



Office of the
Public Guardian

Office of the Public Guardian Annual report and accounts **2020/21**



Office of the Public Guardian Annual report and accounts

2020/21

Annual report presented to Parliament pursuant to Section 60 of the Mental Capacity Act 2005

Accounts presented to the House of Commons pursuant to Section 7 of the Government Resources and Accounts Act 2000

Accounts presented to the House of Lords by Command of Her Majesty

Ordered by the House of Commons to be printed on 21st July 2021



© Crown copyright 2021

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/official-documents

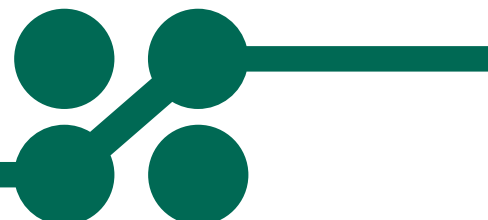
Any enquiries regarding this publication should be sent to us at customerservices@publicguardian.gov.uk

ISBN 978-1-5286-2784-9

CCS0621758606 07/21

Printed on paper containing 75% recycled fibre content minimum.

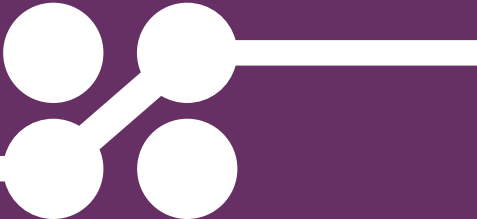
Printed in the UK by the APS Group on behalf of the Controller of Her Majesty's Stationery Office



Contents

Performance Report	6
Overview	7
Statement from the CEO Nick Goodwin	8
About the Office of the Public Guardian	10
Our customers and stakeholders	11
Performance Achievements	12
The impact of COVID-19 on OPG	14
Performance Analysis	17
OPG 2025 transformation programme	17
Our business as usual	19
Lasting powers of attorney	20
Supervision	22
Investigations	24
Complaints	30
Our People	33
Communications and engagement	36
Financial Performance	39
Sustainability report	41
Accountability Report	46
Corporate governance report	47
Directors' report	48
Statement of Accounting Officer's responsibilities	50
Governance statement	51
Remuneration and staff report	70
Parliamentary accountability and audit report	81
The certificate and report of the Comptroller and Auditor General to the Houses of Parliament	84
Financial statements	90
Annex: Performance targets	112
Glossary	121

Performance Report



Overview

The overview provides a summary update on the work of the Office of the Public Guardian (OPG), our purpose, the main barriers to the achievement of our aims and how we have performed during the year.

The overview includes:

- the Chief Executive's statement, giving his perspective on our performance in 2020/21
- a description of OPG's purpose and objectives, our relationship with the MoJ, and the key risks and issues we managed during the year
- a performance summary, outlining how we performed against our service delivery aims

Our performance and accountability are explained in greater detail in the remaining pages of the report.

The main risks managed within OPG in 2020/21 included:

- responding to the challenge of the coronavirus (COVID-19) pandemic, and the pace and scale at which we have adapted our services for our customers and our staff
- the impact of EU transition – this hasn't directly impacted our services, but it has shifted government priorities and the legislative programme

Further detail on these and the other risks managed during the year can be found on page 60.

Statement from the CEO Nick Goodwin



Unprecedented is a word often heard these days. But in reflecting on the year that has passed, there is no better description for the challenges we've faced at the Office of the Public Guardian (OPG). In dealing with, and largely overcoming these challenges, we have been constant in our commitment to protecting the needs of some of the most vulnerable adults in England and Wales.

As we've all spent more time away from our loved ones, we've been reminded of the value of our relationships and in supporting those who need help. The work OPG does to give force to such supportive relationships has never been more important. The COVID-19 pandemic has also highlighted the pressing need for a modernised lasting power of attorney (LPA), so citizens can access our services easily and securely, and to improve OPG's resilience in providing those services. I am pleased that, later this year, the Ministry of Justice (MoJ) intends to consult on modernising LPAs.

This year we've struggled with paper-based processes. With local and national restrictions, and social distancing measures in place in our offices, it is right we've worked hard to keep our people safe. Our capacity to handle paper and register LPAs has reduced as a result and we've experienced delays to LPAs, with registration times currently taking up to 15 weeks. But we've continued to maintain an excellent quality of service as our customer satisfaction sits at 92.2% for our lasting powers of attorney service and 78.2% for deputyships.

Despite these challenges, I'm proud to say the passion and motivation of our people has been second to none, and we've protected them in the office and at home, focussing on mental and physical wellbeing so they feel supported and safe while doing such vital work. Maintaining a sense of purpose and togetherness while dispersed. This has been reflected across all 10 key indicators of the annual People Survey where we saw increases across the board.

We have also reached out to support our colleagues working on the front line in the NHS and social services, through good communications and by introducing, at rapid pace, a COVID-19 specific service. Our successful new rapid register search helped identify adults at risk who have a power of attorney (PoA) or deputyship in place, to allow public sector colleagues to make best-interest decisions. We have received over 1,600 requests since its launch, and we will continue to look at ways to improve how we share data with our colleagues to further support them in the work which they do.

Last year presented us with opportunities to innovate at pace. We've pushed ahead with work to modernise LPAs, launched our new Use an LPA service, carried out virtual visits and court hearings and facilitated home working across many of our teams.

And our Your Voice, Your Decision campaign has engaged people from communities most affected by COVID-19, working alongside over 100 LPA Partners across England and Wales, to make sure that people now, and in the future, have the information they need to make an informed decision about getting a lasting power of attorney.

The MoJ's historic power of attorney refund scheme has successfully administered over £1.5 million in refunds for 37,694 customers. The deputyship refund scheme has also administered over £6.1 million in refunds for 19,690 customers. We've also managed to reduce our outstanding debt this year by undertaking a historic debt chase which has resulted in us having the lowest debt position for many years. In addition, our new debt policy will support us managing our debt position going forwards.

The year has been difficult. We've overcome many challenges. And I would like to express my thanks and gratitude to our people and to our customers for their patience. We move into the next year with positivity. Our services are more essential than ever, and our people have a great sense of pride and purpose.

With our values guiding us, we will continue to feed into MoJ's Outcome Delivery Plan to ensure we offer swift access to justice for those who require our services, and carry forward some of the essential learnings and innovation from this year to achieve our ambition to protect people's best interests now and into the future.

Nick Goodwin

Chief Executive and Public Guardian for England and Wales

About the Office of the Public Guardian

Introduction

The Public Guardian is appointed by the Lord Chancellor under Section 57 of the Mental Capacity Act 2005 (MCA). As the Chief Executive and Accounting Officer of OPG, the Public Guardian is personally responsible to the Lord Chancellor and Secretary of State for Justice for the effective operation of the agency, including the way the agency spends public money and manages its assets.

The Public Guardian is supported by OPG in the delivery of his statutory functions under the MCA and the Guardianship (Missing Persons) Act 2017.

The Public Guardian's responsibilities extend throughout England and Wales. Separate arrangements exist for Scotland and for Northern Ireland.

The government ministers responsible for OPG in this reporting period were:

- the Right Honourable Robert Buckland QC Lord Chancellor and Secretary of State for Justice (from July 2019)
- Alex Chalk MP, Parliamentary Under-Secretary of State for Justice (from February 2020)

As an MoJ executive agency, alongside HM Courts and Tribunals Service (HMCTS), HM Prison and Probation Service (HMPPS) and the Legal Aid Agency (LAA) Criminal Injuries Compensation Authority (CICA), our aims are in line with MoJ's 2020/21 single departmental plan. We feed into MoJ's outcome delivery plan in a number of ways and our future plans are fully aligned with, and driven by, MoJ's strategic enablers of great people, new ideas, better outcomes and sustainability.

We act to ensure the best possible service for users by working to make our services efficient and more accessible, through policies driven by evidence.

What does OPG do?

OPG was established in October 2007. We support and enable people to plan ahead for both their health and finances to be looked after should they lose capacity. We also safeguard the interests of people who may lack the mental capacity to make certain decisions for themselves.

We are responsible for:

- registering lasting and enduring powers of attorney (LPA and EPA)
- supervising deputies appointed by the Court of Protection (CoP)
- supervising guardians appointed by the High Court
- maintaining the public registers of deputies, guardians, LPAs and EPAs and responding to requests to search the registers
- investigating representations, complaints or allegations of abuse made against guardians, deputies and attorneys acting under registered powers

Our customers and stakeholders

We have several types of customers and stakeholders, including:

- donors – people who have made either an EPA or an LPA
- attorneys – people who have been appointed under EPAs or LPAs to make decisions on behalf of donors
- deputies – lay or professional individuals or public authorities (such as solicitors or local authorities) who have been appointed by the CoP to manage the welfare or finances of people lacking capacity
- those subject to deputyship orders – people who lack capacity to make certain decisions, and in relation to whom a deputy has been appointed by the CoP to make those decisions
- missing persons – people who have been reported missing and whose affairs are being managed by a guardian appointed by the High Court
- guardians – individuals who have been appointed by the High Court to manage the property and financial affairs of a person who is absent or has gone missing
- other stakeholders – relatives of donors or those subject to deputyship orders, GPs or other health professionals, charities, and the legal sector

Key issues, risks and uncertainties

The key risks that we faced in 2020/21 are outlined on page 60. Against this backdrop we continued to deliver our day-to-day business.

In 2020/21 OPG has dealt with the impact of EU transition, and although this hasn't directly impacted our services, it has naturally shifted government priorities and the legislative programme.

However, the biggest uncertainty has been around the COVID-19 pandemic, and the pace and scale at which we have adapted our services to reflect government guidelines and the needs of our users and staff. OPG will move into the year ahead still dealing with the impact of COVID-19 on our services and our people.

Performance Achievements

Measuring our performance

During 2020/21 we have continued to review our performance measures, ensuring the underlying measures drive the day-to-day business and are fit for purpose, measuring the right information in the right way.

Key Performance Indicators (KPIs) are used to monitor performance and our risk management process helps to highlight key issues in relation to delivery of those KPIs and the wider performance within the organisation. Risk management helps manage uncertainty. One key uncertainty that needs to be managed throughout the year is incoming workload – as we are funded from income and level of workload also impacts on the ability to meet KPIs.

How have we performed?

OPG has an important set of customer indicator targets – performance against these is given below, along with the key workload levels for the past financial year. More detail on the full range of targets, performance and how they are measured can be found in the performance annex.

The challenges of COVID-19 have made it difficult for us to meet some of our performance targets, especially as we have been adapting the way in which we work so it is safe for our staff. Throughout, we have focused on maintaining our service delivery and striving for excellent customer service. At the same time, we've strived to improve our services – both how the service works and the way that people access services.

Some targets have been harder to meet than others. For instance, we have not achieved our aim to register LPAs within 40 days. More information on some of the key challenges around this, and the service improvements we have introduced in our power of attorney team can be found on page 21.

Our visits team faced major challenges during 2020/21 due to COVID-19 restrictions. While many visits were initially delayed – we prioritised visits to focus on our most urgent cases. These challenges impacted on other areas of the business such as investigations and our legal team. To deal with this effectively our visits team introduced virtual visits.



As at 31 March 2021 we were supervising **57,777 deputyship orders, a decrease of 3,016** from the end of 2019/20



The number of applications to register LPAs and EPAs received in 2020/21 was **691,746**, a decrease of **225,804** on 2019/20



We ended the year with **over 5.3 million** powers of attorney on the register.

Our achievements



Average actual clearance time for power of attorney applications
Target: 40 days



Average time to obtain annual reports
Target: 40 days



Average time to review annual reports
Target: 15 days



Customer satisfaction survey % with PoA services (very or fairly satisfied)
Target: 80%



Customer satisfaction survey % with deputyship services (very or fairly satisfied)
Target: 80%



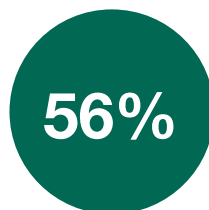
Customer satisfaction survey % with digital services (very or fairly satisfied)
Target: 80%



% of safeguarding risk assessments carried out within 2 days
Target: 95%



Average time to conclude investigations
Target: 70 days



% of calls answered within 5 minutes
Target: 90%



% of complaints fully responded to within deadline
Target: 90%

The impact of COVID-19 on OPG

COVID-19 has had a significant impact on OPG and how we provide our services, especially as a large amount of our processes are still paper-based. However, it has also allowed us to innovate at pace. We have:

- reviewed our processes to allow us to work in a more digital way, streamlining certain paper-based processes and the number of staff needed in the office
- prioritised the safety and wellbeing of our staff while they worked in a more agile way
- supported our staff, including our Contact Centre, so they can work from home where possible, following government guidelines while continuing to deliver our services. We expect some element of home working will continue in the future
- introduced a recruitment freeze as part of our mitigation for financial under-recovery and carried out remote interviewing for business-critical roles
- carried out display screen equipment (DSE) assessments online
- implemented critical business-continuity and recovery planning
- created a GOV.UK hub which is regularly updated with information on how COVID-19 is affecting our services and providing relevant guidance for our users

Our Services

The pandemic highlighted societal inequalities worldwide and in England and Wales, particularly for those from lower socio-economic and minority ethnic communities. As an organisation we've reflected on our role and responsibility to all citizens and the part we can play in the UK government's 'levelling up' agenda, and identified two areas where we can improve our offer considerably:

- our reliance on paper-based processes has shown the critical need to modernise. Not only to future-proof ourselves against future crises, but also to improve access to our services. That's why we're pleased to be launching, in collaboration with MoJ, a consultation paper gaining views on our plans for modernisation of the LPA service in 2021. Through this work, we hope to make the service more widely accessible and fit for the future for all in society, and have already commenced our stakeholder engagement for this work.
- we are proud of the work we have done educating the public on LPAs and the benefits of making decisions for the future which support and reflect their wishes should they lose mental capacity. In Summer 2020, with support from the Cabinet Office, we refocused our Your Voice, Your Decision public-facing campaign at pace, targeting our communications to audiences most impacted by COVID-19, see page 38.

Working together

We launched a new COVID-19 specific service to provide rapid register searches for colleagues in the NHS and Local Authority so they can identify adults at risk with an LPA, EPA or deputyship in place. With over 1,600 searches received since launch, this has supported our colleagues with making key medical decisions and managing increased number of patients.

Power of Attorney services

Volumes to our Contact Centre have increased and calls have taken longer than usual as they have become more challenging and complex. Average wait time has been approximately 12 minutes. However we recognise that while our call wait time targets haven't been reached, we have continued to provide quality support to our customers and we are proud of this.

Supervision services

We kept in touch with our most vulnerable and non-compliant customers by phone, to check on their wellbeing and to provide any additional support. For example, if they were struggling (due to restrictions) to visit the person subject to the deputyship order, to get bank statements or to post the report to us.

Visits

We successfully conducted 60% of our target visits virtually where possible. In line with government guidelines, we carried out garden and socially distanced visits which have been prioritised for the most urgent visits, this has helped protect some of the most vulnerable in society.

Complaints

We have seen a higher number of complaints since COVID-19 and have extended our target of 10 days for resolution where appropriate.

Investigating concerns

Organisational backlogs impacted the investigation triage and support (ITAS) process, meaning it has taken longer than normal for safeguarding concerns to be identified and sent to the ITAS team. The risk assessing of concerns remained our main priority and were actioned as soon as they were identified and sent to the safeguarding team.

Investigations

During the initial lockdown from March 2020, cases accepted for investigation fell by 28% and government guidelines on social distancing impacted on our ability to conduct physical visits. Our investigation targets were impacted by the reduction of physical visits. We refocused our attentions onto our 'further action' cases during this time, with the aim of closing the oldest cases while ensuring recent cases remained on track.

Legal team

As a consequence of the pandemic, the vast majority of hearings have been carried out through video conferencing. The team has taken advantage of the opportunities this has presented in relation to reduced travelling time, and more flexible use of external counsel.

There has been a decrease in the number of investigation cases being completed and referred to the Legal team, providing an opportunity to clear a substantial amount of outstanding work. This year the team submitted 582 investigation cases to court which is an increase of 84% on the previous year. We also made a further 689 applications in relation to other matters.

Our people

During the pandemic, the People Development teams have provided essential wellbeing support for our staff, redesigned our learning and development offer and enabled business critical recruitment by making best use of online opportunities.

"The focus on mental health at OPG is really reassuring. I know who to talk to if I need it, which has made a world of difference while adapting to working from home, I feel mental health is something taken seriously."

Laura, Registrations officer

Health and safety

The COVID-19 pandemic has required us to make significant changes in our offices, such as reducing the number of staff and introducing lateral flow testing – our health and safety team have been excellent in making sure that we have COVID-secure premises which adhere to all government guidelines.

OPG's programme of inspections were maintained, and we provided updates and reports to trade union representatives who were not able to attend these.

Finance

Social distancing measures had a significant impact on the volume of applications received to register lasting powers of attorney, with a reduction of 24.6% in 2020/21 compared to 2019/20. Although some business activities and costs were also curtailed (such as visits, outgoing post, use of agency staff and staff travel) the drop in PoA volumes was by far the most significant factor in OPG recovering only 76.7% of its costs, well short of the target of 100%. The uncertainty created by the pandemic meant that OPG was as reliant as ever upon the support of its MoJ finance business partners and MoJ Analytical Services' demand and income forecasting models.

