact position on the pay range is set individually for each Permanent Secretary by the government on the recommendation of the Permanent Secretaries Remuneration Committee (which the government normally expects to accept). The Committee comprises members of the Senior Salaries Review Body (SSRB), the Head of the Home Civil Service and the Permanent Secretary of HMT.

Senior Civil Service (SCS) Pay Committee

The function of the SCS Pay Committee is to determine the department's SCS pay strategy and, after performance appraisals have been completed, to assess the relative contribution of the department's SCS members in achieving the department's strategic outcomes and key priorities, before determining non-consolidated performance related pay awards, and to make final pay decisions.

The SCS Pay Committee at the relevant time (August – September 2019) comprised: Catherine Berney – Non Executive Director and Chair, Jonathan Jones, Peter Fish, Stephen Braviner Roman, Rowena Collins Rice, and Susanna McGibbon, with Frances Mills, HR Director, and Chris Chapman, Head of HR Policy & Pay, acting in an advisory capacity.

Consolidated awards (salary increase)

In 2019-20, 1% of the SCS paybill was available for distribution to Group 1 and Group 2 performers. The department was bound by SCS Cabinet Office Practitioner Guidance to increase all eligible SCS to the new minima, with those not benefiting from an increase to the minima receiving an increase of 1% of their salary. A further 0.9% of the SCS paybill was available to address pay progression and anomalies, subject to the criteria set out in the Cabinet Office Practitioner guidance. It was for individual SCS Pay Committees to determine how to distribute the 0.9%. The decision of the SCS Pay Committee was to utilise the pot to raise the GLD SCS1 and SCS2 minima to address the gap between those at the bottom and the top of the pay ranges, and to create greater space between the top of Grade 6 and the bottom of SCS1.

Non-consolidated performance related pay awards

An end of year non-consolidated amount was available for jobholders who were assessed as top performers in the 2018-19 performance year. Two major changes to the SCS performance management system were introduced in 2018-19 as part of a broader review and reform, which was also recommended by SSRB. The changes were the removal of guided distribution and removal of the 25% cap on percentage of SCS eligible for end of year Non-consolidated Performance Related Payment (NCPRP). The assessment of performance against personal objectives included:

- The leadership behaviours exhibited in the achievement of objectives;
- An assessment of the management of resources; and
- The degree to which the jobholder made a corporate impact on the team, for the client and/or the wider department

Non-consolidated performance related pay awards were awarded to those achieving Performance Group 1 performance rating.

In-year non-consolidated awards were made for a maximum of 20% of the SCS cadre, using the overall budget for non-consolidated SCS payments. The criteria used to award these were:

- Exceptional demonstration of departmental values and collaborative approaches taken to contribute to 'One organisation';
- Outstanding contribution to the delivery of a key priority objective;
- Outstanding demonstration of a high quality service to clients;
- Achieving significant cost-effectiveness improvements in specific areas, for example, in terms of advisory or digital delivery; and
- Showing innovation in the way work is delivered or suggesting new ways of working to add value, reduce cost and improve/maintain quality

Note: SCS jobholders who were awarded both an in year payment and end of year payment had their total non-consolidated payments for the year capped at the amount for the annual performance award.

Remuneration (including salary) and pension entitlements

This information has been subject to audit.

The following sections provide details of the remuneration and pension interests of the ministers and most senior management (i.e. Board members) of the department.

Remuneration (salary, benefits-in-kind and pensions)

Ministers	Salary (£)		Pension Benefits (to nearest £1,000) ¹		Total (to nearest £1,000)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
The Rt Hon Suella Braverman QC, MP, Attorney General from 13 February 2020	12,485 ²	-	4,000	-	17,000	-
The Rt Hon Michael Ellis QC, MP, Solicitor General from 26 July 2019	38,641 ³	-	10,000	-	48,000	-
The Rt Hon Geoffrey Cox QC, MP, Attorney General from 10 July 2018 to 13 February 2020	105,577 ⁴	68,552 ⁵	19,000	18,000	125,000	87,000
The Rt Hon Jeremy Wright QC, MP, Attorney General until 9 July 2018	-	25,898 ⁶	-	3,000	-	29,000
The Rt Hon Robert Buckland QC, MP, Solicitor General until 9 May 2019	9,654 ⁷	57,926	1,000	13,000	11,000	71,000
Lucy Frazer QC, MP, Solicitor General from 9 May 2019 to 25 July 2019	9,660 ⁸	-	3,000	-	13,000	-

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

² The figures quoted are for 13 February 2020 to 31 March 2020. The full year equivalent was £94,450.

³ The figures quoted are for 26 July 2019 to 31 March 2020. The full year equivalent was £57,962.

⁴ The figures quoted are for 1 April 2019 to 13 February 2020. The full year equivalent was £94,450. The Rt Hon Geoffrey Cox QC MP left under severance terms on 13 February 2020. He received a compensation payment of £23,612.

⁵ The figures quoted are for 10 July 2018 to 31 March 2019. The full year equivalent was £94,450.

⁶ The figures quoted are for 1 April 2018 to 9 July 2018. The full year equivalent was £94,450.

⁷ The figures quoted are for 1 April 2019 to 9 May 2019. The full year equivalent was £57,926.

⁸ The figures quoted are for 9 May 2019 to 25 July 2019. The full year equivalent was £57,962.

Single total figure of remuneration

Officials	Salary (£000)		Performance Related Awards (£000)		Pension Benefits (to nearest £1,000) ¹		Total (£000)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Jonathan Jones HM Procurator General, Treasury Solicitor, Permanent Secretary and Chief Executive	170-175	165-170	15-20	15-20	57,000	56,000	245-250	240-245
Stephen Braviner Roman Legal Director General A	125-130	120-125	10-15	10-15	50,000	41,000	185-190	175-180
Claire Johnston Legal Director General B until 31 August 2018	-	50-55	-	-	-	2,000	-	50-55
Susanna McGibbon Legal Director General B from 1 September 2018	125-130	70-75	-	10-15	99,000	72,000	225-230	155-160
Peter Fish Legal Director General C	125-130	125-130	-	10-15	29,000	13,000	155-160	150-155
Valerie Cain People and Change Director until 30 November 2018	-	75-80	-	-	-	40,000	-	115-120
Anna Sanders Interim People and Change Director from 25 June 2018. Director of Strategy, People and Culture from 18 December 2018	95-100	70-75	-	10-15	69,000	61,000	165-170	140-145
Nick Payne Finance and Operations Director	125-130	120-125	-	-	54,000	54,000	180-185	175-180
Kevin McGinty HM Chief Inspector of the Crown Prosecution Service Inspectorate	120-125	120-125	-	-	1,000	-8,000	120-125	110-115
Rowena Collins Rice Director General of Attorney General's Office	135-140	130-135	10-15	-	30,000	8,000	175-180	140-145

¹The 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 transfer of pension rights. Where prior year figures have changed this is due to a retrospective update to salary data.

The Non-Executive Directors were paid salaries in the following bands:

Officials	Contract end	Salary (£000)		Benefits-in-kind (to nearest £100)		Total (£000)	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Catherine Berney	October 2021	15-20	5-10	-	-	15-20	5-10
Erica Handling	October 2021	15-20	5-10	-	-	15-20	5-10
Thomas Taylor	September 2021	15-20	10-15	4,800	200	20-25	10-15

The department's Non-Executive Directors necessarily incur travelling and other expenses to attend departmental meetings. The tax liability arising on their reimbursement by GLD is met by GLD and is shown in the table above as a benefit in kind.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the department and thus recorded in these Accounts. In respect of ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration; the salary for their services as an MP (£79,468 from 1 April 2019) and various allowances to which they are entitled are borne centrally.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. The estimated monetary value of benefits in kind which relate solely to the provision of interest free loans for the purchase of season tickets for home to office travel is not included. The amounts involved are disclosed in the salary, allowances and taxable benefit table.