OPG incurred additional costs of £164k making our office accommodation safe for staff to work in and providing equipment to facilitate remote working where practical.

Performance Analysis

OPG 2025 transformation programme

In the OPG business plan for 2020/21, we had two key areas of work – OPG 2025, our transformation programme, and OPG's business as usual (BAU).

OPG 2025, is about changing how we provide our services long term so we can improve lives together. We'll make better use of digital products, services and smarter ways of working so we can offer more support, advice and provide more efficient services.

A digital future will make our services more accessible, flexible and simpler for customers to use in a way that is affordable and convenient for them.



In 2020/21, we progressed our transformation work by:



Using more digital tools across the business – reducing the amount of paper which we use while delivering our essential services.



Sourcing a new site to operate from – we will be looking to move to this from our current Birmingham location by the end of 2021.



Finalising transformation planning so we can focus on bringing this to life and the projects which will help deliver this.



Developing a future operational model which ensures we are sustainable for the future.



Continuing to develop a professional approach to the management of change, including impact assessment and prioritisation.



Developing a Strategic Outline Case for Modernising LPA to clarify the scope, objectives, benefits and costs of early project phase.



Launching the Use an LPA service to make LPAs easier to use.



Promoting lasting powers of attorney – adapted to meet the needs of COVID-19. This focused on people most affected by the pandemic, those from lower socio-economic and ethnic minority backgrounds.



Holding successful stakeholder roundtable event, led by Minister Chalk, MP, to progress the next phase of modernising the process of making and registering LPAs.

Insight, performance and analytics

We have:



Created a data strategy to improve organisational data capability and drive data informed decision-making. This will mean responsiveness and efficiency in meeting our customer needs.



Started work on customer journey mapping to understand the customer experience better which will allow OPG to make improvements based on this.



Started work on improving our support and guidance, so we can better understand where to focus improvements and proto-typing new ways of communicating and sharing guidance so that customers can navigate the service with ease and clarity.

Our business as usual

We are committed to providing an excellent service for all our customers now and in the future.

Our role is registering powers of attorneys, supervising court-appointed deputies and guardians and investigating concerns. This includes building a supported, inclusive and motivated workforce that lives by its values. OPG is a great place to work, but we want everyone to feel like it is a brilliant place to work.

In 2020/21 we continued to improve our business as usual by:



Striving to achieve our performance and customer service targets, moving our resource into areas which have struggled – ensuring that our users can still access our services.



Promoting mental wellbeing for all staff and supported them in dealing with COVID-19 and the many ways this has affected individuals.



Implementing home working at pace across many teams – including more flexible use of IT and agile working.



Continuing to foster greater inclusivity at OPG – ensuring that OPG continues to be a brilliant place to work.

Lasting powers of attorney

Registration of LPAs is an important service for the public, therefore, it's key that we strive for continuous improvement and development of our LPA services, so our customers have a positive experience.

The main customer service targets in this area are user-focused, these are:

- registering LPAs within 40 days
- answering 90% of calls within 5 minutes – service delivery and average wait time targets for dealing with calls will not be achieved
- respond to 90% of complaints within 10 working days

We have maintained our complaints performance and 82% of complaints were completed within target.

We have also continued our successful administration of the MoJ-led Historic Refunds scheme having now completed the third of a six-year campaign, which saw 37,694 customers receive £1,575,812.63 in refunds.

The key challenges faced by power of attorney service in 2021/21 have been:

- maintaining service delivery due to the impact of COVID-19, this has required us to change how we operate and we have also seen staff morale fluctuate. We reviewed our processes, prioritised key work and ensured our staff wellbeing was a priority
- staffing issues due to attrition and a recruitment freeze. We have upskilled and trained staff from other parts of OPG to provide support where possible

Feedback from contact centre customer:

Good morning, I have today received my LPA which has now been registered. I wish to thank you but most of all I just want to tell you what lovely people are in your employ. As you will appreciate, filling in the forms seemed very daunting, so much so, that I had to ring your office on three occasions with a query. Each and every one of them was so kind and helpful. The past few months must have been quite a challenge at times but hopefully, before long, we will all be back to normal.

Once again, thank you very much and I wish you all a very happy, healthy future.

Service improvements

While delivering our day-to-day business, we have continued to look at ways to improve our services for our users. We have updated some of our services:

- we've expanded our rapid register service so colleagues from relevant public sector organisations can request a search of our register for urgent concerns about someone who may have an LPA or deputyship in place
- launched the Use an LPA service in June 2020, activation codes have been provided to 1,120,000 donors and attorneys on 366,000 LPA's. Attorneys on 68,604 LPA's have registered to use the service, and 21,155 access codes have been provided to organisations

We improved ways to interact with our customers:

- improved the way we interact with our customers by providing Human Voice of Justice training to staff
- carried out analysis by conducting regularly monthly Quality Assurance checks across all our core Power of Attorney services to identify key areas for improvements to customer service delivery, providing regular feedback and support to staff
- carried out a data cleanse exercise, during which staff identified the top four errors on hundreds of LPA applications. This information has been used to strengthen training and will inform improvements to our customer service delivery

We delivered training and improved our ways of working from home:

- delivered technical training and upskilled 160 members of staff to support power of attorney service
- conducted a high-level review of our quality strategy and made improvements to support team leaders – adopting a risk-based approach
- invested in telephony and digital solutions to support additional flexibility and working from home
- introduced remote print and post
- implemented smarter working, so more of our staff were able to work from home – this was positively received by staff and we saw an increase in productivity
- introduced a Safeguarding Hub to ensure safeguarding concerns are raised appropriately

Feedback from Staff:

Work on registration in the past year has been hard work, but at the same time, strangely exciting. Through communication, we have come up with innovative ideas on keeping the workflow going, showing us the creative side of managers and staff alike. Our senior management have allowed us to try new ways of working, whilst supporting us with more flexible working hours. The situation enforced the Registration units to collaboratively work together forming closer working relationships and being able to use skills across more teams. We have pulled together in a way that could not have been envisioned prior to COVID-19 and gives us a great platform to build on for the future.

Sue, Unit Manager

Supervision

Current workload

The supervision caseload was 57,777 deputyship orders in 2020/21 compared to 60,793 in 2019/20. Excellent performance throughout the year has allowed all our performance indicators to be met.

This year 54.05% of annual reports were submitted digitally, compared to 44.13% in 2019/20. And our guardianship and deputyship fee refunds scheme have been incorporated into business as usual with no adverse impact on our customer service or performance.

We've also made changes to the Lay Customer journey providing more flexibility around touchpoints. This means we can provide a more personalised and targeted service, which should reduce levels of non-compliance.

The key challenges faced by the service in 2020/21:

- a number of complex and challenging Court of Protection judgments, including Various LPAs and the ACC and others judgment. We've changed our processes and communications to reflect these. Several high-profile cases which have required a great deal of work from the Deputyship Investigations and Supervision teams and ensured these were communicated in a timely fashion to those impacted.

Service improvements

We are focussing on:

- our processes for minimising and managing non-compliance (failure to comply with the Court Order by which the Court of Protection grants the deputyship)
- interactions and mutual working with our bond suppliers, to ensure correct procedures were followed, security was provided and any discrepancies were addressed
- introducing end-to-end case management across lay teams for each lay deputy in order to manage every aspect of their case and to whom they can direct any queries
- a review of the information provided to prospective deputies before they apply to court, so they clearly understand the duties of a deputy before they take on the responsibility
- a review, in line with the supervision audit (2019) completed by Government Internal Audit Agency (GIAA), of our Professional and Public Authority Standards

We have also reduced the time allowed for deputies to report to us so we can provide better protection for our customer. And in line with the supervision audit (2019) we have completed a 'formal review undertaken and documented, detailing delivery, impact and ongoing development of QA process.' As recommended, the biennial review now forms parts of our business-as-usual processes.

We have completed and implemented our technical training review. This means that we are able to support improvements across supervision and by aligning our trainers with different areas of the business on rotation, we are then able to ensure they remain up to date with every aspect of our work. The Supervision Support and Consolidation Team (SSCT) is also working with our policy team to check our job cards are up to date and reflect current OPG policy and practice

Feedback from customer:

I should like to inform you of a gentleman, Ben, Supervisor for Lay Team 6 who has gone above and beyond to help, assist and advise me with my deputyship. I have been a deputy for over five years, and he is the first contact who has genuinely guided me to be a better deputy.

During his busy day he has found the time to contact me by phone instead of email (which can be cold and misread). He is a credit to the OPG.

Missing persons

We are now supervising five guardianship orders, an increase from two in 2019/20. The numbers may be small, however this essential work helps families with a missing loved one during a traumatic time.



Investigations

The 2020/21 business year has been a challenge for all of us but through all the difficulties and changes, the one constant was the dedication of our colleagues to continue safeguarding our vulnerable adults. The pandemic has led to more adults being put at risk with access to help them being more restricted. That has not waivered us as investigators from finding new innovative ways of working to continue collaborating with other agencies and using technology and any other tools available to provide the high level of service expected. We remain fully committed and proud of the work we all do to ensure the safety of our donors every day.

Amina – investigator

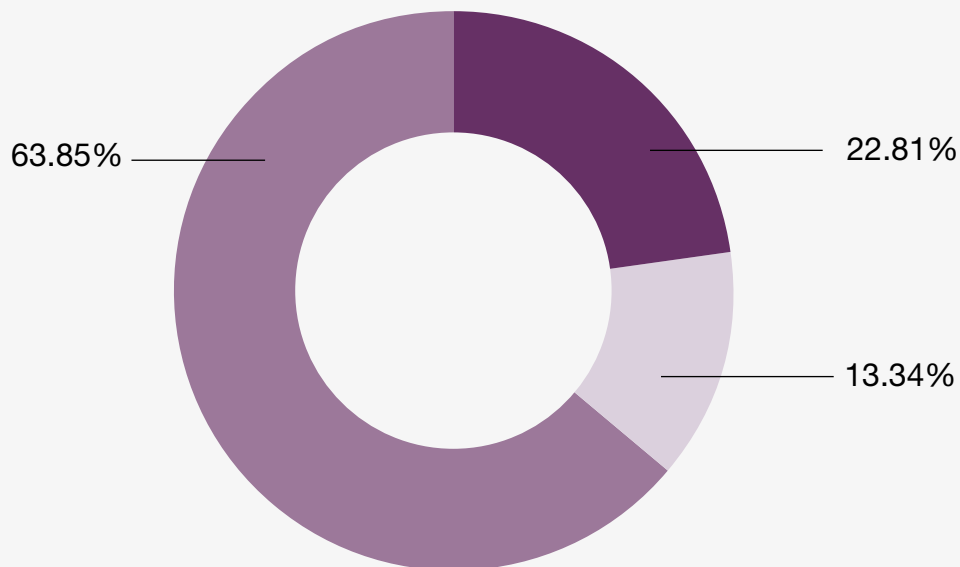
Overall, investigations declined from 3,099 in 2019/20 to 2,089 in 2020/21. Investigations targets were heavily impacted by the pause of physical visits to customers due to COVID-19, however, we were quick to innovate and introduce virtual visits.

Public Guardian reports summarise an investigation and provide recommended actions. We were unable to meet our target of PG reports to be signed off within 70 days of receipt, in 2020/21 this was at 74.6 days. To safeguard our customers, we focused on clearing investigation phase cases, which meant our target of 'action implemented where no court action necessary within 25 days of PG report being signed off', was 31.6 days.

We closed 2,073 investigations in 2020/21 compared to 2,649 in 2019/20 and have 680 open cases which are active investigations compared to 700 open cases in 2019/20.

Changes in legal case review have been brought forward, this is expected to have a positive impact on overall timescales as well as the quality of our decisions. We are also making more changes to how we conduct different aspects of our investigations which will result in efficiencies in our service.

The percentage of investigations that result in court action is 22.81%. In the majority of cases no action is taken (63.85%) or additional measures short of court action are used to resolve any issues and get the attorneyship or deputyship back on track (13.34%)



Service improvements

We introduced many innovations and process changes this year. These include:

- weekly review of backlog of cases awaiting a visit to identify alternative ways of clearing them. For example, using previous capacity evidence from a Public Authority
- intensive training programme for new senior investigators and investigators with a buddying system to support them. This strengthened the team's position for any potential increase in cases
- a taskforce was set up during October to concentrate on the Further Action (FA) cases with the aim of closing the oldest cases in this phase as well as ensuring the more recent cases remain on track

Examples of outcomes of investigations

A case that went to court

A concern was raised regarding a donor's capacity to execute both their health and welfare (HW), and property and financial affairs (PFA) LPAs.

A general visit was commissioned, and the certificate provider was contacted. The certificate provider was satisfied that the donor understood the decision he was making. The certificate provider has stated that he was satisfied that the donor could weigh up and retain information to understand what making an LPA would mean and no coercion had taken place.

The visitor took a different view from the certificate provider and concluded that it was difficult to determine if the donor had capacity to execute the LPAs. Due to the conflicting capacity evidence, a special visitor was commissioned to carry out a retrospective capacity assessment.

The special visitor's opinion was that the donor lacked capacity to execute the LPAs.

An application to the court was made, and the court revoked the LPAs.



A case that did not go to court

A concern was raised regarding a donor's capacity to execute both their health and welfare (HW), and property and financial affairs (PFA) LPAs.

The investigation highlighted a conflict of interest in that attorney one was paying her daughter (donor's granddaughter) and son-in-law for providing care. The donor had moved in with the granddaughter and husband. Attorney one stated the donor had always supported her financially and added that the payments were always for care and nothing else.

On reviewing the donor's finances, many gifts were identified. However, these were prior to any evidence that the donor lacked mental capacity to make financial decisions. However, it was noted that attorney one held a joint account with the donor.

The donor was assumed to have dementia, but this was not formally diagnosed.

The funds paid for care were deemed reasonable as the donor would incur high costs if supplied through a private care company. Also, of note was that the donor was not paying for food, utilities or rent whilst living in the property of the granddaughter and husband.

Attorney one was asked to re-account in three months' time to show she was managing the donor's finances appropriately and in the donor's best interests. Also, attorney one was to provide evidence within 30 days that her name had been removed from a joint account she held with the donor.

Attorney one subsequently re-accounted, and there were no further transactions of concern. Also, evidence was provided to show her name was removed from the joint account she shared with the donor. As attorney one demonstrated she was acting in accordance with the MCA 2005 and Code of Practice, the investigation was closed.

Legal and information directorate

During 2020/21 our legal team have:

- begun the process of reshaping the team to improve structures and processes for litigation and advisory work
- concentrated on clearing a significant amount of outstanding work through to court application
- been involved in a number of judgments that have set direction for OPG and external professionals

Key challenges this year have been:

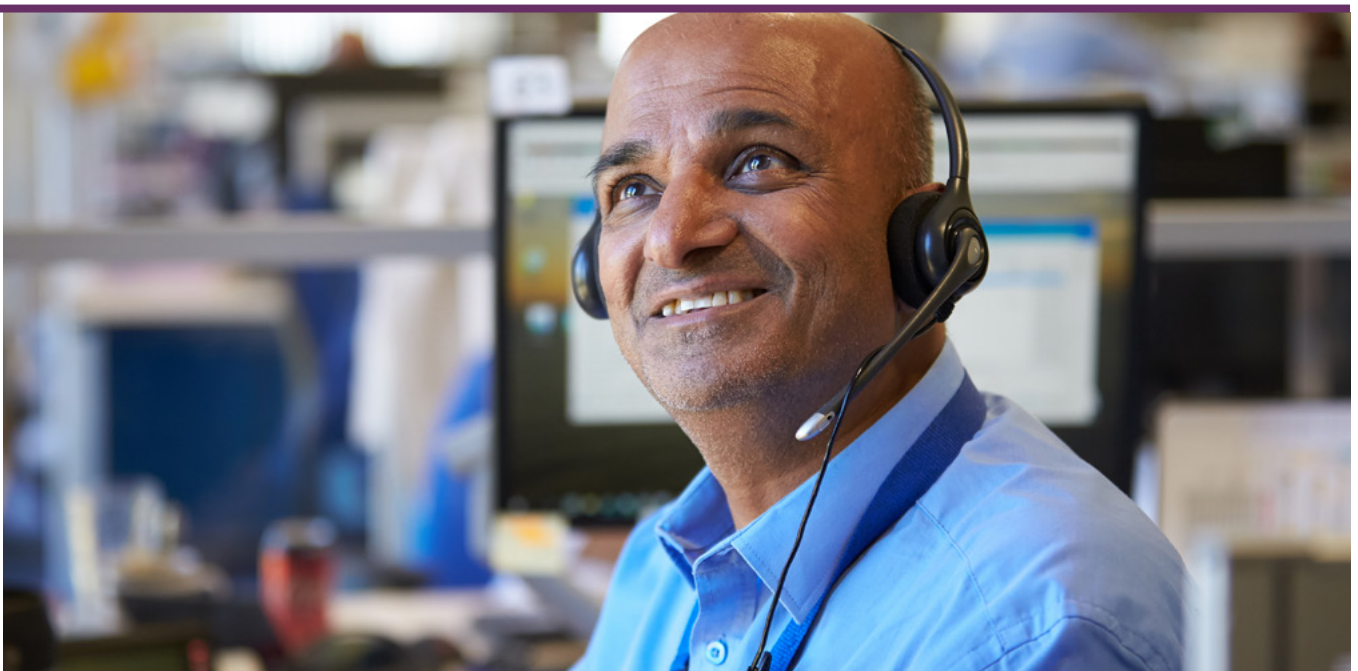
- staffing issues meant there was a reliance on locum solicitors
- backlogs in the court application process

Visits

This year, we have paused physical visits and the majority of our visits have been carried out virtually, with some garden and socially distanced visits. We protected our customers by completing over 1,200 virtual and garden visits to support investigations and ensure that our priority cases were completed. And we have continued to support our new deputies by carrying out their visits virtually as well.