Performance Related Awards

Performance related pay awards (non-consolidated) are based on an individual's performance over the year and are moderated as part of the SCS appraisal process. As the timing of the appraisal process does not allow us to accrue for individual bonuses relating to 2019-20 performance, the awards reported in 2019-20 relate to performance in 2018-19 and the comparative awards reported for 2018-19 relate to the performance in 2017-18.

Pay Multiples

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

The banded remuneration of the highest-paid director in the department in the financial year 2019-20 was £190k - £195k (2018-19: £185k - 190k). This was 3.7 times (2018-19: 3.8 times) the median remuneration of the workforce, which was £51,447 (2018-19: £49,729).

In 2019-20 no (2018-19: 0) employees received remuneration in excess of the highest paid director. Remuneration ranged from £22.8k - £195k (2018-19: £22.5k - £190k). Total remuneration includes salary, nonconsolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value (CETV) of pensions.

Pension Benefits

Ministers	Accrued pension at age 65 as at 31/3/20	Real increase in pension at age 65	CETV at 31/3/20 ²	CETV at 31/3/19 ¹	Real increase in CETV funded by taxpayer
	£000	£000	£000	£000	£000
The Rt Hon Suella Braverman QC, MP, Attorney General from 13 February 2020	1	-	6	3	1
The Rt Hon Michael Ellis QC, MP, Solicitor General from 26 July 2019	2	1	26	16	5
The Rt Hon Geoffrey Cox QC, MP, Attorney General from 10 July 2018 to 13 February 2020	3	1	45	21	14
The Rt Hon Jeremy Wright QC, MP, Attorney General until 9 July 2018	-	-	-	127	-
The Rt Hon Robert Buckland QC, MP, Solicitor General until 9 May 2019	6	-	76	75	-
Lucy Frazer QC, MP, Solicitor General from 9 May 2019 to 25 July 2019	1	-	9	6	2

¹Start date is 31 March 2019 unless the minister was appointed to the department during the year.

²End date is 31 March 2020 unless the minister left the department during the year.

Ministerial pensions

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' etc Pension Scheme 2015, available at: <http://qna.files.parliament.uk/ws-attachments/170890/original/PCPF%20MINISTERIAL%20SCHEME%20FINAL%20RULES.doc>.

Those ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this report). A new MP's pension scheme was introduced from May 2015, although members who were aged 55 or older on 1st April 2013 have transitional protection to remain in the previous final salary pension scheme.

Benefits for ministers are payable from State Pension age under the 2015 scheme. Pensions are re-valued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre and post-2015 ministerial pension schemes.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a minister. CETVs are calculated in accordance with the Occupational Pensions 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.

The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the minister. It is worked out using common market valuation factors for the start and end of the period.

Officials	Accrued pension at pension age as at 31/3/20 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/20 £000	CETV at 31/3/19 ¹ £000	Real increase in CETV £000	Employer contribution to partnership pension accounts Nearest £100
Jonathan Jones HM Procurator General, Treasury Solicitor, Permanent Secretary and Chief Executive	60-65 plus a lump sum of 190-195	2.5-5 plus a lump sum of 7.5-10	1,456	1,331	56	-
Stephen Braviner Roman Director General A	45-50 plus lump sum of 95-100	2.5-5 plus a lump sum of 0-2.5	835	767	27	-
Claire Johnston Director General B until 31 August 2018	-	-	-	982	-	-
Susanna McGibbon Legal Director General B from 1 September 2018	45-50 plus lump sum of 100-105	5-7.5 plus lump sum of 5-7.5	870	757	71	-
Peter Fish Director General C	40-45 plus lump sum of 125-130	0-2.5 plus lump sum 2.5-5	1,009	931	30	-
Valerie Cain People and Change Director until 30 November 2018	-	-	-	1,326	-	-
Anna Sanders Interim People and Change Director from 25 June. Director of Strategy, People and Culture from 18 December 2018	25-30	2.5-5	315	261	37	-
Nick Payne Finance and Operations Director	65-70	2.5-5	1,167	1,079	34	-
Kevin McGinty HM Chief Inspector of the Crown Prosecution Service Inspectorate	60-65 plus a lump sum of 190-195	0-2.5 plus lump sum 0-2.5	1,470	1,468	1	-
Rowena Collins Rice Director General of Attorney General's Office	55-60 plus lump sum of 175-180	0-2.5 plus lump sum of 5-7.5	1,421	1,324	32	-

¹Where prior year figures have changes this is due to a retrospective update to data.

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 four sections: three 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 two 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% of pensionable earnings 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 three 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 uprated 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 two 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.

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 Pensions 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.

Staff Report

Staff costs

	Permanently employed staff	Others	Ministers	2019-20 Total	2018-19 Total
Staff costs comprise:	£000	£000	£000	£000	£000
Wages and salaries	121,684	-	152	121,836	112,805
Social security costs	13,421	-	19	13,440	12,481
Other pension costs	33,363	-	(17)	33,346	23,736
Sub Total	168,468	-	154	168,622	149,022
Agency and contracted staff	-	20,795	-	20,795	18,184
Inward secondments	-	878	-	878	702
Total	168,468	21,673	154	190,295	167,908
Less recoveries in respect of outward secondments	(959)	-	-	(959)	(1,278)
Total Net Costs	167,509	21,673	154	189,336	166,630

No staff costs have been charged to capital.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as 'alpha' are unfunded multi-employer defined benefit schemes but the GLD is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation: www.civilservicepensionscheme.org.uk.

For 2019-20, employers' contributions of £32,991k were payable to the PCSPS (2018-19: £23,421k) at one of four rates in the range of 26.6 to 30.3 per cent of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2019-20 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £357k (2018-19: £315k) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8 to 14.75 per cent of pensionable pay. Employers also match employee contributions of up to 3% of pensionable pay. In addition, employer contributions of £13k (2018-19: £12k), 0.5 per cent 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 these employees. Contributions due to the partnership pension providers at the reporting date were £26k. Contributions prepaid at that date were £nil.

No members of staff retired early on ill health grounds (2018-19: one); the total additional accrued pension liabilities in the year amounted to £nil (2018-19: £nil).

This information has been subject to audit.

Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows.

	2019-20 Number				2018-19 Number
	Total	Permanent Staff	Others	Ministers	Total
GLD	2,519	2,196	323	-	2,362
AGO	49	47	-	2	46
HMCPSI	25	25	-	-	23
Total	2,593	2,268	323	2	2,431

This information has been subject to audit.

Reporting of civil service and other compensation schemes – exit packages

Exit package cost band	2019-20			2018-19		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-	-	-	-
£10,000 - £25,000	-	-	-	-	2	2
£25,000 - £50,000	-	-	-	-	-	-
£50,000 - £100,000	-	-	-	-	-	-
£100,000- £150,000	-	-	-	-	-	-
£150,000- £200,000	-	-	-	-	-	-
£200,000- £250,000	-	-	-	-	-	-
£250,000- £300,000	-	-	-	-	-	-
Total number of exit packages by type	-	-	-	-	2	2
Total resource cost/£	-	-	-	-	30,803	30,803

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

This information has been subject to audit.

SCS by Payband

The number of SCS staff by pay band as at 31 March 2020 was as follows:

	GLD	AGO	HMCPST
SCS 4	1	-	-
SCS 3	3	1	-
SCS 2	28	1	1
SCS 1 and 1A	166	4	-
Total	198	6	1

The HMCPST SCS PB2 is a public appointment equating to a PB2.

Staff composition

The department, including the AGO and HMCPST, continues to promote diversity and inclusion for all and, in particular, continues to maintain a strong gender profile and work to improve the representation of ethnic minority and disabled staff at SCS level and in feeder grades to the SCS.

The gender breakdown of our headcount as at 31 March 2020 was as follows:

	Male	Female
Officials as disclosed in the Remuneration Report	5	3
Non executive directors	1	2
SCS (excluding officials disclosed in the Remuneration Report)	83	114
Employees	799	1,497
Total	888	1,616

Note: includes GLD Board members, Director General of the AGO and the Chief Inspector, HMCPST, but excludes ministers.

The proportion of ethnic minority staff (based on those who have self-declared) at SCS is 10.7% (2018-19: 8.8%). The proportion of all staff is 21.2%. Levels of staff with disabilities (based on those who have self-declared) are 5.4% in the SCS (2018-19: 7.2%) and 7.0% for all staff. Individuals are supported by efficient arrangements for assessments and the implementation of workplace adjustments for those who require them.

Recruitment practice

Resourcing has continued to be a top priority for GLD this financial year, with a number of improvements being made to existing practices, alongside the continued implementation of new initiatives.

Following the successful implementation of Success Profiles, this has provided a much better variety of candidate, utilising both those with experience but also those with future potential. This has ensured that we have a wider pool of candidates to assess and also that are successful. The Success Profiles training has been updated to reflect current practices with a focus on diversity and inclusion.

We have continued our Grade 7 external 'always on' recruitment campaign to recruit across all divisions within GLD and reviewed the practice. We identified that at the end of each 'phase' we were attracting a high number of applicants and as a result we now hold smaller 'phases' of 'always on' which has given us a much higher uptake in applications and more passing the campaigns. As ever we will look to continue to find ways of improving our uptake on this campaign.

The Commercial Law Group (CLGp) have continued to adopt the 'always-on' approach to recruitment, filling a number of vacancies through various 'always on' type campaigns.

Various initiatives including the use of external Statutory Instrument drafters, fixed term appointments, the use of external panel firms, and specialist campaigns have continued to provide resource to GLD this year. A paralegal fixed term appointment scheme was completed this year after the successful pilot last year, with those narrowly missing the benchmark for our Legal Trainee scheme providing resource to numerous divisions across the department.

To ensure the attraction of qualified lawyers and talent into GLD, a piece of work is underway to develop our brand and offer (EVP). The key outputs are to bring to life the GLD's offering to a diverse and quality audience. Crucially the aim is to increase applications from quality candidates. This work has involved interviews and focus groups with key stakeholders to get a real understanding of the points of difference for our audience to formulate the concepts and creatives that can be used on different media sources. This work will then be woven into the other areas within recruitment to ensure our employer brand is captured in the process. To support the EVP regular information is updated on the GLD's Glassdoor (employee review site) page as well as engagement with reviewees. There is also a talent pooling exercise to attract active and passive qualified lawyers, in order to increase registrations, applications and ultimately hires. Potential candidates receive key content on the GLD and profiles of individuals within the organisation. Registrations are then tracked to the point of offer.

The department (including the AGO and HMCPSI) is bound by the Civil Service Commission's recruitment principles, whereby candidates must be appointed in order of merit, after fair and open competition. GLD is subject to annual review from the Civil Service Commission, along with providing quarterly recruitment and diversity figures. The department is also responsible for providing these figures on behalf of the AGO and HMCPSI. We are currently awaiting the outcome for the most recent audit. GLD was awarded a 'good rating' by the Commission last year and strives to achieve this again for 2019-20. The department's systems and processes are also subject to continuous internal review.

Disability adjustments are provided at all stages of the recruitment process, and the department also operates the Guaranteed Interview Scheme (GIS) for candidates that meet the basic criteria. Candidates invited to interview under GIS are contacted to determine whether any reasonable adjustments are required.

Between 1 April 2019 and 31 March 2020, 308 new members of staff were recruited to GLD, the AGO and HMCPSI by means of fair and open competition:

Grade*	Number	Male	Female
SCS	7	2	5
Grade 6	11	5	6
Grade 7	115	29	86
Legal Officer	49	22	27
Legal Trainee	33	9	24
SEO	2	1	1
HEO	13	6	7
EO	68	20	48
AO	10	3	7
Total	308	97	211

*In order of seniority from the Senior Civil Service to Administration Officer.

This reflects the number of staff recruited from outside the Civil Service that have taken up post in 2019-20. The figures do not include those offered, but have yet to take up post.

During the period specified above, there were 29 exceptions to the Civil Service Commission's Recruitment Principles.

Recruitment of temporary lawyers and other professional and support staff

In June 2018, GLD procured a new contract with Alexander Mann Solutions to recruit contingent labour via the Public Sector Resourcing framework introduced by the Crown Commercial Services (CCS). Contingent labour forms part of common goods and services as defined by the Public Expenditure Committee.

Following a review of how central government procures contingent labour, in 2018 CCS procured a new framework for departments with contingent labour requirements. The framework is designed to make savings and provide benefits such as: the use of common technology, managed rate cards with clearly defined HMG business rules, and standard contractual terms and conditions throughout the supply chain.

Under the terms of this agreement, Alexander Mann Solutions represents the interface between GLD and the recruitment agencies to supply temporary agency workers.

The Treasury Solicitor has agreed to the placement of temporary lawyers, other professionals, and support staff in front line posts as vacancies occur and where permanent recruitment is not appropriate. During 2019-20, the department (including the AGO and HMCPSI) recruited 266 temporary members of staff – 100 lawyers and 166 other professional and support staff.

Sickness absence

Overall sickness absence (including the AGO and HMCPSI) was an average of 4.9 working days lost per person (2018-19: 5.7 days). This compares favourably with the Civil Service average of 7.0 days lost per staff year as at 30 September 2018 (most recent available figures). 67% of staff had no sickness absences.

Managers are encouraged to actively manage sickness absence in their area, ensuring that people are supported during any illness, and that any underlying causes are identified and addressed, where possible, through workplace adjustments.

Expenditure on consultancy

Controls on consultancy spending were introduced during 2010-11, but were eased in 2019-20 with an increase in thresholds and broader definitions. Expenditure on consultants has been kept to a minimum with spend in 2019-20 of £144k (2018-19: £101k). Spend relates to work on legal work activity analysis, accommodation strategy, communications review and developing a new pay framework for GLD.

Expenditure on contingent labour

Agency and contract staff are employed within GLD for operational reasons and where there is a need for specialist skills, such as within ICT, where for practical business reasons, the GLD Board has agreed there should be a mixed economy of permanent and contract staff to provide some flexibility to cope with changes in demand. Agency workers are also used to support resourcing where GLD has not been able to attract as many permanent legal staff as is required to manage its business. GLD is looking at its attraction and retention strategy, this is however challenging where the salary offered is less attractive than other government departments and public sector bodies. Total spend this year was £20.8m (2018-19: £18.1m). Agency and contract staff accounted for 14.2% of average FTE for the year (2018-19: 15.6%). To reduce GLD's reliance on agency staff, it undertook several external recruitment campaigns resulting in 308 new members of staff.

High paid off-payroll appointments

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2013, departments must publish information on their high paid and/or senior off-payroll engagements.

For GLD, these engagements are principally made up of two categories of individual:

- In the ICT area, the GLD Board has agreed that there should be a mixed economy of permanent and temporary staff for practical business reasons. During 2019-20, GLD had a number of temporary agency ICT staff on a short term basis (between 6 and 9 months) to undertake specific IT tasks, in addition to some who are there for longer periods
- Temporary agency lawyers, via the Contingent Labour contract, who are filling business critical posts. During 2019-20, GLD ran a number of external recruitment exercises to bring in permanent staff, and to consequentially reduce the dependency on temporary agency legal staff

Details are as follows:

Table 1: For all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last longer than six months

	GLD	AGO	HMCPSI
No of existing engagements as at 31 March 2020	91	-	-
Of which			
No that have existed for less than one year at time of reporting	20	-	-
No that have existed for between one and two years at time of reporting	32	-	-
No that have existed for between two and three years at time of reporting	24	-	-
No that have existed for between three and four years at time of reporting	4	-	-
No that have existed for four or more years at time of reporting	11	-	-

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020 for more than £245 per day and that last longer than six months

	GLD	AGO	HMCPSI
No of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	20	-	-
Of which			
The number of those engagements which were assessed as caught by IR35	18	-	-
The number of those engagements which were assessed as NOT caught by IR35	2	-	-
The number that were engaged directly (via PSC contracted to department) and are on the departmental payroll	-	-	-
The number that were reassessed for consistency/assurance purposes during the year	-	-	-
The number that saw a change to IR35 status following the consistency review	-	-	-

The majority of temporary roles in ICT (including some business analyst roles) were assessed as being out of scope/not caught by IR35. All other roles were assessed as in scope/caught by IR35, due to their nature. Therefore all temporary agency workers engaged in roles outside of ICT (unless specified), must be PAYE or PAYE via an umbrella company. All 18 detailed in the table above as caught by IR35 are PAYE or PAYE via an umbrella company.