To help meet the demand for specific medical/capacity visits, OPG appointed 11 Special Visitors. Special Visitors are medically trained visitors who usually assess retrospective mental capacity and diagnose impairments of the mind or brain.

We have allocated 100% of standard visit commissions within five working days, completed 99.6% of urgent visit commissions within two working days and forwarded 99.9% of visit reports to the correct officer within five working days. Visitor appraisals were successfully completed again and we saw a sustained improvement in the quality of the work produced.



Service improvements

We have improved our service by:

- implementing virtual assurance visits to ensure that professional and public authority deputies are supported
- introducing universal secure email accounts for all contract visitors

A number of our visitors reach the end of their contracts in 2021, so in the next financial year we will run three recruitment campaigns. One for general visitors in England, and two in Wales, for general visitors and special visitors, to ensure we meet demand and fulfil our Welsh language commitments.

Safeguarding

Our investigation triage and support team (ITAS) complete risk assessments and triaging of any safeguarding concerns. We have achieved our five-day triage target currently 97.9% against 95%.

During 2020/21 our ITAS team have:

- continued to develop safeguarding practices, these have resulted in implementation of safeguarding training modules
- attended awareness events to engage with local authorities to make them aware of our roles and responsibilities and encourage joined up working, focussing on key areas such as Essex. Essex local authority approached OPG independently and we are currently in the process in approaching all local authorities in England and Wales following recommendations from our Senior Safeguarding Practitioner
- been marked substantial by an internal audit by the Government Internal Audit team in MoJ – reflecting our healthy position
- reviewed our staffing and processes to show we are achieving best value for money
- reviewed the information on OPG's website to ensure customers know how to submit concerns and what information we require

Complaints

We manage customer complaints through a tiered complaints process – first tier complaints are considered by the business area responsible.

If a customer is unhappy with a response, the complaint can be escalated to the second tier and at this stage the complaint, and its handling, is reviewed by the Public Guardian. If a customer remains unhappy, they can ask their MP to refer their complaint to the Parliamentary and Health Service Ombudsman (PHSO) for an independent review.

One case was referred this year and was partially upheld by PHSO.

This year has been challenging, and our complaints team have been impacted by delays in other parts in OPG, such as processing of LPAs, fluctuating levels of complaints and complex cases – this has meant it has been difficult to meet our target of responding to 90% of customer complaints within 10 working days. Whilst on average we were able to respond to complaints within nine working days, we were only able to respond to 82% of the complaints within 10 days, against our target of 90%.

We have focused on:

- making sure our customers are updated on progress with their complaints, especially when we are unable to meet our targets
- using our customer feedback and complaints data to drive improvements within OPG – using data more effectively
- we are continuing the roll out of the Human Voice of Justice writing style within complaints and other customer focused areas. We have worked closely with First Word to deliver a bespoke training package to complaints staff. We are now working on the implementation of a second cohort of training

Example of an improvement that has been made below

A complaint was investigated by PHSO – it was partially upheld and we were given actions to implement. Two of these action points were around reviewing our investigation closure letters and complaints responses.

The Ombudsman asked us to review whether we could include more details in the responses (in line with GDPR guidelines), they also asked to consider providing additional information to our customers about how they can request information following an investigation.

An action plan was created, and collaborative work was undertaken by investigations, complaints, Information Assurance and the legal team to carry out the recommendations made by PHSO. We had a three-month deadline to complete the actions.

The letters were fully reviewed, and new templates were created, with an improved structure and additional information included. The Information assurance team provided wording to be inserted which will assist our customers in requesting information and making FOI requests. This wording will also be circulated for use in complaints responses, improving the service we provide our customers.

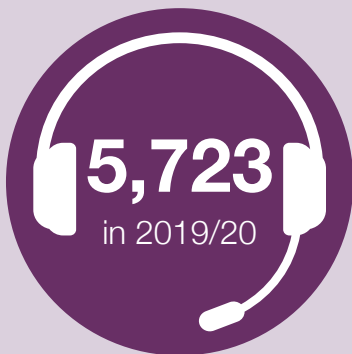
The Ombudsman responded and were satisfied that we had completed all the requirements of their final report and recommendations.



OPG received



compared with



Complaints responded to in 10 working days was



Target: **90%**



3155
complaints
about LPAs

Average time to respond to a complaint was



Target: **10 days**



244
complaints about
deputyships

Top three LPA complaints



Delays in processing LPAs, handling and scanning on documents, delays in contacting customers and advising of issues with application



Contact with OPG – unhappy with the service provided either over the phone or in writing



Lost documents – LPAs and LPA sections misplaced or lost in the office

Top three deputyship complaints



Deputy/Attorney – complaints about professional deputies sent to the Pro team by third parties



Letter content – tone of chase letters, chase letters going out after we have been sent information and requests for further information



Contact with OPG – tone of contact, issues with being able to get through and requests for further information

Our People

We have implemented a range of measures and tailored wellbeing support, prioritising the health, safety and wellbeing of all our staff in dealing with COVID-19 and the many ways this has affected them. We have promoted mental wellness activities for all colleagues, delivered Positive Emotion, Engagement, Relationships, Meaning, and Accomplishments (PERMA) wellbeing training, introduced a winter wellbeing package and daily call-back service with our mental health first aiders and mental health allies. These measures have ensured our staff have the information and support they need, when they need it and the knowledge of where to go for further help if required.

We have maintained our focus this year on becoming a truly inclusive organisation, representative of the communities we serve and committed to listening to how our staff feel. We are pleased to see the impact of our work from previous years reflected in our People Survey scores. OPG's inclusion task force continues to meet regularly to talk about diversity and inclusion at OPG. Since July 2020, conversations have focused on race. Starting with a series of Race Listening Sessions, hosted by our PROUD network, we listened to what staff were telling us and we used what we learnt from these sessions to feed into our race action plan. 'Listen, learn and lead' is the framework we will continue to use to achieve our future inclusion goals.

By working closely with our Inclusion Taskforce, staff networks and people teams we have continued to improve and adapt processes so we are a fully inclusive recruiter. This is reflected through our recruitment content, in our diverse interview panels which have exceeded MoJ targets and in our re-accreditation as a Disability Confident Leader – accredited by DWP.

Despite the pandemic and our recruitment freeze, we have still been able to deliver on our commitment to support social mobility. In 2020/21, OPG recruited a total of 14 candidates through various routes into work schemes, six through sector-based work academy, seven through care leavers scheme and one Fast Streamer. In response to social distancing restrictions, OPG introduced a process of remote interviewing for all business critical roles. Due to the level of success this process is now BAU across all of OPG at every grade. We have only recruited to business-critical roles this year and we have achieved this through successfully embedding virtual interviewing capability into our recruitment processes.

We have continued to focus on strengthening our leadership capability and we have invested in our leaders and their development through our new, Line Manager Essentials programme that we have delivered to over 12 cohorts, improving leadership capability and confidence. We have delivered two more cohorts of our flagship leadership development programme 'Bridges' aimed at helping BAME colleagues unlock their potential and progress into leadership roles and we have launched a new pilot programme 'Reach' supporting disabled staff to progress their careers.

More broadly, our Learning and Development team have redesigned our comprehensive learning programme to be delivered virtually which, alongside the introduction of our new OPG Learning Hub, means we provide a wide spectrum of flexible and readily accessible learning and development options.

Service improvements

We have improved our people services by:

- establishing a people committee to hold our people strategy and performance to account
- increasing our people data reporting to aid knowledge and inform appropriate action or intervention
- increasing our workforce diversity and diverse future leaders' pipelines through delivery of four Bridges programme cohorts and one Reach programme cohort
- ensuring we always have diverse and representative interview panels – exceeding MoJ targets in this area
- launching the OPG online Learning Hub
- redesigning all our learning and development programmes for online delivery
- developing and launching our new talent management strategy and career conversation framework and guides
- creating our virtual interviewing process and guidance for vacancy managers

Key achievements from 2021/21:

Our bullying, harassment and discrimination scores reduced by 8% in the 2020 People Survey.

Our inclusion and fair treatment score improved by 3% in the 2020 People Survey.

OPG was a finalist in two categories of the 2020 UK Social Mobility Awards (SOMOs): Recruitment and progression programme and Mentor of the year and our Bridges programme nomination received a 'highly commended' award.

We have also

- extended our People Strategy to 2025 that supports our OPG 2025 transformation programme
- published our Race Inclusion Action plan to tackle race inequality
- published our 2021 corporate engagement action plan focused on engagement priorities from OPG's 2020 People Survey.
- developed and delivered a management of change support programme for our operational directorates
- launched our Confide Advisors Network
- conducted a Mental Health Review – action from this will be implemented as part of OPG's People Strategy during 2021/22
- worked collaboratively with the Legal Aid Agency, Criminal Injuries Compensation Authority, Parole Board and Official Solicitor and Public Trustee to launch a learning and development strategy to promote consistency of our approach to learning and development and also provide a modern and flexible offer for our people

2020Inclusion and fair treatment **77%**Bullying and harassment (number who said they had experienced) **9%**Discrimination **12%**

- OPG anti-BHD video exploring unwanted behaviours
- Launch of the Confide Advisor Network
- Review and gap analysis of Civil Service inclusion expectations

2019Inclusion and fair treatment **74%**Bullying and harassment (number who said they had experienced) **17%**Discrimination **20%**

- OPG award-winning internal inclusion communication campaign
- OPG inclusion video – exploring what inclusion means to our people
- Staff inclusion focus groups
- Delivery of mutual respect sessions
- Annual celebration of National Inclusion Week
- Internal communication campaign to increase staff diversity declaration

2018Inclusion and fair treatment **69%**Bullying and harassment (number who said they had experienced) **17%**Discrimination (as previous) **21%**

- Monthly Deputy Director Inclusion summits 2018
- Launch of Equality, Diversity and Inclusion Advisors
- Development of mandatory BHD awareness e-learning
- Launch of centralised BHD grievance investigation process
- Annual celebration of national inclusion week

2017Inclusion and fair treatment **71%**Bullying and harassment (number who said they had experienced) **19%**Discrimination (as previous) **21%**

- ACAS Bullying, Harassment and Discrimination (BHD) investigation report

Communications and engagement

Since the start of the pandemic, we've adapted to the challenges of communicating effectively to an office and home-based workforce – introducing regular OPG-wide livestream events to ensure everyone has the information they need and opening up a forum for conversation. Since launch, these events reach over 700 of our 1,500+ workforce and receive an average of 200 questions per session. Our intranet COVID-hub has received over 13,639 visits since it was created as a central reference point for staff.

We've put our values at the heart of our communications, working with colleagues in the Learning and Development team to communicate support for mental and physical wellbeing including bank holiday wellbeing packs. Staff survey data has shown the value of this approach – 88% of staff felt supported by managers since the COVID-19 outbreak, and 85% of staff felt confident senior leaders were handling the impact of the outbreak on the OPG (source – Cabinet Office pulse survey June 2020).

We have collaborated with colleagues in contact centre, legal, policy and others to ensure our users have up to date information on changes to guidance in line with government guidelines, liaising with colleagues across government to ensure consistency of messaging.

Below is a list of some of the stakeholder events where OPG has either hosted or attended.



External event – presentations

	Delegates
The Water Services Regulation Authority (OFWAT)	30
Hackney safeguarding network	10
Older people's commissioner wales	30
Adult safeguarding summit	30
Age Cymru	35
Singaporean Public Guardian virtual visit	5
Her Majesty's Revenue and Customs (HMRC)	50
Cabinet Office	30
Safeguarding Adults National Network (SANN)	30
Together for Health	400

Our challenges for 2020/21 have been:

- responding to updated government guidance at speed
- adapting our approaches to the new communications landscape – going from face-to-face engagement to virtual
- ensuring our staff are engaged, informed and feel supported – maintaining a sense of purpose and togetherness

Our key successes for 2020/21:

- our GOV.UK COVID-19 guidance has been viewed over 146,803 times since April 2020
- hosted our first ever virtual staff People Awards in September 2020, with over 360 attendees, and the largest ever number of nominations from staff across OPG
- successfully launched new channels including a staff GOV.UK notify service for urgent COVID-19 related messages, and stakeholder newsletter

We have also been recognised for our work, through a number of industry awards:

- Internal Communications and Engagement Awards 2020 – CIPR Internal Communications Team of the Year Award
- Internal Communications and Engagement Awards 2020 – Best Internal Communications Campaign (Bronze winner)
- Public Service Communications Awards 2020 – Diversity and inclusion category (Bronze winner)
- Institute of Internal Communications National Awards 2020 – Best culture communications (Award of Excellence)

Your Voice, Your Decision.

Our public-facing campaign – Your Voice, Your Decision – received backing from Cabinet Office to relaunch in Summer 2020 with a renewed focus on those groups most heavily impacted by COVID-19 – those from lower socio-economic and minority ethnic backgrounds. With £14,000 from Cabinet Office we launched a successful drive to raise understanding of LPAs amongst these groups using targeted radio advertising, public service announcements, Facebook advertising, and partner engagement. To date we have over 100 LPA partners from a range of sectors working with us to help those least likely to have an LPA of the benefit of putting their future in the hands of those they trust.

We focused our communications on real life stories that have proven to resonate with our target audience groups. We did this through wide range of channels and for the first time we produced four radio adverts in English and Welsh with a script about being stuck inside during COVID-19 and around LPA service and looking after children.

- three radio ads were broadcasted across England and Wales reaching up to 700,000 listeners
- we ran four Facebook adverts over a month in March 2021 gaining 309,439 impressions converting 1% traffic to the campaign site resulting in 93% new users
- we ran public service announcements through Cabinet Office Radio Filler service from June 2020 to March 2021, gaining over 5,399 transmissions over commercial channels and 4,520 downloads from community channels

Office of the
Public Guardian

Karine Riddington, West Midlands

"I was able to make decisions for my father-in-law who suffered from Alzheimer's, because he had a lasting power of attorney."

#YourVoiceYourDecision

Financial Performance

Income forecasting

We have maintained our strong demand and income forecasting capabilities over the past year, through our continued collaborative partnership with MoJ Analytical Services, and central analytical teams within Finance Business Partnering. Due to the COVID-19 pandemic, income for the year varied substantially from initial projections, with income from power of attorney applications coming in 30% below forecast, and income from deputyship services 5% below, due to reductions in demand for services. We review and update in-year demand and income forecasts as part of the monthly routines for financial and performance management, using the insight gained to model likely impact of internal and external environment changes.

Financial performance

This section provides commentary to support the Financial Statements and our performance during the past year. The Financial Statements are set out on pages 90 to 111. Note 2 to the Financial Statements on page 103 details the Fees and Charges for the income below, and notes 3-5 provide further details on the expenditure across OPG. Below are the key balances for OPG in 2020/21.

Cost recovery 76.7%

24.0% reduction

Power of Attorney income

The COVID-19 pandemic had a significant impact on the volume of power of attorney applications received when lockdown and other social distancing measures were in place.



£51.4m

24.6% decrease

Supervision income

A sharp increase in cases terminating coincided with the first wave of the pandemic, overall volumes were down by just 2% at year-end compared to 2019/20.



£10.6m

0.2% increase

Staff costs

A charge of £1,965k in respect of IR35 tax liability was the most significant factor increasing staff costs.



£51.2m

6% increase

Professional visitor reports

Social distancing measures impacted on the number of targeted visits undertaken.



£1.7m

40% decrease

Postage

The key driver for postage costs is the volume of power of attorney applications received and as such have reduced accordingly.



£2.9m

21.8% decrease

In 2020/21 OPG recovered 76.7% of its costs, recording a deficit of £18.9m. This was primarily driven by a 25% drop in the volume of new power of attorney applications, notably so when lockdown and other social distancing measures were in place. Demand for power of attorney registrations is a key driver for OPG's financial performance. It is the first year, that OPG has failed to achieve full cost recovery.



Nick Goodwin

Chief Executive and Accounting Officer

13 July 2021



Sustainability report

We are committed to reducing our impact on the natural world and to support our communities. To do this we measure our impact on the world and work to reduce our consumption of limited resources, emissions of greenhouse gases and unnecessary travel.

Data collection and scope of reporting

We report on utilities used, travel, and waste generated. These are measured against previous years and in conjunction with the Greening Government Commitment Targets (GGC). The GGC's targets lapsed in 2014/15 but were revised in March 2018, so we are now reporting against these new commitments, for which MoJ has specific targets.

Our data is taken directly from utility meters, suppliers, and waste disposal contractors. Where we share buildings and utility supplies we base our consumption figures on the space occupied.

We do not have fleet vehicles and mileage of personal vehicles (grey fleet) used for business travel are recorded in expenses claims.

We are only required to report on back-office paper use, however the issuing of LPA packs to customers is a significant use of paper and we report on these as well. A new outsourced printing service has been introduced which has replaced in-office printing. Figures for this service are included in the paper use reporting.

At year's end, our data is collated into the MoJ's departmental annual report and accounts.

The impact of COVID-19

The impact of COVID-19, with the majority of staff working from home, has significantly changed the waste, water and travel figures. OPG has met the targets for this year, however, these should not be used for future benchmarking due to the unprecedented nature of the year.

Our estates information

OPG occupies estate in Birmingham and Nottingham. The year 2017/18 figures set the baseline against which future years will be measured internally, after many years of expansion and changes.

OPG's team of five in Petty France are not included in this report as figures for this site are reported by MoJ directly.

Our targets








The GGC targets and OPG's performance are set out in the tables below.

As in previous years, OPG has not met the paper target due to the ongoing increase in workload and headcount since the baseline years. These areas are discussed in detail below.






We have however met the carbon dioxide emissions and the volumes of waste sent to landfill targets.

There were no domestic flights recorded.

Please note, that comparison of these tables below to previous years should take into account changes of baseline years.

Greening Government Commitment	MoJ target to 2020	Our position 31 March 2021	Outcome	
	Greenhouse gas emissions	38% reduction from 09/10	70% reduction	Met
	Domestic flights	Reduce domestic flights by 30% vs 09/10	No domestic flights were made	N/A
	Waste	Total waste 31% reduction against 15/16	2% decrease	Met
	Waste	<10% to landfill	0%	Met
	Waste	Increase recycling and exceed 15/16 levels (59%)	100%	Met
	Water	4% reduction against 14/15	Water consumption readings not reported due to COVID-19. Please refer to page 44	Not met
	Paper	50% reduction against 09/10	160% increase in absolute terms, 70% fall in use per case	Not met

Total consumptions and emissions figures, along with expenditures where available are shown below

CO ₂ Sources		Amounts	Tonnes CO ₂ e	Expenditure	
	Gas (scope 1)	570,000 kWhr	99	£17,600	
	Electricity (scope 2)	807,000 kWhr	187.5	£172,600	
	Travel (scope 3)	Rail (inc. London Underground)	6,575 km	0.247	£2,200
		Grey fleet (cars)	4,534 km	0.76	£1,600
		Air	N/A	N/A	N/A
Finite Resources		Amount	Expenditure		
	Waste	Total	41.8 tonnes		
		Recycled	70%		
		Energy from waste	30%		
	Water	Water consumption readings not reported due to COVID-19. Please refer to page 44		Unknown as part of service charge for buildings	
	paper	9,420 reams (back office) 23,000 reams outsourced 7,040 as LPA packs		£25,000	

Waste

We have zero to landfill waste disposal contracts in our Birmingham and Nottingham offices, so all of our waste was recycled or reused by conversion to fuel oil. All of our paper and cardboard waste was recycled in a closed loop.

Our total waste generated is difficult to measure against previous years, as the vast majority of staff are working from home due to COVID-19 restrictions, so there was much less waste generated in the office, for example, food waste.

In our 2019/20 annual report, it was anticipated that the effects of separated waste streams at each of our offices would be reported this year. Again, due to COVID-19 restrictions these figures have no validity in comparison to 2019/20. It is anticipated that 2021/22 will provide robust data for reporting.

Water

The previous targets for water use were set on a per-FTE basis. The new targets are for an absolute reduction. Due to continuous expansion of headcount since 2014/15 our water use has increased by 60% to March 2020, missing the target. Due to COVID-19 restrictions water meter readings are not a meaningful recording of water use by OPG this financial year, as our buildings have shared occupancy and have been occupied at different rates for differing periods with only one main meter. This has made it impossible to estimate OPG's water use.

Replacements for antiquated and unreliable, leaky, fill and flush mechanisms on toilets have been installed in March 2021, and this will improve future water use.

Paper usage

As in previous years, OPG has missed the target of 50% reduction in back-office paper use, due to the growth of the business in the reporting and measuring period. 2020/21 ended with use increasing by 185% on the 2009/10 baseline. There was a 4% drop in paper use over 2019/20, primarily due to COVID-19 reducing the number of LPA applications received. However, improved efficiencies in the outsourced printing systems and increased use of email, telephone and other digital contact routes have been utilised as well.

Travel

In 2020/21 travel was almost eliminated by COVID-19 restrictions. A total of 6,500 kilometres were travelled by rail and 4,000 by private car, less than 1% of the previous year's figures.

Restrictions made it difficult for Court of Protection visitors to supervise deputies by conducting face-to-face visits, in many cases these were carried out virtually. Travel between offices was effectively nil, and where necessary, was generally made by private car to ensure the safety of staff.

OPG has taken on board many of the lessons learned and alternatives provided by virtual meeting tools and it is anticipated that a significant amount of travel will be permanently eliminated in future years, replaced by online methods. It is anticipated that dedicated virtual meeting tools will be provided in the new Birmingham site.

We work closely with local councils and transport operators to enable staff to take advantage of heavily discounted bus, travel and park and ride facilities. The cycle to work scheme is heavily promoted and changing facilities and a secure cycle store are provided. Active travel options are also promoted as part of OPG's wellbeing agenda to promote exercise and healthier lifestyles.

Other Utilities

Utility consumption has not fallen as much as expected, given 70% or more of OPG's staff worked from home for the majority of 2020/21. This is because business critical activities were maintained at both main sites, and the major costs of heating and lighting remained the same for one person or 1,600. There was some minor reduction in electricity use of 17% (24% reduction in CO₂ emissions due to greening the grid) on 2019/20 due to closing off unused floors and wings, and reduced power use by laptops on site.

Only our Birmingham office uses gas. Due to meter recording issues it is estimated that gas use is the same as 2019/20 at around 570,000.

A project to replace all the old fluorescent tube lights at Embankment House was completed in March 2021, which will reduce OPG's electricity and CO₂ by 3% annually with a pay-back time of 4.5 years.

Embedding sustainability in our future

COVID-19 accelerated many changes to improve flexibility in how we work. The ability for the majority of staff, including OPG's call handlers to work from home allowed for increased flexibility in working patterns, reduced demand for office space, reduced commuting and improved work-life balance. It is anticipated that, while most staff will return to the office, the majority will spend some time working from home or in hubs.

The inability to travel between offices has demonstrated the effectiveness of remote collaboration tools and virtual meetings for most cases. While there will always be some need for in-person meetings and cross-site visits, the need for travel between offices should be vastly reduced.

There were no in-person events held this year. However, messaging and communications were maintained, and lessons learned from external events mean that future events will have a virtual aspect, allowing even more staff to join in or catch up at a time which suits them.

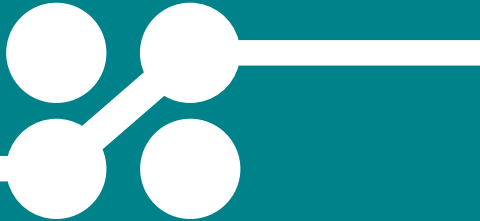
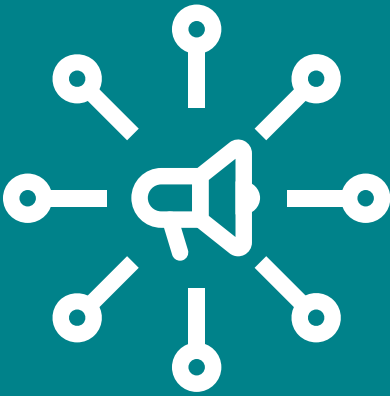


Nick Goodwin

Chief Executive and Accounting Officer

13 July 2021

Accountability Report



Corporate governance report

Introduction

The purpose of the corporate governance report is to explain the composition and organisation of the entity's governance structures and how they support the achievement of the entity's objectives.

Our framework document sets out the arrangements for governance, accountability, financing, staffing and operations. The document can be read in full on GOV.UK, <https://www.gov.uk/government/publications/opg-corporate-framework>

As chief executive and accounting officer for OPG, I am responsible for OPG's use of resources in carrying out its functions as set out in the framework document. Managing Public Money, as issued by HM Treasury, also sets out the responsibilities of an accounting officer.

As accounting officer, I am personally responsible for: safeguarding the public funds for which I have charge, ensuring propriety and regularity in the handling of public funds, and day-to-day operations and management of OPG. In addition, I must ensure that OPG as a whole is run in accordance with the standards, in terms of governance, decision making and financial management.

My report outlines the governance arrangements in place to manage risks to the achievement of OPG's agreed objectives and targets. It also provides effective oversight and control over OPG's resources and assets. It includes:

- directors' report
- statement of accounting officer responsibilities
- governance statement

Directors' report

Introduction

The structure of the OPG board, the audit and risk committee (ARC) and the executive team are given on page 52. They are responsible for setting OPG's strategic direction and monitoring performance against agreed objectives.

Statement of directors' interests

Non-executive directors (NEDs) are required to declare any directorships and conflicts of interest on appointment. All board members are also required to declare any conflicts of interest before the start of each meeting.

There were four declarations of Interest from 1 April 2020-31 March 2021:

- Shrin Honap: made declaration at OPG Board on 1 April 2020 – appointed as NED at Low Level Waste Repository Ltd (LLWR)
- Shrin Honap: made declaration at OPG Board on 5 Jan 2021 – appointed to the Pensions Determination Panel from 1 Jan 2021 (a needs role not a NED role)
- Alison Sansome: declaration made at 1 Sept 2020 OPG Board – now a member of the Code Adjudication Panel (CAP) for the Phone-paid Services Authority (PSA)
- Anne Fletcher: declaration made at 19 Jan 2021 audit and risk committee – appointed to the Pensions Determination Panel



Personal data incidents

Consideration was given to whether any incident involving personal data was so serious that it should be reported to the Information Commissioner's Office. There have been zero incidents.

The governance statement considers further information assurance and data security practices in OPG.

Health and safety

OPG acknowledges its legal responsibilities in relation to the health, safety and welfare of its employees and for all people using its premises.

The membership of the OPG Board consists of:

- **Public Guardian/Chief Executive (chair)**

Nick Goodwin

- **Five OPG senior civil servants**

Julie Lindsay

Jan Sensier (on secondment from March 2020 to support MHCLG with COVID-19 response)

Chris Jones (acting Deputy Director from April 2020)

Sunil Teeluck (on secondment from August 2020 to 3 May 2021)

Stuart Howard (Interim Deputy Director from August 2020. Acting deputy Director from 3 May 2021)

- **Five non-executive directors**

Alison Sansome

Shirnivas Honap

Karin Woodley

Anne Fletcher (appointment ended 31 Jan 2021)

Dr Jackie Craissati (appointed from 1 Feb 2021)

- **MoJ representative**

Abigail Plenty/Laura Beaumont (job share)

- **MoJ finance representative**

Paul Henson

Georgia Bottomley

Statement of Accounting Officer's responsibilities

Under section 7(2) of the Government Resources and Accounts Act 2000, HM Treasury has directed the Office of the Public Guardian (OPG) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of OPG and of its income and expenditure, Statement of Financial Position, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by HM Treasury, 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 financial statements
- prepare the financial statements on a going concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The principal accounting officer of the MoJ has designated the chief executive as accounting officer of OPG. 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 OPG's assets, are set out in Managing Public Money published by HM Treasury. As the accounting officer, I confirm that I:

- have taken all the steps I ought to have taken to make myself aware of the relevant audit information
- and to establish that OPG's auditors are aware of that information

So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Nick Goodwin

Chief Executive and Accounting Officer

13 July 2021

Governance statement

This statement explains how I, as accounting officer, have discharged my responsibility to manage and control OPG's resources during the year. I went on secondment from 31 August to 2 November 2020 to support HMCTS COVID-19 response, leaving Julie Lindsay as acting as Chief Executive whilst also maintaining her role as COO. The responsibilities of Public Guardian role remained with myself. This statement describes OPG's governance arrangements and provides an assessment of how I have balanced risk, assurance and control throughout 2020/21.

Introduction

The MoJ Permanent Secretary is the department's principal accounting officer. The responsibilities of an accounting officer are set out in chapter 3 of Managing Public Money, issued by HM Treasury. The principal accounting officer designated me as the accounting officer for OPG's administrative expenditure and defined my responsibilities and the relationship between OPG's accounting officer and the principal accounting officer.

The Public Guardian is a statutory office holder appointed by the Lord Chancellor and Secretary of State for Justice under Section 57 of the MCA 2005. This statutory role is combined with the administrative role of the chief executive of OPG and accounting officer for the agency, as set out in the MoJ/OPG framework document.

The Public Guardian is assured that the processes and controls over the activities of all business areas are robust and effective and can be evidenced. Specifically he has had regularly monitored financials, risk and performance of the agency, implementing opportunities for improved customer service. The board membership has remained the same and can also provide assurance for this period of time. There have been no departures and our governance framework takes into account the code of practice.

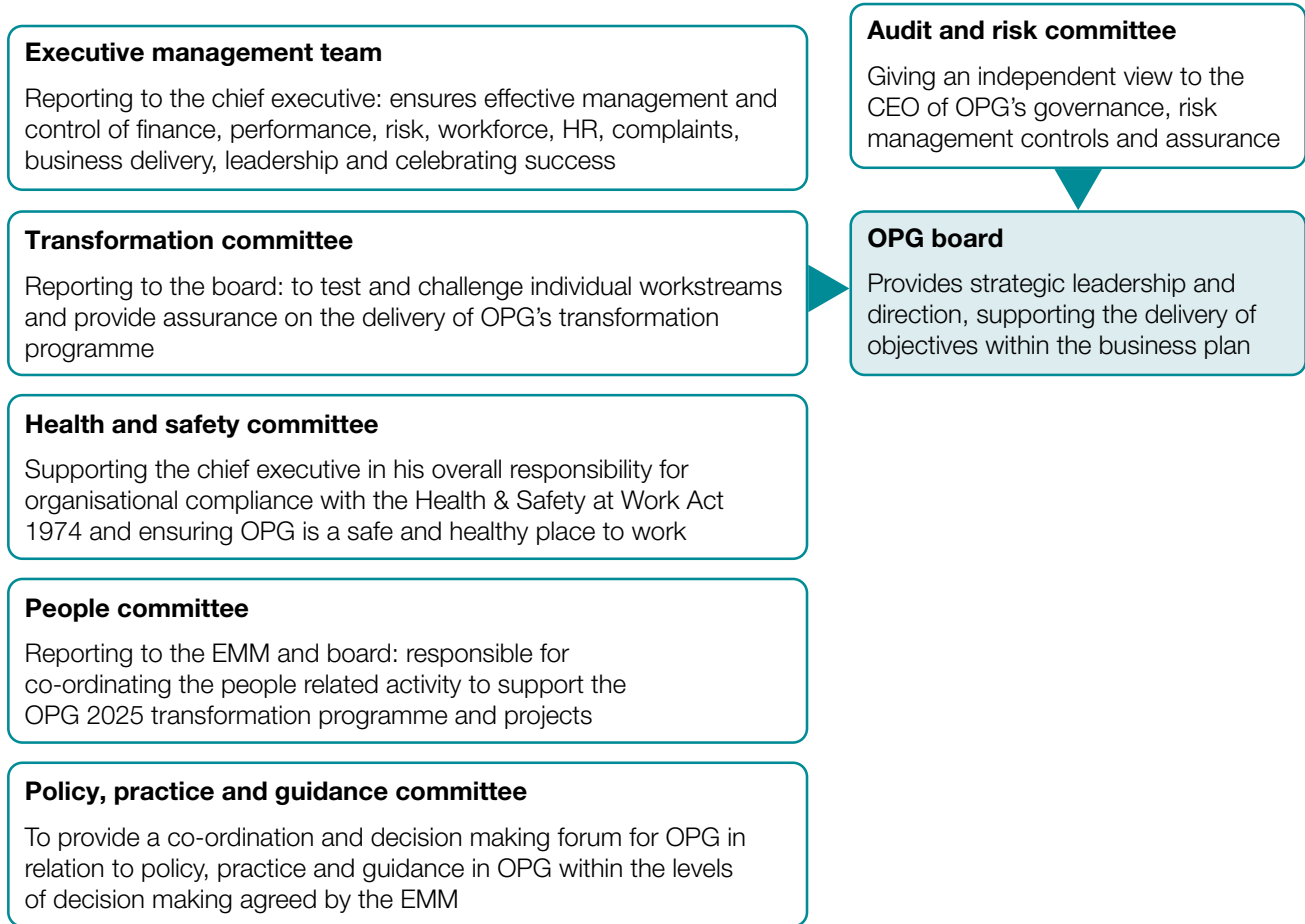
Governance framework

The effectiveness of OPG's governance arrangements, risk management and the system of internal control are set out within this governance statement. This Governance Framework has been reviewed during the year against the relevant codes such as Corporate Governance in Central Government Departments: Code of Best Practice to ensure it is fit for purpose. To reinforce the importance of this within the agency, the executive responsible for corporate governance has undertaken the CIPFA Diploma in Corporate Governance during 2020/21.