Table 3: For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020

	GLD	AGO	HMCPSI
No of off payroll engagements of board members and/or senior officials with significant financial responsibility during the financial year	-	-	-
Total No of officials on payroll and off payroll that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year	9	1	1

Parliamentary accountability and audit report

Statement of Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires HM Procurator General and Treasury Solicitor to prepare a Statement of Parliamentary Supply (SOPS) and supporting notes to show resource outturn against the Supply Estimate presented to Parliament, in respect of each budgetary control limit. The SoPS and related notes are subject to audit.

Summary of Resource and Capital Outturn 2019-20

Note	2019-20			2019-20			2019-20 Voted Outturn compared with Estimate saving/ (excess) £000	2018-19 Outturn Total £000
	Voted £000	Non -Voted £000	Estimate Total £000	Voted £000	Non -Voted £000	Outturn Total £000		
Departmental Expenditure Limit								
Resource <i>SOPS 1.1</i>	14,655	-	14,655	12,233	-	12,233	2,422	1,625
Capital <i>SOPS 1.2</i>	5,300	-	5,300	5,027	-	5,027	273	5,272
Annually Managed Expenditure								
Resource <i>SOPS 1.1</i>	4,000	-	4,000	388	-	388	3,612	(1,527)
Capital <i>SOPS 1.2</i>	-	-	-	-	-	-	-	-
Total Budget	23,955	-	23,955	17,648	-	17,648	6,307	5,370
Non-Budget								
Resource	-	-	-	-	-	-	-	-
Total	23,955	-	23,955	17,648	-	17,648	6,307	5,370
Total Resource <i>SOPS 1.1</i>	18,655	-	18,655	12,621	-	12,621	6,034	98
Total Capital <i>SOPS 1.2</i>	5,300	-	5,300	5,027	-	5,027	273	5,272
Total	23,955	-	23,955	17,648	-	17,648	6,307	5,370

Net cash requirement 2019-20

		2019-20		2019-20	2018-19
	Note	Estimate £000	Outturn £000	Outturn compared with Estimate saving/ (excess) £000	Outturn £000
Net cash requirement	<i>SOPS 3.</i>	18,145	12,473	5,672	5,603

Administration Costs 2019-20

		2019-20		2019-20	2018-19
	Note	Estimate £000	Outturn £000	Outturn compared with Estimate saving/ (excess) £000	Outturn £000
Administration costs	<i>SOPS 1.1</i>	14,355	11,826	2,529	1,625

Figures in the areas outlined in bold are voted totals subject to Parliamentary control. In addition, although not a separate voted limit, any breach of the Administration Budget will result in an excess vote.

Explanations of variance against Estimate and Outturn are given in SOPS Note 1 and in the Performance Report.

Notes to the Departmental Resource Accounts (Statement of Parliamentary Supply)

SOPS 1. Net outturn

SOPS 1.1 Analysis of net resource outturn by section

	Administration			Programme			Outturn	Net total £000	Net total outturn compared with Estimate saving/ (excess) £000	2019-20	2018-19
	Gross £000	Income £000	Net £000	Gross £000	Income £000	Net £000	Total			Estimate	Prior-
							£000			Net total compared with Estimate adjusted for virements £000	year outturn £000
Spending in Departmental Expenditure Limit											
Voted											
A: GLD	257,410	(253,087)	4,323	-	-	-	4,323	6,783	2,460	2,422	(5,592)
B: AGO	5,289	(145)	5,144	407	-	407	5,551	5,309	(242)	-	5,008
C: HMCPSI	2,368	(9)	2,359	-	-	-	2,359	2,563	204	-	2,209
Non-Voted	-	-	-	-	-	-	-	-	-	-	-
Annually Managed Expenditure											
Voted											
D: Provisions	-	-	-	388	-	388	388	4,000	3,612	3,612	(1,527)
Non-Voted	-	-	-	-	-	-	-	-	-	-	-
Total	265,067	(253,241)	11,826	795	-	795	12,621	18,655	6,034	6,034	98

The variance between Estimate and Outturn is due to:

GLD underspent by £6.1m; this includes a £3.6m underspend against AME as provisions made were less than originally anticipated, the residual £2.5m underspend relates to RDEL. GLD operates largely on a demand led, full cost recovery basis. Fee rates are set in accordance with HMT guidance published in Managing Public Money and are designed to recover the direct costs incurred by the organisation. Throughout the year, performance is monitored and on a quarterly basis we undertake a formal exercise to forecast the financial outturn for the year. Our commitment to our clients is to ensure that they benefit promptly from better than budgeted performance; so if this forecasting exercise predicts a significant surplus, we evaluate the underlying reasons and assess whether a fee reduction or rebate/refund should be made in-year. In the event, there was no need to adjust fees in year, with the department over performing only marginally against full cost recovery and with a relatively small underspend against RDEL of under 1% of gross costs.

The AGO spent its budget in full, with a small overspend of £0.2m, arising from higher staff costs.

HMCPSI underspent against budget by £0.2m, due to prudent management of its budget and staff vacancies earlier in the financial year.

SOPS 1.2 Analysis of net capital outturn by section

	2019-20 Outturn			Net total £000	Estimate Net total outturn compared with Estimate saving/ (excess) £000	2018-19
	Gross £000	Income £000	Net £000			Prior- year outturn £000
Spending in Departmental Expenditure Limit						
Voted						
A: GLD	5,027	-	5,027	5,300	273	5,126
B: AGO	-	-	-	-	-	146
C: HMCPSI	-	-	-	-	-	-
Non-Voted	-	-	-	-	-	-
Annually Managed Expenditure						
Voted						
D: Provisions	-	-	-	-	-	-
Non-Voted	-	-	-	-	-	-
Total	5,027	-	5,027	5,300	273	5,272

The Capital budget was increased by £2.6m in the Supplementary Estimate, most of this was utilised resulting in an underspend of just £0.3m.

SOPS 2. Reconciliation of Net Resource Outturn to Net Operating Expenditure

		2019-20 £000	2018-19 £000
Total resource outturn in Statement of Parliamentary Supply	Budget	12,621	98
	Non-Budget	-	-
Less capitalised provision treated as Resource AME		(388)	
Net operating expenditure in Statement of Comprehensive Net Expenditure		12,233	98

SOPS 3. Reconciliation of Net Resource Outturn to Net Cash Requirement

				2019-20 Net total outturn compared with estimate saving/ (excess) £000
	Note	Estimate £000	Outturn £000	
Resource Outturn	<i>SOPS 1.1</i>	18,655	12,621	6,034
Capital Outturn	<i>SOPS 1.2</i>	5,300	5,027	273
Accruals to cash adjustments:				
Adjustments to remove non-cash items:	4			
Depreciation		(3,310)	(2,958)	(352)
Movement on provisions		(4,000)	-	(4,000)
Capitalised provision		-	(388)	388
Other non-cash		-	(80)	80
Adjustments to reflect movements in working capital balances:				
Increase/(decrease) in receivables	9	-	2,102	(2,102)
(Increase)/decrease in payables	11	1,500	(42)	1,542
Less movement in supply creditor	11	-	(3,809)	3,809
Net Cash Requirement		18,145	12,473	5,672

Losses and special payments

HMT's publication, Managing Public Money requires a statement showing losses and special payments by value and by type to be shown where they exceed £300k in total, and those individually that exceed £300k.

There are no significant losses and special payments that need to be reported in accordance with Managing Public Money.

Fees and Charges

Analysis of income from services provided

An analysis of the Government Legal Department's income and associated costs is shown below. The income and expenditure disclosed relates solely to the Government Legal Department and excludes the Attorney General's Office and HM Crown Prosecution Service Inspectorate whose income is non-business in nature and immaterial. Charges for the provision of legal services and administration services to Bona Vacantia Division are set to recover full costs in accordance with HMT's guidance on fees and charges set out in Managing Public Money. This analysis is not for IFRS 8 purposes.

	2019-20				2018-19			
	Income £000	Vote funding £000	Full Cost £000	Surplus/ (deficit) £000	Income £000	Vote funding £000	Full Cost £000	Surplus/ (deficit) £000
Administration income:								
Legal fees and charges to clients	244,909	4,732	249,328	313	229,532	-	222,405	7,127
Recovery of costs from Bona Vacantia	4,492	-	4,492	-	3,943	-	3,943	-
Other income	3,686	-	3,686	-	4,275	-	4,275	-
Non-chargeable work	-	387	387	-	-	394	394	-
Total (GLD)	253,087	5,119	257,893	313	237,750	394	231,017	7,127

In accordance with HMT's guidance a notional cost of capital charge £483k (2018-19 £386k) is included for setting fees and charges and is also reflected in full cost figures for this analysis. The notional cost of capital is not recognized in the financial statements. The cost of capital charge is calculated at the real rate set by HMT (currently 3.5 per cent) on the average carrying amount of all assets less liabilities, except for cash balances held with the Government Banking Service.

Vote funding relates to Public Interest legal work and was provided to support the department's move to a new head office.

Remote contingent liabilities

The department has no contingent liabilities that need to be disclosed under Parliamentary reporting requirements.

Expenditure Tables

This information is not subject to audit.

These tables present actual expenditure for the years 2015-16 to 2019-20 and planned expenditure for 2020-21. Outturn data is consistent with previous years' published accounts and plan years' information is consistent with the Spending Review settlement, adjusted for growth.

The format of the tables is determined by HMT. Table 1 is a summary of the Department's net public spending. Table 2 is a summary of the department's Administration expenditure.

Approval for the spending plans for 2019-20 are set out in the HM Procurator General and Treasury Solicitor Supplementary Estimate 2019-20. The document is available at the HMT website at: www.gov.uk/government/organisations/hm-treasury.

Table 1: Public Spending

£000	2015-16 Outturn	2016-17 Outturn	2017-18 Outturn	2018-19 Outturn	2019-20 Outturn	2020-21 Plan
A: GLD Administration (Net)	(1,519)	(2,596)	(4,190)	(5,592)	4,323	2,090
B: AGO (Net)	4,035	5,453	5,650	5,008	5,551	5,650
C: HMCPSI (Net)	2,798	2,580	2,450	2,209	2,359	3,140
D: Provisions (Net)	(1,623)	(609)	1,525	(1,527)	388	-
Total Resources	3,691	4,828	5,435	98	12,621	10,880
Total DEL	5,314	5,437	3,910	1,625	12,233	10,880
Total AME	(1,623)	(609)	1,525	(1,527)	388	-
A: GLD Administration (Net)	823	1,561	1,938	5,126	5,027	1,400
B: AGO (Net)	-	423	-	146	-	-
C: HMCPSI (Net)	-	-	-	-	-	-
Total Capital DEL	823	1,984	1,938	5,272	5,027	1,400

Table 2: Administration Budgets

£000	2015-16 Outturn	2016-17 Outturn	2017-18 Outturn	2018-19 Outturn	2019-20 Outturn	2020-21 Plan
A: GLD Administration (Net)	(1,519)	(2,596)	(4,190)	(5,592)	4,323	2,090
B: AGO (Net)	4,035	5,453	5,650	5,008	5,144	5,350
C: HMCPSI (Net)	2,798	2,580	2,450	2,209	2,359	3,140
Total Administration Budget	5,314	5,437	3,910	1,625	11,826	10,580
Of which						
Staff Costs	123,886	129,107	152,838	167,908	190,295	203,130
Other Expenditure	67,111	69,599	72,611	71,324	74,077	84,880
Income	(185,683)	(193,269)	(221,539)	(237,607)	(252,546)	(277,430)

Long term expenditure trends

This information is not subject to audit.

Planned net expenditure as agreed with HMT is set out in the Expenditure Tables. The Departmental Expenditure Limit (DEL) Resource funding is to cover the costs of public interest casework (time and disbursements) and the costs of the AGO and HMCPSI. The Spending Review 2015 provided additional funding for GLD for 2018-19 and 2019-20 for its future relocation of its head office, at the end of its lease on One Kemble Street, as part of the Government Estate Strategy. The balance of GLD's operating costs are recovered from its clients. In setting GLD fixed fees and hourly rates, HMT's guidance on fees and charges contained within their publication, *Managing Public Money* is applied. In the 2017 Autumn budget, the Chancellor announced £3bn to fund departments' and Devolved Administrations' essential preparations for leaving the European Union. In February 2019, the AGO received an allocation £0.3m from this funding. This is ring fenced Programme RDEL, specifically for EU Exit preparations, and has been provided for 2019-20 and 2020-21.

The DEL Capital funding allows GLD to invest in improving and developing systems to support its business and meet its accommodation needs. Spending Review 2015 provided for additional funding to enable for the investment in technology as a result of the relocation and to align with the Government Digital Strategy, as well as to meet the fit out costs to TW3 standards of its new building.

Sir Jonathan Jones KCB QC (Hon)
Accounting Officer
30 June 2020

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of HM Procurator General and Treasury Solicitor and of its Departmental Group for the year ended 31 March 2020 under the Government Resources and Accounts Act 2000. The Department comprises the core Department and its agencies. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2019. The financial statements comprise: the Department's 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 Statement of Parliamentary Supply and the related notes, and 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 Department's affairs as at 31 March 2020 and of the Department's net operating expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2020 and shows that those totals have not been exceeded; and
- 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 Department 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Department's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Department has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Department's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 Government Resources and Accounts Act 2000.

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 Department's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.
- Conclude on the appropriateness of the Department'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 Department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my 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 report. However, future events or conditions may cause the Department to cease to continue as a going concern.

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.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Other Information

The Accounting Officer is responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Accountability 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 Accountability Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- in the light of the knowledge and understanding of the Department and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance and Accountability Reports 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 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 03 July 2020
Comptroller and Auditor General

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

Financial Statements

Statement of Comprehensive Net Expenditure for the period ended 31 March 2020

	Note	2019-20 £000	2018-19 £000
Income from sale of goods and services	5	(245,499)	(230,589)
Other operating income	5	(7,047)	(7,018)
Total operating income	5	(252,546)	(237,607)
Staff costs	3	190,295	167,908
Purchase of goods and services	4	21,435	17,705
Rentals under operating leases	4	9,571	4,786
Non cash items	4	3,038	240
Disbursements	4	40,440	47,066
Total operating expenditure		264,779	237,705
Net operating expenditure		12,233	98
Other comprehensive net expenditure			
Net (gain)/loss on revaluation of property plant and equipment		-	-
Net (gain)/loss on revaluation of intangibles		-	-
Total Comprehensive Expenditure for the year		12,233	98

All income and expenditure is derived from continuing operations.

The notes on pages 70 to 81 form part of these accounts.