The statement includes the required assessment of compliance with the Treasury's Corporate Governance Code. While the focus of the code is on ministerial departments, where applicable, OPG applies the principles that it considers are commensurate with its size, status and legal framework.

OPG governance framework

The current board and committee structures are shown in the diagram below.



What the board does

In 2020/21, the board led OPG both strategically and operationally. It also scrutinised and challenged issues affecting our performance and policies. The board has eight main areas of responsibility:

- to protect and enhance the reputation of OPG by steering and overseeing the direction of OPG in delivering its aims and objectives
- to operate within the MoJ/OPG framework document agreed with the minister and the appropriate Director General. Its members take decisions collectively and not as representatives of the business areas which they may lead
- to provide strategic direction, agreeing business aims, objectives and planning, while setting targets for the organisation and delivering the vision
- to monitor our performance, communicating with staff on values and behaviour, while overseeing operations and managing risk
- to approve the allocation of the annual budget and any significant in-year changes to it
- to support the maintenance of a strong working relationship between our staff and its partner organisations

- to approve our corporate governance framework and controls, and monitor their operation quarterly
- to ensure that the planning, performance and financial management of OPG is carried out efficiently and effectively and with openness and transparency. Also, contribute to the development of, and approve, our annual business plan

Key successes and effectiveness

In addition to receiving finance, performance and risk papers at each meeting, the board:

- regularly reviewed and held to account those in MoJ responsible for delivery of services to the OPG via functional leadership arrangements to ensure all are working together to deliver the OPG priorities
- the board is provided with financial, performance and risk information on a regular basis and are free to ask for additional information should they require it. The board find the data acceptable as other forums such as the audit and risk committee are in place to ensure the data that goes to the board is correct and a fair reflection of the situation within the agency
- continued to provide the strategic direction on the OPG 2025 programme of work to ensure a clear understanding throughout the agency of the key priorities for delivery
- provided the strategic decisions necessary to ensure the agency finances remained within budget especially fees
- provide strategic direction on plans in place as to how OPG are operating in lockdown, document management, building site move, and modernising LPA
- re-appointed Alison Sansome, non-exec board member a further three years add continuity and stability to the board and transformation committee.

A planned external review of board effectiveness was intended to take place in 2020/21 but this was put on hold due to the COVID-19 pandemic – this will be revisited in 2021/22. At the end of board meetings the board reflect on the effectiveness of the meetings and work with the secretariat to put in place any improvements to meetings, agendas or papers.

Our sub-committees and independent advisory committee

The board has two sub-committees; the executive management meeting (EMM) and the transformation committee. OPG's audit and risk committee is an independent advisory committee to the board. The board delegates work to the committees/executives so small groups can examine issues in more detail. The committees then present their findings to the board for discussion and conclusion (following "Corporate governance in central government departments: Code of Good Practice").

	Executive management meeting	Transformation committee (TC)	Audit and risk committee
Role and responsibilities	To focus primarily on the day to day operational delivery of OPG’s business, including: finance, performance, risk, workforce, change/planning, complaints, HE (attendance management, recruitment), business delivery leadership employee engagement and celebrating success.	To bring together the key stakeholders from across OPG and partners to ensure the portfolio of change programmes in OPG are delivered successfully. The TC has a delegated governance structure below it to ensure delivery of the portfolio of projects.	Management and advise on how improvements may be facilitated and determine progress on management responses to risks identified. Approve the work of both internal and external audits. Agree that accounting policies are correct and applied appropriately to the transactions of the organisation. Provide recommendations to the accounting officer on all matters the committee consider apt.
Chair	Nick Goodwin, Public Guardian and Chief Executive	Chris Jones, Interim, Deputy Director, Strategy and Corporate Services	Shrinivas Honap, Non Executive Board Director
Key successes and achievements	<ul style="list-style-type: none"> • day to day management of performance, finance and risk • representing OPG at external events (via MS Teams) • OPG business plan signed off by Nick Goodwin, Mike Driver, Perm Sec and Ministers prior to publication in October 2020 • held an away day to review board’s effectiveness, which was independently facilitated • approved OPG operating framework effective from April 2020 • agreed EMM Charter in line with OPG values – October 2020 • Your Voice campaign – Jan 2020 	<ul style="list-style-type: none"> • delegation of responsibility for the delivery of the portfolio from OPG board • ensuring the framework and strategy for OPG2025 vision is on track • ensuring delivery of the portfolio of projects within OPG • document management • building site move 	<ul style="list-style-type: none"> • continued provision of assurance to the Public Guardian in matters in relation to the management of the entire risk framework and specific individual risks and their resultant mitigating actions • ensuring the annual audit programme is delivered in a cost effective manner whilst ensuring all significant risk areas are reviewed by both internal and external audit • agreements on how counter fraud risks would be identified and monitored • sign off of the OPG Annual Report and Accounts 2019/20 • onboarding of new Independent Member from 1 February 2021 – Jackie Craissati who replaced Anne Fletcher whose six year appointment ended on 31 January 2021

OPG Board/Committee Attendance 2020/21

	OPG Board		Executive management		Audit and risk committee		Transformation committee	
	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings
Nick Goodwin – CEO & Public Guardian	8	12	7	12	3	4	7	12
Sunil Teeluck – Deputy Director, Legal & Information (to July 2020)	4	4	3	4	1	2	3	4
Stuart Howard – Interim Deputy Director, Legal & Information (August 2020)	8	8	6	8	2	2	8	8
Julie Lindsay – Chief Operating Officer	12	12	12	12	1	1	11	12
Chris Jones – Interim Deputy Director, Strategy and Corp. Services (April 2020)	11	12	10	12	4	4	10	12
Paul Henson – Deputy Director – Finance (to November 2020)	6	7	-	-	3	3	-	-
Georgia Bottomley – Deputy Director Finance Business Partnering (Oct 2020)	6	6	-	-	1	1	-	-
Abigail Plenty/Laura Beaumont – Deputy Director Vulnerability Policy	8	12	-	-	-	-	-	-
Shrinivas Honap – Non-Executive Director	10	12	-	-	4	4	-	-
Alison Sansome – Non-Executive Director	12	12	-	-	2	2	11	12
Karin Woodley – Non-Executive Director	9	12	-	-	2	4	-	-
Anne Fletcher – Independent Member Audit and Risk	-	-	-	-	4	4	-	-
Helen Journeaux – Interim Head, Performance, Planning & Bus. Development	-	-	11	12	1	2	9	12
Paul Karim, Head of Corporate Services	-	-	6	6	3	3	7	8
Jill Twigger – Head, Supervision & Investigation Services	-	-	9	12	-	-	1	1
Marie Owen – Head, Power of Attorney Service	-	-	9	12	-	-	1	1
Ria Baxendale – Head, Policy	-	-	4	5	-	-	6	7

	OPG Board		Executive management		Audit and risk committee		Transformation committee	
	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings
Marie Lane – Head, People Development	-	-	7	12	-	-	6	12
Angela Hall – Deputy Head, Legal Information Assurance	-	-	2	3	-	-	-	-
Gemma Harvey – Head of Management Accounts & Business Partnering	-	-	-	-	-	-	8	9
May Smith – Senior Finance Business Partner	-	-	11	12	-	-	3	3
Lucy Denton – Head, Communications	-	-	11	12	-	-	11	12
Meera Bhalla – Senior HR Business Partner	-	-	8	12	-	-	8	11
Su Morgan – Head of Digital & Technology, MoJ	-	-	10	12	-	-	10	12
Navdeep Hear – Head, Corporate Services/Interim Head, Gov. & Assurance	-	-	-	-	1	1	4	4

Terms of reference

OPG Board and committee terms of reference (ToR) are in line with the Financial Reporting Council's Guidance on Board Effectiveness (March 2011) and Good Governance Standard for Public Services, published by the Chartered Institute of Public Finance and Accountancy (CIPFA)/ Office for Public Management Ltd (OPM), to ensure its governance arrangements are reflected within the ToRs.

Work has been undertaken during 2020/21 to ensure that the OPG operating framework is still fit for purpose given the changes to the size of the agency over time, and to also review it and ensure its consistency with those documents listed above. The ToRs have been reviewed to ensure that consistency and clarity of governance is being applied across the business, and ensure there are clear lines of decision making and strengthen the ownership and accountability of OPG's overall governance framework, and these have been pulled together into one clear document.

This document also outlines the links between the board and its committees, tolerances and a clear review framework for all. This operating framework also includes new sub-committees below the EMM and came into force from April 2020 with a review taking place after it has been in place for 12 to 18 months. The review had been delayed due to COVID-19 and in order to allow meetings to return to normality well as digitally.

Internal audit

As accounting officer and chief executive, I have established and maintained arrangements for the provision of internal audit services from the Government Internal Audit Agency (GIAA) within OPG in accordance with the objectives and standards for internal audit set out in the Public Sector Internal Audit Standards (published by HM Treasury). This enables an independent and objective evaluation on management performance in the delivery of effective arrangements for governance, risk management and internal controls.

MoJ receives copies of OPG's annual internal audit plans and annual report from me. MoJ and Cabinet Office are notified of any fraud or irregularity within the definition set out by HM Treasury.

GIAA undertook six audits on behalf of OPG during 2020/21. All of the internal audit assignments completed were rated as either moderate or substantial.

Rating	Audit title
Substantial	COVID-19 response
Substantial	Safeguarding triage
Moderate	Debt management
Moderate	MCA compliance
Moderate	Data governance / GDPR compliance

The head of internal audit in his annual report for 2020/21 has given OPG a moderate annual opinion on the framework of risk management, governance and control. A moderate opinion is defined as 'some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.'

Risk management, control and assurance

OPG maintains a consistent approach to the management of risk. Risk management is effectively used to alert the business of actual threats or emerging issues likely to impact the achievement of business objectives - our risk management is mature and under control.

The main corporate level risks considered over the year were:

- GDPR compliance
- Functional Leadership
- failure to achieve cost recovery
- delays in taking cases to court where legal action is required
- staff retention
- EU transition and its impact on government priorities and legislative programme

The issues and emerging risks that will need to be managed in the year ahead include:

- failure to receive full cost recovery has been a direct result of COVID-19 impact and the corresponding decrease in LPA applications. All expenditure was routinely reviewed to assess opportunities for additional savings and spending was curtailed. This will need to include a recovery plan
- delays in progressing cases to court has been assisted by a restructure within the team to improve workflow and recruitment of additional lawyers. Additional legal support has been provided to clarify understanding of legislative requirements and minimise delays
- staff retention and retaining expertise has been problematic due to pay disparity between OPG and other government departments, who have undertaken large regional recruitment campaigns. OPG have a number of vacancies, mainly in operations and are currently pursuing options to recruit additional staff

Risks below corporate level are managed within directorates and if necessary, risks are escalated to the corporate register. The governance team liaise monthly with business areas to update registers in preparation for board and committee meetings. Further examination on the management of risk is undertaken at a face-to-face mid-year review meeting with the accounting officer. This is attended by risk owners who each discuss the management and control of the risks identified and planned action to achieve risk closure by year end.

Corporate risk and programme risk are looked at together in regular review meetings so that there is a clear understanding of the total risk environment within the agency. Significant risks from the programme are escalated onto the corporate risk register. During the year work was also undertaken to look at how risk is managed within the OPG – with a move towards looking at risks by category – such as finance, performance, programme and then have sub risks listed below those. This work continues with the intention of moving over fully to this way of managing risk during 2021.

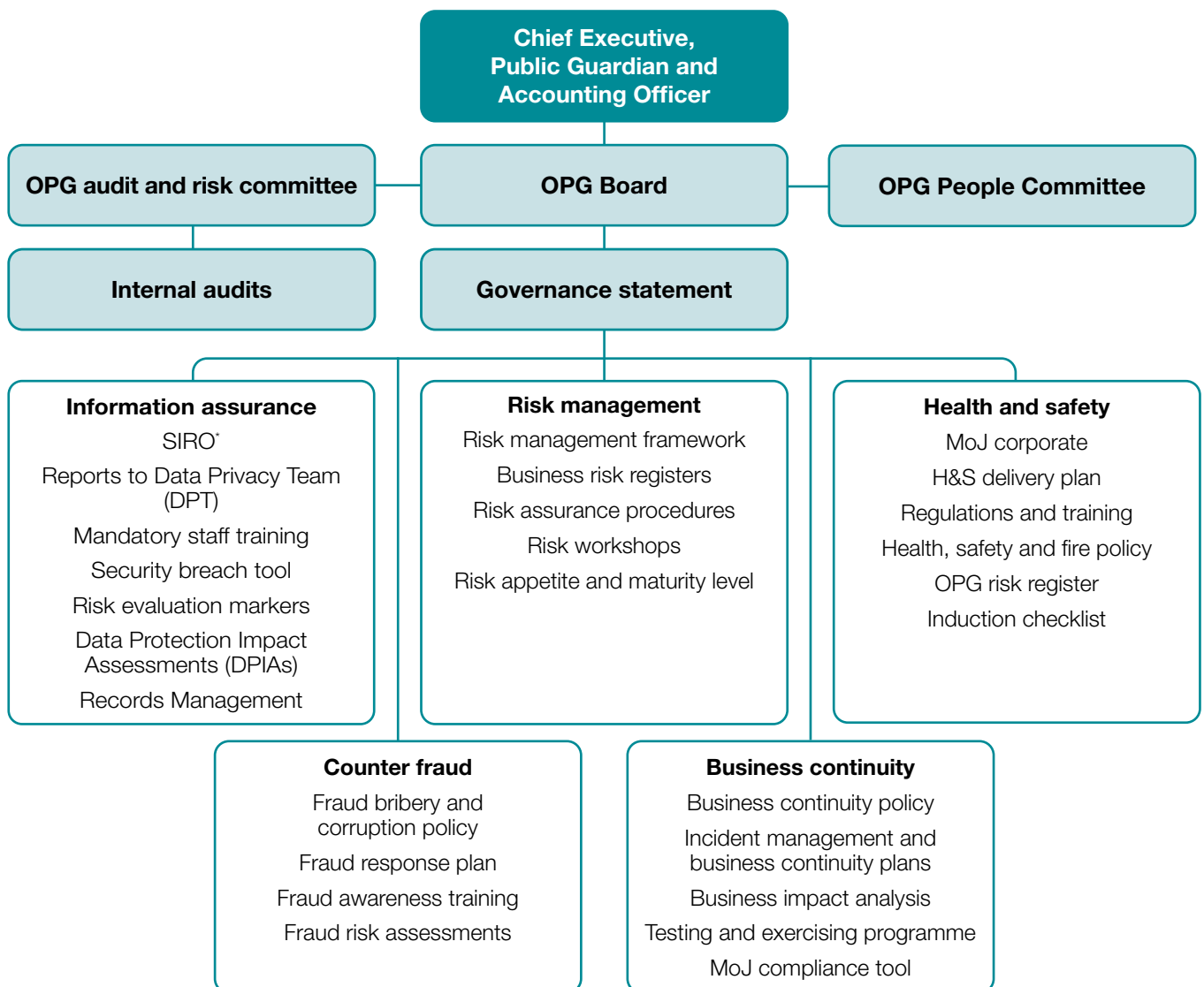
OPG has continued to report its two key risks into the MoJ Executive Committee (ExCo) as part of the wider risk management framework of the Department, as ExCo support for the OPG’s longer term change programme is important to mitigating these risks. The two risks reported during the year have been:

- the sustainability of the agency in the medium to long term (and as a key part of that the delivery of a fully digital LPA) and
- the possibility of fraud and loss of reputation of the OPG due to weaknesses in the processes

The second of these is not a significant risk within the OPG, but one which should drive legislative changes to processes over time. In year, the OPG has also looked at and changed processes to mitigate the risk prior to any more significant changes. As a result, it has not been managed as a specific risk in OPG during 2020/21 but has fed into other risks.

OPG assurance structure

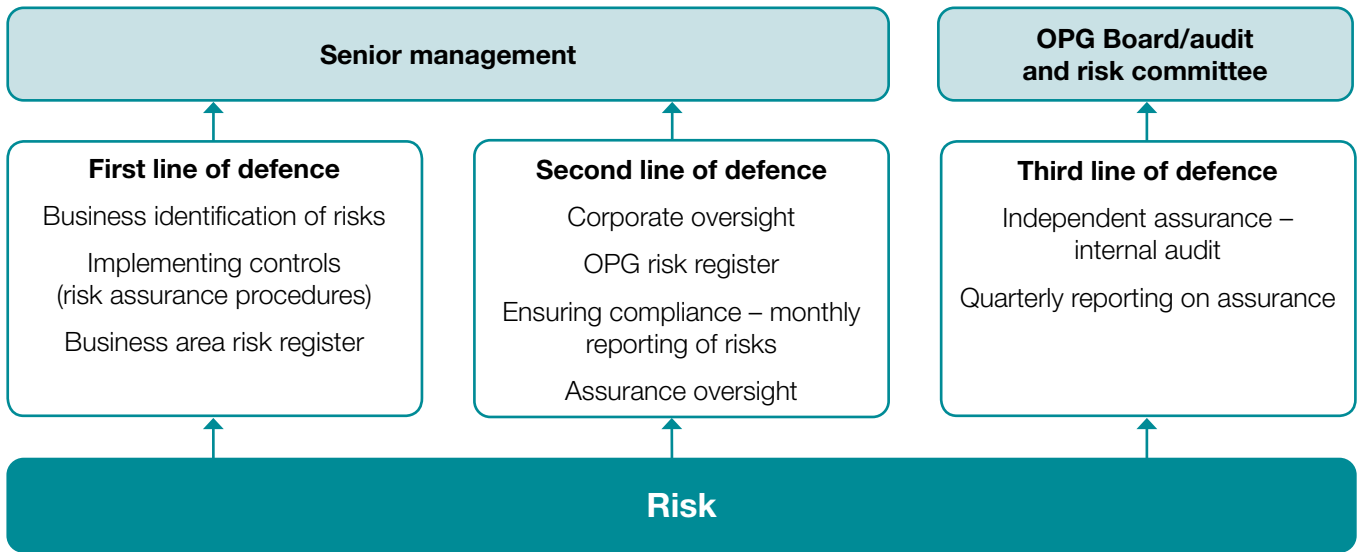
OPG encourages innovation with a measured approach to risk. OPG has a balanced approach to risk, for example having a great risk tolerance in relation to advancing digital capabilities to improve OPG products, but a lower one in areas such as ensuring concerns are assessed and investigated to safeguard vulnerable persons and their assets.



*Senior Information Risk Owner

OPG adopts the 'three lines of defence' approach to the way we manage risks, to ensure compliance and enable effective assurance.

Three lines of defence



Risk appetite

The risk appetite of the OPG is driven by and/or constrained by the statutory duties of the Public Guardian to ensure that those we work with are given a voice.

Key risk	Impact	Mitigating activities	Impact on risk of mitigating activities
Failure to achieve cost recovery	OPG is not able to cover its costs	Regular financial updates at EMM and at OPG Board Reduction in recruitment and headcount to drive down staff costs Small quick projects deferred to pick up if financial position improves during year	Cost recovery in 2020/21 not achieved due to COVID -19 but a plan agreed with MOJ for 2021/22 to achieve sustainability
Staff retention within the agency – both in terms of numbers and skills	OPG cannot deliver as efficiently and effectively as possible Time and resources spent on recruitment and training	Ongoing review of areas in which retention or recruitment is problematic Alignment of salaries across Nottingham and Birmingham offices	Turnover rates have reduced within OPG

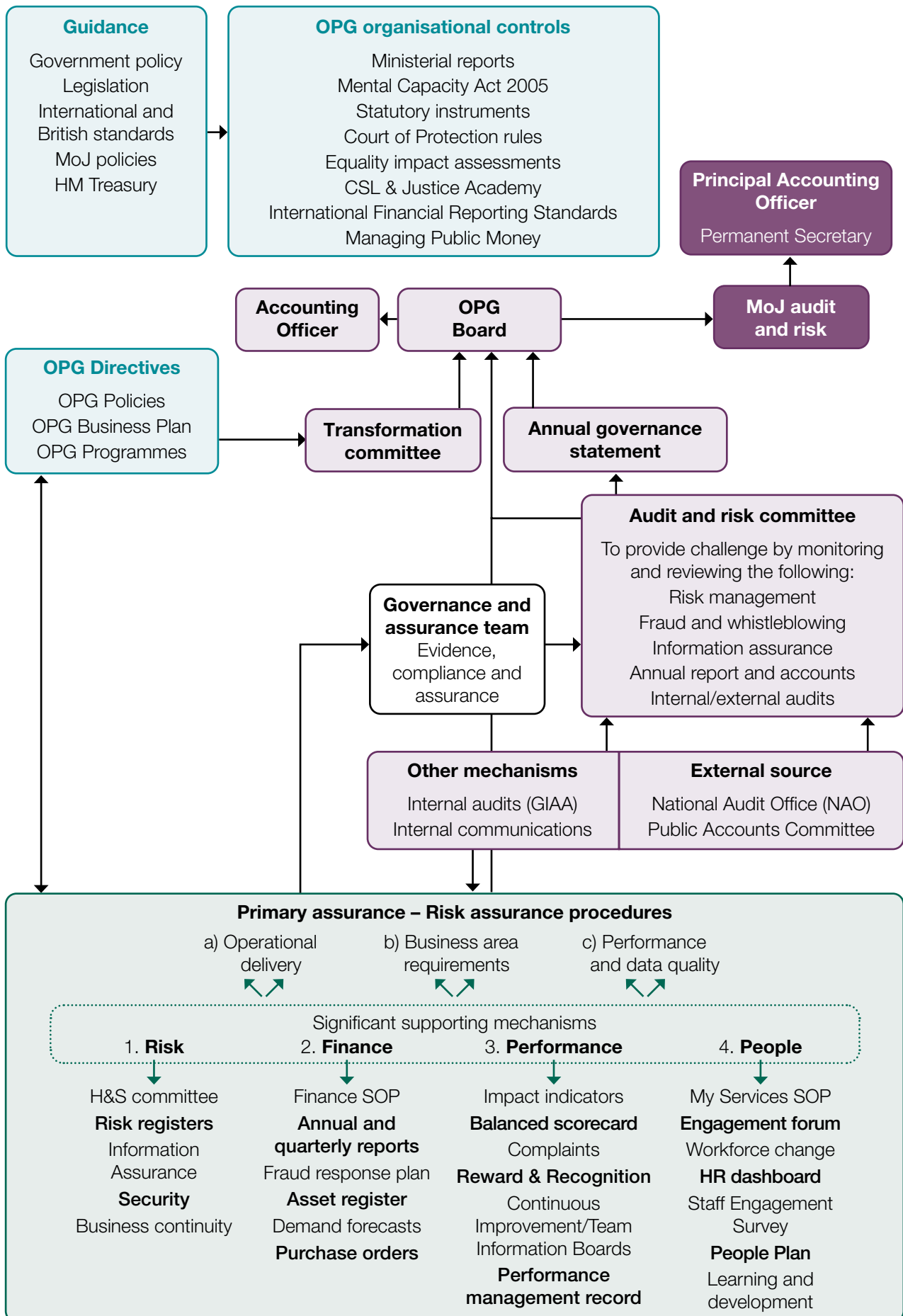
Key risk	Impact	Mitigating activities	Impact on risk of mitigating activities
Delays in taking cases to court where legal action is required	There has been a significant delay in getting cases from the OPG to the Court of Protection – possibly leaving vulnerable adults at risk	<p>Additional lawyers and support staff have been recruited, and further recruitment is underway</p> <p>New ways of working – including greater collaborative working across Directorates, and improved workflow management systems – are having an impact</p> <p>Reduction in workload due to coronavirus has allowed additional resource to be put on case clearance</p>	Most older cases have now been dealt with, and it is expected that new cases will be dealt with in-target from Aug 21
GDPR compliance	OPG is not fully compliant with the GDPR regulations – leading to to complaints and loss of reputation	<p>Working with MoJ Digitech to progress work on OPG IT systems</p> <p>Action plan to take forward additional work on GDPR within the agency</p>	Increased awareness of GDPR obligations within business and reduction in number of information security breaches, with none escalated to the ICO in the last year
Functional leadership	OPG is not seen as a priority for MoJ functional areas and cannot compete for resources or skills needed to progress its change and BAU work programmes	<p>All functional areas are present at OPG EMM and board meetings as necessary</p> <p>Functional areas sign-up to the OPG business plan</p> <p>Regular meetings between deputy directors and FLs to align deliverables</p>	OPG has had access to the majority of the skills and resources needed but some areas – Digitech – have been hampered by recruitment and retention issues and unable to provide, at times, all the resource needed. This has been managed by joint prioritisation of work to ensure delivery has continued
LPA application backlog – increasing volumes and not enough staff to process	OPG is not able to recover the backlog	<p>Use overtime and working with agencies to recruit temporary staff</p> <p>If social distancing is lifted, increasing the number of staff present in the in building for paper processes</p>	Recovery program for current LPA application backlog

Key risk	Impact	Mitigating activities	Impact on risk of mitigating activities
<p>People - adverse impact of COVID-19 and social distancing requirements</p>	<p>This resulted in blockages built up with paper processing elements from existing backlogs, increased applications and lack of workforce resources all causing material pressure on our operational ability to process LPA's for customers</p>	<p>Chief Operating Officer has oversight of recovery plans. Overtime will continue throughout April to August to focus on backlog clearance</p> <p>Asymptomatic testing site (ATS) supports and assist with the significant reduction in suspected onsite COVID-19 cases, which caused closure of affected areas and disruption to workflow. We have gone live with Workplace Collect (WPC) and staff have shown a lot of interest in this offer</p> <p>Pursuing options with MoJ Commercial to expeditiously obtain agency resource for operational roles in LPA work areas</p> <p>Increased intake resurgence has continued and immediate recruitment to mitigate against this of 45 agency staff has been met by agency providers, this will be followed by further appointments until our permanent recruitment campaign has been completed which will take 4/5 months before staff are in post</p>	<p>Impact of mitigations is that the risk impact and likelihood remains static is not escalating further</p> <p>Matter was escalated to Winter Planning Board (WPB) on 8 April and we will continue to closely monitor the situation. The next review will be on 31 August 2021</p>

Key risk	Impact	Mitigating activities	Impact on risk of mitigating activities
PG acting outside statutory remit	Lack of understanding within Operational Teams of the Public Guardian's statutory functions and responsibilities. Leading to an inconsistent approach in ensuring new operational processes are delivered within the remits of Public Guardian regulations and the Mental Capacity Act	<p>Operational teams to seek internal legal advice on operational policy and practice queries, if the role of the Public Guardian is unclear</p> <p>Review of OPG responsibilities to establish and document any immediate areas of concern</p> <p>Develop a clear process to channel queries to the Policy Team</p> <p>Legal team and SIS have organised a pilot to undertake legal case reviews prior to the PG signer</p>	<p>Ongoing review of areas where risk is immediate or a potential concern</p> <p>Earlier intervention by Lawyers improves the process</p> <p>Closer liaison across legal, policy and operations to highlight and resolve issues</p>
LPA process	<p>Weaknesses in the current LPA registration process allow the registration of a fraudulent LPA</p> <p>OPG not undertaking the required checks on LPAs and registering invalid LPAs</p>	<p>The Fully Digital steering group is reviewing the feasibility and impacts of possible increase of fraudulent LPAs and key fraud contacts in MoJ and OPG are being engaged to form next steps</p> <p>Consideration being given to how we address any concerns from the financial sector about fraudulent LPAs</p> <p>Review the Public Guardian's duties under the MCA, with regard to registration and/ or maintenance of the register</p> <p>Fully Digital programme is considering what can be done internally without legislative change. This will feed into the Fully Digital/ Fraud work the powers the Public Guardian should hold to carry out the necessary checks to prevent fraud</p>	<p>Long-term fraud prevention work will be captured under the Fully Digital LPA umbrella and will also be included as part of the MoJ/OPG Policy forum</p> <p>Limited number of fraudulent LPAs have been raised or identified. As a percentage of overall registrations, the numbers are less than 0.1%. Potential tweaks to guidance and LPA forms may be considered to provide further safeguards to the paper-based product</p>

Key risk	Impact	Mitigating activities	Impact on risk of mitigating activities
<p>OPG 2025</p>	<p>Programme cannot be delivered within the financial envelope. Inability to get required capital funding and resource from MoJ</p> <p>Inability to get the legislation necessary to establish a fully digital product</p> <p>Political context and complexity could lead to delays. External factors impact on ability to deliver</p> <p>Legacy technical debt within systems prevents the ability to develop new services or realise efficiency and effectiveness</p>	<p>Development of five-year financial plan and costings developed for programme. Critical path used to prioritise key steps</p> <p>Governance review taken place and clear roles and responsibilities developed. Tolerances to be set for projects</p> <p>Working with Functional areas to ensure specialist skills are available. Liaison with MoJ project delivery function in order to fill gaps in capacity and capability</p> <p>Regular communication with staff, MoJ Legal, policy, Digitech and Perm Sec/ministers</p> <p>Risk management is being strengthened with a focus on accuracy, timeliness and data quality with</p> <p>AI projects managed by CMO are being reviewed at each stage gate to assure their suitability to progress</p>	<p>Fully digital LPA - steering group established to ensure good levels of communication with the key people. Working relationships and collaborative ways of working are evident with Digital teams</p> <p>Discussions remain ongoing throughout period with MoJ project delivery to assist fill suitable roles. All projects now have a steering group with a set of clear terms of reference</p> <p>Key decisions have been made in relation to new building sites and taking forward DocMan and work continues on the Organisational Design project which will drive change within the agency</p>
<p>Lack of preparedness to manage additional business continuity disruptions during pandemic</p>	<p>Lack of focus on ensuring non pandemic BC risks are known and addressed with suitable controls</p> <p>Lack of engagement with suppliers and stakeholders to gain insight on any supplier/ stakeholder disruption that could disrupt OPG services</p>	<p>Incident Management and Business Continuity teams and plans available</p> <p>Business areas have Business Impact Analysis (BIA) plans in place which cover many eventualities</p> <p>Communication channels in place including Staff Information Line, WhatsApp groups and Call Cascades</p> <p>Both suppliers and IT providers have interventions to minimise disruption</p> <p>New MoJ Business Continuity Management System (BCMS) will be rolled out improve maturity and capability</p>	<p>Indicate key failure points and seek assurance surrounding recovery options</p> <p>Increase testing possibilities on various disruption types; IT, Cyber threat, Court of Protection</p> <p>Winter Planning Commission completed to assess additional BC risks along with weekly reporting to MoJ via Bird table, sitrep and weekly Winter Planning board</p>

OPG governance/assurance framework



Counter fraud, bribery and corruption

OPG has continued to implement the Government Functional Standard for Counter Fraud (GovS 013) which sets out the expectation for the management of fraud, bribery and corruption risk across all government organisations. MoJ Centre of Excellence are currently drafting a strategy and we will be required to draft a policy and response plan in alignment with the Centre of Excellence plan.

An annual assurance process is used to determine the compliance level against the functional standards and OPG has implemented a Counter Fraud Action Plan which is key actions to be taken to improve capability, activity and resilience – this has included carrying out risk assessments. A key action was to ensure team members completed the new fraud risk assessment training. This has been completed and a review of all existing fraud risk assessments will commence in May 2021. OPG Functional Standards Annual Assessment was submitted in October 2020 and feedback received in December 2020. Seven areas were met, three partially and two not met. These will form part of the continuing work on the action plan.

The functional standards set out that organisations should have access to trained investigators that meet the public sector skills standards – to date, there are currently no plans in place to invest in training OPG accredited fraud investigators, however we have recourse to seek assistance from MoJ Counter Fraud Centre of Excellence to advise on fraud investigations. A formal agreement has not been established. We will keep the position under review.

Whistle-blowing reports

There were no cases in this financial year.

Business continuity

OPG has maintained a good level of resilience to support the recovery and delivery of services adversely impacted by COVID-19 this year. We have responded to a high volume of commissions alongside our ongoing business continuity planning and reporting, which has focused on COVID-19 response planning.

This year we:

- created building audit templates for physical security, these were recognised as best practice by MoJ's physical security working group
- Government Internal Audit Agency (GIAA) conducted an audit report on OPG COVID-19 response, which received a substantial rating
- designed and implemented a localised COVID-19 reporting process and provided the necessary guidance to managers and staff. This has proved business critical for reporting on-site suspected cases
- OPG's audit position currently is in the best position it has been for many years
- introduced MoJ Business continuity management software to improve our resilience

OPG also lead the regional MoJ business continuity group, which meets bi-annually. The group share best practice, discuss ideas and invite guest speakers. Due to the pandemic, we were only able to hold one meeting in June 2020. The discussion was centred on reporting how agencies were managing business continuity during the pandemic.

OPG information security and assurance

The Head of the Legal & Information Directorate performs the role of Senior Information Risk Owner (SIRO) for OPG and a senior individual from each business directorate takes on the role of Information Asset Owner (IAO) for their area. The IAOs and SIRO meet regularly to manage information risks, and the Information Assurance Team (IA) works to support them throughout the year.

OPG received 46 Freedom of Information requests in 2020/21 and completed 96% of these within 20 working days against a target of 90%. OPG received 32 subject access requests in and completed 94% of these within one calendar month against a target of 90%.

The assessment of privacy risks in OPG is managed by the IA, which includes supporting the business to complete Data Protection Impact Assessments (DPIAs) where required. The team actively promotes privacy by design and is routinely consulted about privacy at the inception of a proposal. This has included redesigning operational processes to enable staff to work at home during the pandemic, the continued development of digital platforms and policy changes.

Information (loss/compromise) incidents

OPG was responsible for 572 information losses and/or breaches of information security in 2020/21, of which 10 were deemed to be 'high harm'. The majority of information losses were because of misdirected post.