Statement of Financial Position as at 31 March 2020

	Note	31 March 2020		31 March 2019	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	6	9,296		6,464	
Intangible assets	7	771		1,146	
Total non-current assets		10,067		7,610	
Current assets					
Trade and other receivables	9	36,750		34,648	
Cash and cash equivalents	10	5,672		9,481	
Total current assets		42,422		44,129	
Total assets			52,489		51,739
Current liabilities					
Trade and other payables	11	(39,636)		(39,594)	
Provisions	12	(120)		-	
Total current liabilities		(39,756)		(39,594)	
Non-current assets plus net current assets			12,733		12,145
Non-current liabilities					
Provisions	12	(768)		(500)	
Total non-current liabilities			(768)		(500)
Total assets less liabilities			11,965		11,645
Taxpayers' equity and other reserves					
General fund			11,965		11,226
Revaluation reserve			-		419
Total equity			11,965		11,645

The notes on pages 70 to 81 form part of these accounts.

Sir Jonathan Jones KCB QC (Hon)
Accounting Officer
30 June 2020

Statement of Cash Flows for the period ended 31 March 2020

	Note	2019-20 £000	2018-19 £000
Cash flows from operating activities			
Net operating expenditure	2	(12,233)	(98)
Adjustments for non-cash transactions arising in the year	4	3,038	240
(Increase) in trade and other receivables	9	(2,102)	(1,634)
Increase in trade and other payables*	11	4,965	81
Net cash outflow from operating activities		(6,332)	(1,411)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(5,725)	(3,490)
Purchase of intangible assets	7	(416)	(702)
Net cash outflow from investing activities		(6,141)	(4,192)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		8,664	6,247
Contingencies Fund advance		17,000	17,000
Repayment of Contingencies Fund advance		(17,000)	(17,000)
Net Financing		8,664	6,247
Net (decrease)/increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund	10	(3,809)	644
Payments of amounts due to the Consolidated Fund		-	-
Net (decrease)/increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund	10	(3,809)	644
Cash and cash equivalents at the beginning of the period	10	9,481	8,837
Cash and cash equivalents at the end of the period	10	5,672	9,481

*The movement on payables excludes movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure such as departmental balances with the Consolidated Fund

The notes on pages 70 to 81 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2020

	Note	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Balance at 31 March 2018		5,646	419	6,065
Changes in taxpayer's equity for 2018-19				
Net parliamentary funding – drawn down		6,247	-	6,247
Net parliamentary funding – deemed		8,837	-	8,837
Supply payable adjustment	11	(9,481)	-	(9,481)
Comprehensive net expenditure for the year	2	(98)	-	(98)
Non-cash adjustments:				
Auditors' remuneration	4	75	-	75
Movements in reserves				
Transfers between reserves		-	-	-
Total recognised income for 2018-19		5,580	-	5,580
Balance at 31 March 2019		11,226	419	11,645
Changes in taxpayer's equity for 2019-20				
Net parliamentary funding – drawn down		8,664	-	8,664
Net parliamentary funding – deemed		9,481	-	9,481
Supply payable adjustment	11	(5,672)	-	(5,672)
Comprehensive net expenditure for the year	2	(12,233)	-	(12,233)
Non-cash adjustments:				
Auditors' remuneration	4	80	-	80
Movements in Reserves				
Transfers between reserves		419	(419)	-
Total recognised expenditure for 2019-20		739	(419)	320
Balance at 31 March 2020		11,965	-	11,965

The General Fund represents the total assets less liabilities of each of the entities within the accounting boundary, to the extent that the total is not represented by other reserves and financing items.

The notes on pages 70 to 81 form part of these accounts.

Notes to the Accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2019-20 Government Financial Reporting Manual (FReM) issued by HMT. 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 particular circumstances of the department for the purpose of giving a true and fair view has been selected. The particular policies adopted by the department are described below. They have been applied consistently in dealing with items considered material in relation to the Accounts.

1.1 Accounting convention

These Accounts have been prepared under the historical cost convention and where material modified to account for the revaluation of property, plant and equipment and intangible assets at their value to the business by reference to their current costs.

1.2 Basis of consolidation

The Accounts comprise a consolidation of those entities that fall within the departmental boundary as defined by the FReM. Transactions between entities included in the consolidation are eliminated. A list of all entities within the departmental boundary is given at Note 17. There is no 'parent' department and separate financial statements are prepared for the Government Legal Department (GLD). The Attorney General's Office (AGO) and HM Crown Prosecution Service Inspectorate (HMCPPI) are not required to produce financial statements; therefore only a group SOCNE and SOFP are produced.

1.3 Income

Income relates directly to the operating activities of the department. It principally comprises fees and charges for legal services provided during the year by GLD to the other central government departments, agencies and arms length bodies and recovery of disbursements incurred on their behalf. Fees and charges are set in accordance with HMT's guidance set out in Managing Public Money.

In addition, it includes other income such as charges for the administration costs of the Bona Vacantia Division, rental income and service charge relating to tenants of GLD and the AGO, recovery of costs for recruitment and training services provided to other government departments.

This income has been recognised as follows in line with IFRS 15 principles:

- Fees for legal services which are charged as a fixed annual fee for the service provided in that year have been recognised in full for that financial year on the basis that when the year comes to an end the service has been fully provided.
- Fees for legal services which are charged on an hourly basis for provision of advice/casework have been recognised in line with the hours recorded by staff on chargeable work.
- Fees charged to recover costs incurred by GLD where it has been agreed that these will be passed straight onto customers are recognised in line with when those costs have been recognised by GLD.

Work in progress is recognised as operating income as incurred. This represents unbilled time charges which are valued at the appropriate rate, for the financial year in which the work was undertaken and the accrued cost of disbursements.

1.4 Property, plant and equipment

Assets are carried at estimated fair value using depreciated historic cost as a proxy. The need for revaluation is reconsidered on an annual basis. Expenditure on plant, property and equipment over £5,000 is capitalised on an individual or group basis. On initial recognition they are measured at cost including any costs (such as installation) directly attributable to bringing them into working condition.

1.10 Operating Leases

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure in equal amounts over the lease term from the date of occupation. Future payments as disclosed in Note 14 (Commitments under operating leases) are not discounted.

1.11 Taxation

Where VAT is recoverable by the department, amounts are included net of VAT. Irrecoverable VAT is included in operating costs and capital additions. The amount due to or from HM Revenue and Customs in respect of VAT is included within debtors or creditors as appropriate. Operating income is stated net of VAT.

1.12 Third Party Assets

The department holds various funds on behalf of its clients. These relate to ongoing legal processes. These balances are not recognised in the Statement of Financial Position but are disclosed in Note 16 to these Accounts.

1.13 IFRS issued but not yet effective

IFRS 16 Leases is effective for periods beginning on or after 1 January 2019. The new standard will be implemented a year later from 1 April 2020 for government departments and reflected in the FReM from 2020-21. It is expected to have a material impact on the financial statements, which do currently contain significant lease liabilities.

2. Statement of operating costs by operating segment

The department's reportable segments are as follows:

- Government Legal Department (GLD)
- Attorney General's Office (AGO)
- HM Crown Prosecution Service Inspectorate (HMCPIS)

Management monitors the operating results of the three entities separately for the purpose of making decisions about resources to be allocated and of assessing performance. Each entity's performance is evaluated against the Voted Funds. GLD's services are described in the Annual Report.

2019-20	GLD £000	AGO £000	HMCPIS £000	Eliminations £000	Consolidated £000
Income and Expenditure					
Revenues					
Third Party	(252,422)	(115)	(9)	-	(252,546)
Inter-segment	(665)	(30)	-	695	-
Total Revenues	(253,087)	(145)	(9)	695	(252,546)
Gross Expenditure	257,410	5,290	2,079	-	264,779
Inter-segment	-	406	289	(695)	-
Net Operating Expenditure	4,323	5,551	2,359	-	12,233

Income primarily relates to fees and charges for legal services provided during the year to clients from central government departments, agencies and ALBs. Government is treated as a single customer and therefore no further disclosure has been included.

2018-19	GLD £000	AGO £000	HMCPIS £000	Eliminations £000	Consolidated £000
Income and Expenditure					
Revenues					
Third Party	(237,491)	(116)	-	-	(237,607)
Inter-segment	(259)	(30)	-	289	-
Total Revenues	(237,750)	(146)	-	289	(237,607)
Gross Expenditure	230,631	5,154	1,920	-	237,705
Inter-segment	-	-	289	(289)	-
Net Operating Expenditure	(7,119)	5,008	2,209	-	98

3. Staff Costs

Staff costs comprise:

				2019-20	2018-19
	Permanently employed staff	Others	Ministers	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	121,684	-	152	121,836	112,805
Social security costs	13,421	-	19	13,440	12,481
Other pension costs	33,363	-	(17)	33,346	23,736
Sub Total	168,468	-	154	168,622	149,022
Agency and contracted staff	-	20,795	-	20,795	18,184
Inward secondments	-	878	-	878	702
Total	168,468	21,673	154	190,295	167,908
Less recoveries in respect of outward secondments	(959)	-	-	(959)	(1,278)
Total Net Costs	167,509	21,673	154	189,336	166,630

No staff costs have been charged to capital.

4. Other Expenditure

	2019-20	2018-19
	£000	£000
Total Other Expenditure		
Disbursements	40,440	47,066
Purchase of goods and services	21,435	17,705
Rentals under operating leases	9,571	4,786
Non-cash items:		
Depreciation	2,681	1,354
Amortisation	277	338
Increase in provisions	-	(1,527)
External auditors' remuneration*	80	75
Total Other Expenditure	74,484	69,797

* External auditors' remuneration represents the notional audit fees of £79.5k (2018-19: £75k) for the Departmental Resource Account, and Government Legal Department Account. There was no auditor remuneration for non-audit work.

5. Income

Analysis of income by classification and activity

	2019-20 £000	2018-19 £000
Income from sales of goods and services:		
Legal fees and charges to clients	208,160	187,470
Disbursements	36,343	42,130
LION subscription	996	989
	245,499	230,589
Recovery of costs from Bona Vacantia	4,492	3,943
Recovery of secondments out	959	1,278
Rental income	435	1,031
Tenant service charges	224	540
Other income	937	226
	7,047	7,018
Total income	252,546	237,607

6. Property, plant and equipment

	Assets under construction £000	Leasehold improvements £000	ICT Network £000	Furniture and Fittings £000	2019-20 Total £000
Cost or Valuation					
At 1 April 2019	229	1,563	11,920	4,162	17,874
Additions	-	3,079	803	897	4,779
Capitalised provision	-	388	-	-	388
Disposals	-	(295)	(7,428)	(2,494)	(10,217)
Reclassification	(229)	147	564	(136)	346
At 31 March 2020	-	4,882	5,859	2,429	13,170
Depreciation					
At 1 April 2019	-	817	8,084	2,509	11,410
Charge in year	-	409	1,957	315	2,681
Disposals	-	(295)	(7,428)	(2,494)	(10,217)
At 31 March 2020	-	931	2,613	330	3,874
Carrying amount at 31 March 2020	-	3,951	3,246	2,099	9,296
Asset Financing					
Owned	-	3,951	3,246	2,099	9,296
At 31 March 2020	-	3,951	3,246	2,099	9,296
	Assets under construction £000	Leasehold improvements £000	ICT Network £000	Furniture and Fittings £000	2018-19 Total £000
Cost or Valuation					
At 1 April 2018	527	1,563	8,683	3,154	13,927
Additions	229	-	3,165	1,008	4,402
Reclassification	(527)	-	72	-	(455)
At 31 March 2019	229	1,563	11,920	4,162	17,874
Depreciation					
At 1 April 2018	-	635	7,065	2,356	10,056
Charge in year	-	182	1,019	153	1,354
Revaluations	-	-	-	-	-
At 31 March 2019	-	817	8,084	2,509	11,410
Carrying amount at 31 March 2019	229	746	3,836	1,653	6,464
Carrying amount at 31 March 2018	527	928	1,618	798	3,871
				2019-20 £000	2018-19 £000
Property, plant and equipment additions				5,167	4,402
Movement in accruals for property, plant and equipment				558	(912)
Cash flows for property, plant and equipment				5,725	3,490

7. Intangible assets

	Assets under construction £000	Software Development £000	Software licences £000	Website costs £000	2019-20 Total £000
Cost or Valuation					
At 1 April 2019	1	4,065	3,313	590	7,969
Additions	-	-	248	-	248
Disposals	-	(4,065)	(1,964)	(590)	(6,619)
Reclassification	(1)	-	(345)	-	(346)
At 31 March 2020	-	-	1,252	-	1,252
Amortisation					
At 1 April 2019	-	4,065	2,168	590	6,823
Charge in year	-	-	277	-	277
Disposals	-	(4,065)	(1,964)	(590)	(6,619)
At 31 March 2020	-	-	481	-	481
Carrying amount at 31 March 2020	-	-	771	-	771
2018-19					
	Assets under construction £000	Software Development £000	Software licences £000	Website costs £000	2018-19 Total £000
Costs or Valuation					
At 1 April 2018	26	4,063	1,965	590	6,644
Disposals	-	-	870	-	870
Reclassification	(25)	2	478	-	455
At 31 March 2019	1	4,065	3,313	590	7,969
Amortisation					
At 1 April 2018	-	4,065	1,830	590	6,485
Charge in year	-	-	338	-	338
Disposals	-	-	-	-	-
At 31 March 2019	-	4,065	2,168	590	6,823
Carrying amount at 31 March 2019	1	-	1,145	-	1,146
Carrying amount at 31 March 2018	26	(2)	135	-	159
Cash flows for intangibles				2019-20 £000	2018-19 £000
Intangible asset additions				248	870
Movements in accruals for intangible assets				168	(168)
Cash flows for intangible assets				416	702

8. Financial Instruments

As the cash requirements of the department are primarily met from income from clients (other government departments) and a limited amount through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy in non-financial items in line with the department's expected purchase and usage requirements and the department is therefore exposed to little credit, liquidity or market risk.

9. Trade receivables and other current assets

Analysis by type

	31 March 2020 £000	31 March 2019 £000
Amounts falling due within one year:		
Unbilled time	6,079	5,586
Unbilled disbursements	8,364	10,007
Trade receivables	19,647	15,494
Deposits and advances	567	582
Prepayments and accrued income	2,093	2,979
	36,750	34,648

10. Cash and cash equivalents

	2019-20 £000	2018-19 £000
Balance at 1 April	9,481	8,837
Net change in cash and cash equivalents	(3,809)	644
Balance at 31 March	5,672	9,481

All balances were held with the Government Banking Service.

11. Trade payables and other current liabilities

Analysis by type

	31 March 2020 £000	31 March 2019 £000
Amounts falling due within one year:		
VAT	8,118	5,968
Other taxation and social security costs	3,625	3,456
Trade payables	141	150
Other payables	623	1,341
Accruals and deferred income	21,457	19,198
	33,964	30,113
Amounts issued from the Consolidated Fund for Supply and not spent at year end	5,672	9,481
Trade and other payables due after more than one year	-	-
Total payables and other current liabilities	39,636	39,594

12. Provisions for liabilities and charges

	2019-20 Total £000	2018-19 Total £000
Balance at 1 April	500	2,027
Provided in the year	-	-
Dilapidations provision capitalised	388	-
Provisions not required written back	-	(1,527)
Borrowing Cost (unwinding of discount)	-	-
	888	500
Provisions utilised in the year		
Programme Expense	-	-
	-	-
Balance at 31 March	888	500

	2019-20 Total £000	2018-19 Total £000
Analysis of expected timing of discounted cash flows		
Not later than one year	120	-
Later than one year and not later than five years	103	500
Later than five years and not later than ten years	665	-
	888	500

Explanatory notes

12.1 Dilapidations

A provision has been made for dilapidations obligations.