OPG processed circa 4.3 million pieces of post in 2020/21, meaning that information losses occurred in only 0.01% of cases. The introduction of the Xerox Hybrid Mail Service in June 2020 has led to a reduction in the number of information losses. No information losses were deemed high enough to warrant notification by OPG to the Information Commissioner.

To ensure we are taking steps to reduce information losses, OPG's Information Assurance Team continues to work with the business to deliver training, education and awareness to staff in data protection and information security. These activities include the delivery of OPG-specific training packages to supplement mandatory Civil Service e-learning and regular communications to staff via OPG intranet and awareness sessions for staff across the organisation.

Records management

OPG is part of an MoJ project to improve how records are managed in the department, and this includes updating policies and guidance to support staff to manage records in line with business requirements.

OPG will conduct a full review of the current Records Retention and Disposal Schedule (RRDS) during 2021/22, and work with colleagues to implement any changes. More detailed records audits will follow to provide assurance to Information Asset Owners that the RRDS is being followed.

Supplier compliance

OPG's contracts are managed centrally by MoJ and so supplier compliance resides with the central MoJ commercial team.

Health and safety

OPG acknowledges its legal responsibilities in relation to the health, safety and welfare of its employees and for all people using its premises.

We comply with the Health and Safety at Work Act 1974 and all other relevant regulations and legislation as appropriate. This year, we have created Interim Emergency Response Plans, as we have dealt with the impact of COVID-19. We have followed government guidance in relation to COVID-19, to make sure our offices are COVID-secure, taking into consideration things like social distancing. This has required us to make changes to our normal processes.

We have provided DSE equipment to a large proportion of OPG staff who have needed to work from home due to the pandemic. And we have engaged with contractors to get DSE equipment delivered to staff home addresses. We have also adapted our DSE risk assessments so they could be done virtually.

Lateral flow testing has also been introduced for staff who are based in our offices to support the government in its COVID-19 response.

OPG recognises that to have effective health and safety management, key elements need to be in place as outlined within 'HSG65 Plan Do Check Act' (Health and Safety Executive's guidance on managing for health and safety). These elements are policy, organising, planning, measuring performance, auditing and reviewing.

A total of 68 health and safety inductions for staff have been conducted this year contributing to the overall figure of 1,603 which represents 97% of staff in post. It has been difficult to conduct fire walks due to COVID-19 restrictions which has contributed to the delay in staff completing induction checklists.

OPG health and safety policies are reviewed annually or when changes occur. A health and safety strategy is in place that is aligned to business objectives and developed to enhance occupational health and safety and fire safety.

A health and safety risk register is approved by the OPG duty holder and is informed by local risk assessment, this is maintained and reviewed at the quarterly Health and Safety Committee and is available on our intranet pages.

The accident, incident and near miss figures for financial year 2020/21 have decreased in comparison to the previous year. Only six accidents, 15 incidents and two near misses had been reported in 2020/21.

OPG is committed to continuous improvement of Health and Safety. We have continuously monitored our emergency responders to ensure there is sufficient cover and implemented a fire warden training course – this provides greater value for time and money when training new volunteers.

Accounting Officer's conclusion

As accounting officer, I have responsibility for reviewing the effectiveness of OPG's system of internal control, including the risk management framework. My review is informed by the work of the internal auditors and the executive managers within OPG. They are responsible for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. In their annual report, our internal auditors have given an overall assurance level of moderate, which means that some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. I have been advised on the implications of the results of my review by the board and the audit and risk committee. I am satisfied that a plan to address weaknesses in the system of internal control, and ensure continuous improvement of the system, is in place. I am also satisfied that all material risks have been identified, and that those risks are being properly managed.

A handwritten signature in black ink, appearing to read 'N Goodwin', written in a cursive style.**Nick Goodwin**

Chief Executive and Accounting Officer

13 July 2021

Remuneration and staff report

This report summarises the OPG's policy on remuneration of Executive Board Members and Non-Executive Board Members (NEBMs). It also provides details of actual costs and contractual arrangements.

The remuneration and staff report has been prepared in accordance with the requirements of the Financial Reporting Manual as issued by HM Treasury.

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 remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

Salaries for Executive Board members are determined by the Permanent Secretary of MoJ, in accordance with the rules set out in Chapter 7.1 Annex A of the Civil Service Management Code.

In reaching its recommendations, the review body has considered the following:

- the need to recruit, retain, motivate and, where relevant, promote suitably able and qualified people to exercise their different responsibilities
- regional/local variations in labour markets and their effects on the recruitment, retention and, where relevant, promotion of staff
- government policies to improve 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
- the government's inflation target

The review body takes into account the evidence it receives about wider economic considerations and the affordability of its recommendations.

Total amount of salary and fees

Salary and allowances covers both pensionable and non-pensionable amounts and include gross salaries; overtime; reserved rights to geographical weighting or geographical allowances; recruitment and retention allowances; private office allowances or other allowances to the extent that they are subject to UK taxation and any ex-gratia payments. It does not include amounts which are a reimbursement of expenses directly incurred in the performance of an individual's duties.

All taxable benefits

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.

Bonus payments

Bonuses are based on performance levels attained and are made as part of the regular appraisal process.

All pension related benefits

Section 229 of the Finance Act 2004 determines the maximum annual level of pension savings that can be accrued under a defined benefit arrangement before any taxation is charged. The amount of savings shown in Table A is the increase in the value of the individual's promised benefits over the pension input period (which is the financial year for the OPG). Any increase is the difference between the value of the individual's benefits at the start of the pension input period (1 April 2020) and the value of the individual's benefits at the end of the pension input period (31 March 2021); this also incorporates any increase to pensionable pay.

Regulations specify a modification to the HMRC rules for this purpose, in order to value the benefits HM Treasury has advised pension schemes to use a multiplier of 20.



Table A senior employees remuneration – Employment costs

Executive members	2020/21					2019/20				
	Salary	Bonus	All taxable	Pension	Total	Salary	Bonus	All taxable	Pension	Total
	£000	£000	(to nearest £100) £000	related benefits ¹ £000	£000	£000	£000	(to nearest £100) £000	related benefits £000	£000
Nick Goodwin Chief Executive and Public Guardian (from 1 July 2019)	100–105	10–15	-	56	165–170	70–75 (FYE 100–105)	-	1.1	53	125–130
Alan Eccles CBE Chief Executive and Public Guardian (to 4 July 2019)	-	-	-	-	-	30–35 (FYE 115–120)	-	2.4	-	30–35
Julie Lindsay Chief Operating Officer	80–85	0–5	-	136	215–220	70–75	0–5	-	33	110–115
Jan C Sensier² Deputy Director of Strategy and Corporate Services	-	-	-	-	-	80–85	-	8.0	32	120–125
Chris Jones Interim Deputy Director of Strategy and Corporate Services (from 1 April 2020)	70–75	0–5	-	30	100–105	-	-	-	-	-
Sunil Teeluck Head of Legal and Information (4 March 2019 to 2 August 2020)	20–25 (FYE 70–75)	-	-	13	35–40	70–75	-	13.8	33	115–120
Stuart Howard Interim Deputy Director of Legal and Information (from 3 August 2020)	55–60 FYE 80–85	-	-	49	100–105	-	-	-	-	-

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 a transfer of pension rights.

2 Jan C Sensier has dual workplace agreements. The costs illustrate the benefit in kind for all travel to and from the dual workplace locations for her period on the board. Jan's salary has paid by OGD during her secondment.

Table A senior employees remuneration – Employment costs

	2020/21						2019/20			
	Salary		Bonus Payments		All taxable benefits (to nearest £100)		Pension related benefits ¹		Total	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Executive members										
MoJ Finance representative										
Paul Henson³ Deputy Director, Chief Finance Officer Group (to 6 October 2020)	40-45 (FYE 80-85)	5-10	-	16	65-70	80-85	-	32	120-125	
MoJ Finance representative										
Georgia Bottomley³ Deputy Director, Chief Finance Officer Group (from 7 October 2020)	35-40 (FYE 80-85)	0-5	-	17	55-60	-	-	-	-	-
Non-executive members										
Shrinivas Honap	5-10	-	-	-	5-10	5-10	0.9	N/A	5-10	5-10
Karin Woodley	5-10	-	-	-	5-10	5-10	1.3	N/A	5-10	5-10
Alison Sansome	5-10	-	0.1	-	5-10	5-10	1.7	N/A	5-10	5-10
Anne Fletcher Independent member of ARAC (to 31 January 2021)	0-5	-	-	-	0-5	0-5	-	N/A	0-5	0-5
Jackie Craisatti Independent member of ARAC (from 1 February 2021)	0-5	-	-	-	0-5	-	-	-	-	-

(subject to audit)

³ Paul Henson and Georgia Bottomley are MOJ employees, their salaries are paid by MOJ.

Pay multiples *(subject to audit)*

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 OPG in the financial year 2020/21 was £110,000-£115,000 (2019/20, £100,000-£105,000). This was 5.5 times (2019/20, 5.0) the median remuneration of the workforce, which was £20,283 (2019/20, £20,444). The change in the median remuneration has been driven by a reduction in the overall median pay value.

In 2020/21, no contractors (2019/20, no contractors) received remuneration in excess of the highest-paid director. Annualised remuneration ranged from £16,899 to £112,700 (2019/20, £16,018 to £100,000).

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

Pension benefits *(subject to audit)***Table B: Executive board members – Pension costs for the year ended 31 March 2021**

Executive board members	Accrued at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV
	£000	£000	£000	£000	£000
Nick Goodwin Chief Executive and Public Guardian	30–35 Lump sum of 55–60	2.5–5 Lump sum of 0–2.5	468	417	30
Julie Lindsay Chief Operating Officer	40–45 Lump sum 95–100	5–7.5 Lump sum 12.5–15	806	666	115
Chris Jones Interim Deputy Director of Strategy and Corporate Services (from 1 April 2020)	20–25	0–2.5	254	229	12
Sunil Teeluck Head of Legal and Information (4 March 2019 to 2 August 2020)	15–20	0–2.5	220	213	5
Stuart Howard Interim Deputy Director of Legal and Information (from 3 August 2020)	40–45 Lump sum 105–110	2.5–5 Lump sum 2.5–5	877	807	41
Paul Henson Deputy Director, Chief Finance Officer Group (to 6 October 2020)	5–10	0–2.5	52	45	5
Georgia Bottomley Deputy Director, Chief Finance Officer Group (from 7 October 2020)	25–30 Lump sum 5–10	0–2.5 Lump sum 0–2.5	424	402	8

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 five 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% 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.

Partnership Pension Account

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 the appointed provider – Legal & General. 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 Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Staff report

Staff costs (subject to audit)

	2020/21			2019/20
	Total	Permanently employed staff	Others	Total
Staff costs	£000	£000	£000	£000
Wages and salaries	39,749	33,884	5,865	37,798
Social security costs	3,044	3,044	0	2,839
Other pension costs	8,461	8,461	0	7,711
Total gross costs	51,254	45,389	5,865	48,348
Less recoveries in respect of outward secondments	(40)	(40)	0	(18)
	51,214	45,349	5,865	48,330
Non-executive members (fees and benefits)	25	25	0	25
Total net costs	51,239	45,374	5,865	48,355

The government introduced the Apprenticeship Levy from 1 April 2017. Payment of the levy is considered a form of taxation and is therefore accounted for as a tax expense as part of staff costs.

Staff numbers (subject to audit)

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

	2020/21			2019/20
	Total	Permanently employed staff	Others	Total
Directly employed	1,366	1,366	-	1,394
Other	122	-	122	165
Total	1,488	1,366	122	1,559

Staff composition

The staff composition table shows the number of staff in post at 31 March 2021.

	Male	Female
Board members	4	5
OPG employees (excluding SCS)	629	826

Senior Civil Servants (SCS)

The board members include the following directly paid OPG staff – one male SCS2, and one female and two male at SCS1.

Sickness absence

Average working days lost (AWDL) this year was 8.8 days inclusive of COVID sickness (2019/20 9.5 days).

Staff Turnover

In 2020/21, staff turnover is 4.5% (2019/20 5.3%) and department turnover is 10.5% (2019/20 11.4%). Department turnover includes transfers of staff within the civil service. Transfers within the Civil Service are not included in staff turnover. OPG continues to monitor turnover rates and support initiatives to maintain a healthy level of turnover. The annual Civil Service People Survey, coupled with other research, helps us to understand our people's experience of working in OPG and take appropriate action to improve effectiveness, including where turnover becomes problematic.

Staff Engagement

Our 72% response rate to the People Survey gives a good representation of everyone's experiences at OPG. In a year when clear communication and staying connected through the pandemic has never been more important, our engagement index score has increased to 64%, up from 62% last year and 3% higher than the average score across MoJ. We have increased our scores in six out of the nine core engagement themes.

1. Leadership and managing change – our most significant increase which increased by seven points, to 55% overall.
2. Inclusion – our inclusion and fair treatment index has continued to increase, growing by three points, to 77% overall.
3. BHD – whilst we have significantly reduced these scores from last year, with reductions of eight points in both areas, we are striving to reduce the current scores of 9% for bullying and harassment and 12% for discrimination.
4. Wellbeing – 76% of respondents felt that they can talk to their manager about their health and wellbeing.

Staff policies applied in year

OPG complies with the MoJ disability policy in relation to the recruitment, training and development of staff with disabilities. We recruit, train and develop people on the basis of their skills, aptitude and ability to do the job.

As part of the MoJ, we operate according to a range of human resource policies, procedures and practices, which include:

- flexible working
- bullying and harassment
- mediation
- recruitment and selection
- equality and diversity
- managing attendance (we have a number of staff with a disability where reasonable adjustments have been agreed in order to enable them to carry out their duties)
- performance management
- training

Off-payroll engagements

During the financial year 2020/21, OPG has reviewed off-payroll engagements where we are required to consider intermediaries, (IR35), legislation using HMRC's guidance and on line status indicator. We have advised our contracting body of the outcome of the status determinations so that, where appropriate, tax deductions are made at source from payments made in respect of the engagement with OPG. Further details of off-payroll engagements in OPG can be found in the MoJ departmental resource accounts.

In 2019, HMRC challenged MoJ to revisit employment status determinations for off-payroll workers engaged since April 2017, where it had previously concluded workers were operating outside of the off-payroll working rules. The liability crystallised in 2020/21, resulting in a payment due to HMRC of £1,965k in relation to IR35 liabilities arising from incorrect assessments of the employment status of those workers. This is also disclosed within the Parliamentary Accountability and Audit Report.

Reporting of Civil Service and other compensation schemes – exit packages

(subject to audit)

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 the exit package is confirmed.

Where the government department has agreed early retirements, the additional costs are met by the department and not by the Principal Civil Service Pension Scheme.

No exit packages were paid in 2020/21 (2019/20: no exit packages paid).

Trade union facility time

Number of employees who were relevant union officials during 2020/21	8
How many employees who were relevant union officials during the relevant period spent a) 0%, b) 1 – 50%, c) 51-99% or d) 100% of their working hours on facility time	b) 8
Percentage of the total pay bill spent on facility time	0.063%
Time spent on paid trade union activities as a percentage of total paid facility time hours	0

Expenditure on consultancy

OPG did not employ any consultants during 2020/21 (2019/20: nil).

Compensation for loss of office *(subject to audit)*

No compensation payments were made in 2020/21 (2019/20: nil) for early retirement or loss of office.



Nick Goodwin

Chief Executive and Accounting Officer

13 July 2021

Parliamentary accountability and audit report

Statement of parliamentary supply

OPG is primarily funded from fees and charges from external customers, but also receives funding for capital investment from Ministry of Justice, from its Parliamentary Supply.

In common with other government agencies, future funding has to be approved by the sponsor Department and by Parliament. Approval has already been given for 2021/22 and these accounts have been prepared on a going-concern basis for financial reporting and asset valuation.

If fees generated are insufficient to cover costs in a financial year then MoJ, as the parent department, will provide the funds to meet any deficit generated, if required.

Regularity of expenditure *(subject to audit)*

The Principal Accounting Officer for MoJ has designated the Chief Executive of OPG as the Accounting Officer for the agency. 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 OPG's assets, are set out in Managing Public Money published by HM Treasury. There are no regularity issues to report.

Fees and charges *(subject to audit)*

In April 2017 the fee for registering a power of attorney reduced to £82.00. This is an enhanced fee under Section 180 of the Anti-Social Behaviour, Crime and Policing Act 2014, which permits the Lord Chancellor, with the consent of the Treasury, to prescribe a fee that exceeds the cost of providing that service. In previous years, we have used this power to charge an enhanced fee for power of attorney registration to cover the costs of exemption and remission of fees and to subsidise the operating costs of delivering the supervision service.

However, a significant drop in the volume of PoA applications, caused by the COVID-19 pandemic, meant that the PoA service recorded a deficit of £6.7m in 2020/21, this equates to around £9.68 per application. No surplus was available to cross-subsidise the supervision service. The full cost of providing the agency's services and the fees charged in relation to this is given in the table below.

	Total income	Full cost	Unit cost	Over charge/ cross subsidy
	£000	£000	£	£000
Lasting Powers of Attorney	50,697	57,435	84	6,738
Enduring Powers of Attorney	661	617	84	(44)
Appointment of Deputy	841	2,736	266	1,895
Supervision	9,761	20,061	342	10,300
Office copies	299	281	33	(18)

The table above excludes income from Guardianship fees because of the low number of cases.