13. Contingent liabilities

There were no contingent liabilities as at 31 March 2020 (31 March 2019: £nil).

14. Commitments under operating leases

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

	2019-20		2018-19	
	Buildings £000	Other £000	Buildings £000	Other £000
Obligations under operating leases for the following periods comprise:				
Not later than one year	8,585	541	12,619	1,340
Later than one year and not later than five years	30,916	208	43,365	676
Later than five years and not later than ten years	22,100	-	45,300	-
	61,601	749	101,284	2,016

15. Related party transactions

The department has had a significant number of material transactions with other government departments and public agencies since the nature of the department's business is to provide legal services to central government. The Treasury Solicitor, by virtue of the Treasury Solicitor Act 1876, is also the Crown's Nominee (see Annual Report).

GLD provides legal services to HMRC. Tom Taylor, Non-Executive Director of GLD and Chair of its Audit and Risk Committee is an independent Member of HMRC's Audit and Risk Committee.

None of the other Board members, key managerial staff or other related parties has undertaken any material transactions with the department during the year.

Board members' remuneration is disclosed in the Remuneration Report.

16. Third party assets: client monies

Funds are required in advance from clients to enable settlement of awards for damages and contributions toward the cost of court proceedings. The department places these funds on deposit until the final costs of a case have been calculated and settled. These are not departmental assets, these are accounted for as funds held on behalf of third parties and as a consequence do not appear in these accounts. As at 31 March 2020, these amounted in total to £18,610k (31 March 2019: £11,278k). An analysis of the movements on these accounts is shown in the table below:

	2019-20 £000	2018-19 £000
Opening balance at 1 April	11,278	15,625
Gross inflows	197,259	159,784
Gross outflows	(189,927)	(164,131)
Closing balance at 31 March	18,610	11,278

These balances are held with the Government Banking Service.

17. Entities within the departmental boundary

The entities within the boundary during 2019-20 were as follows:

Supply-financed agencies:

Government Legal Department (GLD)

Non-Executive Non-Departmental Public Bodies:

None

Other entities:

Attorney General's Office (AGO)

HM Crown Prosecution Service Inspectorate (HMCPSI)

The Annual Report and Accounts of the Government Legal Department are published separately.

18. Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There are none to report.

Annex A: Sustainability Report for the year ended 31 March 2020

Introduction

GLD's strategy for sustainability is to improve our performance against the Greening Government Commitments (GGC), which run to 2020, with a 2009-10 baseline, wherever possible.

Performance relates to our occupancy of the previous central London head office at One Kemble Street (OKS) up to December 2019, our new central London head office, 102 Petty France from July 2019, our site at Southern House in Croydon and our site at Lateral, Leeds. HMCPSI occupy a tiny fraction of desks within the accommodation and therefore the sustainability metrics are only reported separately for travel expenditure. The AGO occupies shared accommodation in 5-8 The Sanctuary, London and it is not possible to separately identify their energy or water consumption or recycling of waste.

Due to the dual running period during the office move some of the measures have not continued the positive trends seen in previous years. However, the reduction in paper use is a notable success.

Performance is presented against each of the minimum reporting areas (data for previous three years and against performance measures (GGC for central government)).

Greenhouse Gas Emissions		Baseline 2009-10	2016-17	2017-18	2018-19	2019-20
Non-Financial Indicators (tCO ₂ e)	Gross Emissions Scope 1 and 2 indirect	2,646	1,828	1,639	1,598	1,781
	Gross Emissions Scope 3 - Official Business Travel	162	114	109	153	167
	Total Greenhouse Gas Emissions	2,808	1,942	1,748	1,751	1,948
Related Energy Consumption (KWh)	Electricity	4,411,463	3,132,544	2,709,329	2,688,442	4,086,100
	Gas	207,645	-	-	-	629,159
	Oil	991,178	652,192	867,035	707,433	219,684
	Total Expenditure on Energy	395,242	352,929	331,441	584,592	672,193
Financial Indicators (£)	Expenditure on accredited offsets (e.g. GCOF)	1,489	-	-	-	-
	Expenditure on official business travel	343,057	358,630	542,987	803,787	698,992

Performance Commentary:

The GGC is to:

- Reduce greenhouse emissions by at least 32% from a 2009-10 baseline

Overall emissions (tCO₂e) have risen this year, due to the dual running of offices during the office move. However, they are still 24% below baseline.

Waste	Baseline 2009-10	2016-17	2017-18	2018-19	2019-20	
	Non-recycled	83	-	-	-	1
Non-Financial Indicators (t)	Reused/recycled	101	115	126	90	163
	Energy Recovery ¹	-	26	26	26	36
	Total Waste	184	141	152	116	200
Financial indicators (£)	Total Disposal Cost	22,360	30,597	29,986	26,195	29,526

¹ Energy recovery is the energy generated from residual waste after recycling has taken place. This is now part of GGC reporting. The waste is burnt to produce electricity and this is put back into the National Grid.

Performance Commentary:

The GGC waste targets are to:

- reduce landfill to less than 10% of overall waste by 2020 compared to the 2009-10 baseline
- continue to reduce the amount of waste generated and increase the proportion of waste
- which is recycled
- reuse and recycle redundant ICT equipment

Overall waste has been higher for 2019-20 primarily due to the head office move. Virtually all waste is either recycled or sent for energy recovery. All ICT equipment is recycled following approved disposal methods.

Finite resource consumption		Baseline 2009-10	2016-17	2017-18	2018-19	2019-20
Non Financial Indicators	Water consumption (m ³)	8,018	8,319	8,911	7,087	6,057
	Paper Consumption (A4 Reams)	49,443	30,645	28,891	32,100	12,255
Financial indicators (£)	Water Supply and Disposal Cost	16,962	18,870	20,351	16,242	10,916

Performance Commentary:

The GGC for paper is to reduce paper consumption by 50% by 2020 from a 2009-10 baseline. Overall paper consumption is 75% below the baseline.

Paper consumption has significantly decreased this year due to a successful project to reduce paper usage in conjunction with GLD's move to new premises in 2019-20.

The GGC for water is to continue to reduce water consumption.

Water consumption has continued to reduce this year, despite the dual running period of the office move and is below the baseline.

Sustainable Procurement

The GGC also promotes the procurement of sustainable and efficient products whilst, reducing the impact of the supply chain on the environment. This includes embedding efficient procurement practices and improving and publishing data on supply chain impact.

The overall procurement strategy principally includes the use of Crown Commercial Service framework contracts and the department is subject to the sustainability policy that it operates.

The department promotes sustainability in procurement by:

- working closely with its suppliers – to improve sustainable processes and the use of products
- buying products and services which are less environmentally damaging; for instance, the use of 'thin client' units which use less energy than conventional 'base unit' desktop computers
- complying with environmental legislation and regulatory requirements
- including relevant environmental conditions or criteria in specifications and tender documents, and evaluating supplier offers accordingly
- raising awareness of environmental issues within the department, and amongst suppliers and contractors

Two of GLD's suppliers are ISO 14001 accredited. Its:

- off-site storage provider has won the Green Fleet award for their efforts to reduce the environmental impact of their transport fleet
- print service provider complies with the WEEE (Waste Electrical and Electronic Equipment) regulations for disposal of equipment

The contractor, Interserve Paragon, who delivered works for GLD at 102 Petty France under the PFI arrangement with its landlord, the Ministry of Justice, operates a group-wide sustainability programme, SustainAbilities, committing them to sustainable methods of construction and minimising environmental impacts from their activities. Interserve Paragon are members of Build UK which sets a minimum requirement of environmental knowledge for all those working on UKCG sites, including employees of supply chain subcontractors.

Interserve Paragon is committed to reducing waste associated with design and construction activities through:

- designing out waste principles
- efficient materials procurement and management
- efficient construction techniques
- implementation of the waste hierarchy throughout the project life-span