Fees remitted

82,439 cases were remitted or exempted. The total value was £6,568k (2019/20: 114,036 cases – £7,944k as described in Note 2). Fee waivers are not included in these numbers.

Cost recovery

OPG recovered 76.7% of its costs, recording a deficit of £18.9m. This was primarily driven by a 25% drop in the volume of new Power of Attorney applications, notably so when lockdown and other social distancing measures were in place. Demand for power of attorney registrations is a key driver for OPG's financial performance. It is the first year, that OPG has failed to achieve full cost recovery. (see note 6 in financial statements).

Historic Fee Refund Scheme

We announced in 2016/17 that the MoJ would be launching a scheme for refunding a portion of the power of attorney fee to customers who may have paid more than they should have during a four-year period. OPG was appointed to deliver the scheme, which was launched on 1 February 2018. Over 322,000 refunds (£16.42m) have been paid in respect of power of attorney fees.

The refund scheme for supervision cases launched October 2019, with a three-year expiry date. The potential number of combined active and closed cases affected was approximately 82,000. The expected cost of that scheme is up to £18m. To date, 19,690 cases have been refunded a total of £6.1m. A further £80k has been paid to date in respect of refund applications received for 274 closed cases. The online application service for Power of Attorney fee refunds came to an end on 31 January 2021 and as a consequence it is anticipated that application volumes will fall. OPG will continue to accept postal applications for both Power of Attorney and Supervision fee refunds until January 2024 and October 2025 respectively. Financial information relating to the scheme has been recorded within the MoJ Annual Report and Accounts.

Losses and special payments *(subject to audit)*

	2020/21		2019/20	
	Volume	£000	Volume	£000
Compensation payments	1	15	-	-
Adverse legal costs	6	14	-	-
Fruitless payments	1	1,965	-	-
Fee waivers	6,478	513	7,808	647
Non-fee write offs	28	4	-	-
Ex gratia	118	46	712	24
Cash losses	113	10	-	-

All losses and special payments have been reported on an accruals basis.

In 2020-21, there was one loss over £300k as follows: £1,965k payable to HMRC in relation to IR35 liabilities arising from incorrect assessments of the employment status of workers.

In 2019, HMRC challenged MoJ to revisit employment status determinations for off-payroll workers engaged between 6 April 2017 and 5 April 2020, where it had previously concluded workers were operating outside of the off-payroll working rules. This liability has crystallised and quantifies the contingent liability disclosed in the MoJ 2019/20 Annual Report and Accounts. As the department could have avoided these tax and NI payments if a different determination had originally been made, the liability is classified as fruitless. The sum disclosed relates to off payroll workers who were employed in OPG.

Discretionary fee waivers

A fee waiver is granted either in accordance with the statutory instrument when the donor/ person subject to the deputyship order does not qualify for an exemption or remission but in the judgment of the Public Guardian, payment of the fee would cause undue hardship in recognition of maladministration.

Remote contingent liabilities *(subject to audit)*

There are no remote contingent liabilities (2019/20: nil).

Gifts made *(subject to audit)*

Gifts made by OPG in 2020/21 and 2019/20 did not exceed the reporting threshold of £300,000.



Nick Goodwin

Chief Executive and Accounting Officer

13 July 2021

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Office of the Public Guardian for the year ended 31 March 2021 under the Government Resources and Accounts Act 2000. The financial statements comprise: 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. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted by HM Treasury's Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- give a true and fair view of the state of the Office of the Public Guardian's affairs as at 31 March 2021 and of the Office of the Public Guardian's net operating deficit for the year then ended; and
- 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 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 for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law 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 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Office of the Public Guardian in accordance with the ethical requirements that are relevant to my audit of 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

In auditing the financial statements, I have concluded that the Office of the Public Guardian's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Office of the Public Guardian's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Office of the Public Guardian is adopted in consideration of the requirements set out in HM Treasury's Government Reporting Manual which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

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 certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, 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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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, based on the work undertaken in the course of the audit:

- 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; 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

In the light of the knowledge and understanding of the Office of the Public Guardian and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports. 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
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made; 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.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Chief Executive as Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing the Office of the Public Guardian's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Executive as Accounting Officer anticipates that the services provided by the Office of the Public Guardian will not continue to be provided in the future.

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.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Office of the Public Guardian's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Office of the Public Guardian's controls relating to the Government Resources and Accounts Act 2000 and Managing Public Money;
- discussing among the engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals, accounting estimates and in particular the calculation of the receivables impairment allowance;
- obtaining an understanding of Office of the Public Guardian's framework of authority as well as other legal and regulatory frameworks that the audited entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Office of the Public Guardian. The key laws and regulations I considered in this context included the 2020-21 Government Financial Reporting Manual (FReM) issued by HM Treasury under the Government Resources and Accounts Act 2000 and Secretary of State directions issued there under, Managing Public Money, Employment Law, Pension and Taxation regulations, data protection laws and the Mental Capacity Act.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- ensuring that income charged is in accordance with the fee rates set out in legislation and that remissions granted meet the eligibility requirements in the legislation.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

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

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.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

14 July 2021

National Audit Office

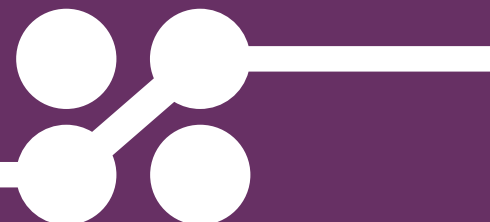
157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

Financial statements



Office of the Public Guardian

Statement of Comprehensive Net Expenditure for the year ended 31 March 2021

	Note	2020/21 £'000	2019/20 £'000
Staff costs	3	51,239	48,355
Other operating costs	4	10,688	13,917
Other non-cash expenditure	5	19,203	16,167
Revenue from contracts with customers	2	(62,262)	(78,996)
Net operating deficit/(surplus)		18,868	(557)
Other Comprehensive Net Expenditure for the year ended 31 March 2021			
Items which will not be reclassified to net operating deficit/(surplus)			
Net loss/(gain) on revaluation of property, plant and equipment	7	6	(28)
Net gain on revaluation of intangibles	8	(20)	(9)
Total comprehensive income and expenditure		18,854	(594)

The notes on pages 95 to 111 form part of these accounts.

Statement of Financial Position as at 31 March 2021

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Property, plant and equipment	7	822	1,833
Intangible assets	8	674	1,328
Total non-current assets		1,496	3,161
Current assets			
Trade and other receivables	9	9,310	14,022
Cash and cash equivalents	10	6,429	5,416
Total current assets		15,739	19,438
Total assets		17,235	22,599
Current liabilities			
Trade and other payables	11	(28,497)	(20,774)
Provisions	12	(683)	(241)
Total current liabilities		(29,180)	(21,015)
Total assets less current liabilities		(11,945)	1,584
Non-current liabilities			
Trade and other payables	11	(153)	(478)
Provisions	12	(829)	(620)
Total non-current liabilities		(982)	(1,098)
Total assets less total liabilities		(12,927)	486
Taxpayers' equity			
General fund		13,014	(264)
Revaluation reserve		(87)	(222)
Total Taxpayers' equity		12,927	(486)

The notes on pages 95 to 111 form part of these accounts.



Nick Goodwin

Chief Executive and Accounting Officer

13 July 2021

Statement of cash flows for the year ended 31 March 2021

	Note	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Net operating (deficit)/surplus	SoCNE	(18,868)	557
Non-cash charges	5	19,203	16,167
		335	16,724
Decrease in trade and other receivables	5 & 9	916	53
Increase in trade and other payables	11	7,466	1,199
Utilisation of provisions settled by OPG	12	(6)	0
Net cash inflows from operating activities		8,711	17,976
Cash flows from investing activities			
Purchase of property, plant and equipment	7 & 11	(99)	0
Purchase of intangible assets	8 & 11	0	(1,901)
Net cash outflows from investing activities		(99)	(1,901)
Cash flows from financing activities			
MoJ transfer		(7,599)	(20,406)
Net cash outflow from financing		(7,599)	(20,406)
Net (decrease)/increase in cash and cash equivalents	10	1,013	(4,331)
Cash and cash equivalents at the beginning of the year	10	5,416	9,747
Cash and cash equivalents at the end of the year	10	6,429	5,416

The notes on pages 95 to 111 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

	Note	General fund £000	Revaluation reserve £000
Balance at 1 April 2020		(264)	(222)
Auditor's remuneration	5	(63)	0
Net operating deficit for the year	SoCNE	18,868	0
Reserves movement MoJ*		7,599	0
Net (gain)/loss on revaluation of:			
Property, plant and equipment	7	0	6
Intangible assets	8	0	(20)
Revaluation transfer		(149)	149
Notional element of departmental recharge**	5	(12,977)	0
Balance at 31 March 2021		13,014	(87)

* Reserves movement of £7,599k represents a transfer of surplus cash balances from OPG to MoJ HQ and settlement of intercompany balances.

** £12,977k is the notional charge to OPG from MoJ HQ for corporate support services.

	Note	General fund £000	Revaluation reserve £000
Balance at 1 April 2019		(12,598)	(407)
Auditor's remuneration	5	(63)	0
Net operating surplus for the year	SoCNE	(557)	0
Reserves movement MoJ*		26,153	0
Net gain on revaluation of:			
Property, plant and equipment	7	0	(28)
Intangible assets	8	0	(9)
Revaluation transfer		(222)	222
Notional element of departmental recharge**	5	(12,977)	0
Balance at 31 March 2020		(264)	(222)

* Reserves movement of £26,153k represents a transfer of surplus cash balances from OPG to MoJ HQ, settlement of intercompany balances and transfer of intangible assets under construction to MoJ.

** £12,977k is the notional charge to OPG from MoJ HQ for corporate support services.

The notes on pages 95 to 111 form part of these accounts.

Notes to the financial statements for the year ended 31 March 2021

1. Statement of accounting policies

1.1. Basis of preparation

These accounts have been prepared in accordance with the 2020/21 Government Financial Reporting Manual (FReM) issued by HM Treasury under the Government Resources and Accounts Act 2000 and Secretary of State directions issued there under. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where FReM permits a choice of accounting policy, the accounting policy which has been judged to be the most appropriate to the particular circumstances of the agency for the purpose of giving a true and fair view has been selected. OPG's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The Statement of Comprehensive Net Expenditure (SoCNE) is not split between administration and programme net expenditure, as OPG net expenditure is classified as 100% programme. This is based on assessment of the work carried out by OPG, which is mainly frontline services. This classification has been agreed with HM Treasury.

1.2. Changes in accounting policy and disclosures

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2020

IFRS 16 Leases

OPG has assessed the estimated impact that initial application of IFRS 16 will have on its financial statements, as described below. The actual impacts of adopting the standard on 1 April 2021 may change because the new accounting policies are subject to change until OPG presents its first financial statements that include the date of initial application.

IFRS 16 provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less, or the underlying asset is of low value. The assets, to be described as 'right of use' assets, will be presented under property, plant and equipment. The MoJ Group will adopt IFRS 16 in the financial year commencing 1 April 2021, although most government bodies will adopt it during the following financial year.

IFRS 16 will be implemented using the cumulative catch-up method. As a result, comparatives will not be re-stated and the measurement of the asset and liability balances recognised with effect from 1 April 2021 will reflect OPG's intentions as at that date. On the date of transition to IFRS 16, OPG will recognise a right-of-use asset and a lease liability.

The lease liability will be measured at the value of the remaining lease payments, discounted either by the interest rate implicit in the lease, or where this is not readily determinable, the incremental rate of borrowing advised by HM Treasury. Where the lease includes extension or termination options, the lease payments will be for the non-cancellable period together with any extension options OPG is reasonably certain to exercise and any termination options OPG is reasonably certain not to exercise.

The right-of-use asset will initially be measured at the value of the lease liability, adjusted for: any lease payments made before the commencement date; any lease incentives received; any incremental costs of obtaining the lease; and any costs of removing the asset and restoring the site at the end of the lease. As a practical expedient for existing operating leases recognised on transition, the latter two elements will not be included in the asset value.

See Note 1.7 for details of OPG's current leases policy. Those leases currently recognised as operating leases will be converted to right of use assets and liabilities on transition to IFRS 16, with those currently recognised as finance leases transferring at their existing values.

For the material arrangements within the scope of IFRS 16, the impact of implementation is currently considered to be an increase in assets and liabilities of approximately £2,135k and £2,437k respectively.

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts requires a discounted cash flow approach to accounting for insurance contracts. It will be implemented for accounting periods commencing on, or after, 1 January 2023. To assess the impact of the standard, OPG are reviewing contracts which meet the definition of insurance contracts. OPG does not consider that any new, or revised standard, or interpretation will have a material impact.

1.3. Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention, modified to account for the revaluation of non-current assets.

1.4. Going concern

OPG is primarily funded from fees and charges from external customers, but also receives funding for capital investment from Ministry of Justice, from its Parliamentary Supply. In common with other government agencies, future funding has to be approved by the sponsor department and by Parliament. Approval has already been given for 2021/22 and these accounts have been prepared on a going-concern basis for financial reporting and asset valuation.

If fees generated are insufficient to cover costs in a financial year then MoJ, as the parent department, will provide the funds to meet any deficit generated, if required.

Furthermore, there is no evidence of planned policy changes within the Ministry of Justice that will result in the cessation of OPG's functions or OPG as an entity.

1.5. Revenue from contracts with customers

Revenue from contracts with customers comprises of fees for services which are set based on an OPG full cost recovery basis. Fee income consists of amounts for services rendered from Power of Attorney (PoA), Supervision, and copies of PoA certificates. Income is recognised in accordance with IFRS 15 (revenue from contracts with customers).

Application fees for registering lasting and enduring powers of attorney

PoA fees are payable upon receipt of the application but, in accordance with IFRS 15, income arising therefrom is not recognised until the point of completion of the service provided, either at the registration of the PoA or if processing actions conclude prior to registration. Where customers pay PoA fees online before submitting their application, these funds are also held in contract liabilities. If an online application is not received after the customer has paid, the amount paid is refunded.

Supervision and deputyship fees

Supervision income is recognised daily for all active cases. Supervision income is invoiced on an annual cycle up to the date that supervision of a case terminates, calculated on a pro rata basis. Income is recognised in the Statement of Financial Position (SoFP) as contract assets. A bad debt provision is calculated, based on the expected credit loss model, and is netted off contract assets, either when fees are invoiced for or as they accrue.

Exemptions and remissions

Fee income is recognised net of fee remissions and exemptions. The remissions scheme is prescribed in the Office of the Public Guardian (Fees, etc) Regulations 2007 approved by Parliament and remitted fees are not collected by OPG.

An application for a fee exemption or remission must be made with the initial PoA registration application or, for supervision fees, submitted within six months of the fee demand date.

In those cases where an application for an exemption or remission is not made on receipt of the fee demand there is a limitation that a completed exemption or remission application must be received within six months of the invoice being raised.

Where a fee has been paid and a subsequent exemption or remission is agreed, a refund is issued.

1.6. Employee benefits

Employee leave and performance bonus accrual

An accrual is made for untaken employee annual leave and flexi-leave. Performance bonuses awarded, but not paid before the end of the accounting period, are also accrued for.

Pensions

The provisions of the Principal Civil Service Pension Scheme (PCSPS), which is described in the remuneration and staff report, cover past and present employees. The defined benefit schemes are unfunded. OPG recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services, by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. OPG accounts for the schemes as defined contribution schemes as sufficient information is not available to account for them as defined benefit schemes. OPG therefore recognises the contributions payable for the financial year.

1.7. Leases

OPG's leases are regarded as operating leases and the rentals are charged to the SoCNE on a straight-line basis over the term of the lease. In accordance with the principles of IAS 17 (Leases) and the supplementary guidance specified in SIC 15 (Operating lease incentives), OPG has spread the value of the rent-free period for occupation of space at Axis, Birmingham and at Embankment House, Nottingham over their initial lease terms.

1.8. Notional charges

Notional charges are included in the SoCNE to reflect the full cost of the agency's services. These charges include:

- NAO's remuneration for the audits of OPG's accounts
- OPG's usage of corporate services provided by MoJ, including Functional Leadership services

Intra-departmental activities

Intra-departmental activities relate to the settlement between OPG and the MoJ:

- MoJ settles some expenditure incurred by OPG on the agency's behalf
- OPG generates net cash inflows, these are periodically surrendered to MoJ

Intra-departmental activities do not give rise to any entries in the SoCNE and are recognised directly in the General Fund via the Statement of Taxpayers' Equity.

1.9. Property, plant, and equipment

Initial recognition and capitalisation threshold

Property, plant and equipment, including subsequent expenditure on existing assets, are initially recognised at cost. The capitalisation threshold for individual assets is £10,000. Where significant purchases of individual assets (which are separately below the capitalisation threshold) arise in connection with a single project, they are treated as a grouped asset. All thresholds include irrecoverable VAT.

Subsequent valuation method

Subsequent to initial recognition, all assets other than assets under construction are stated at current value in existing use and revalued at each reporting date using the Producer Price Index (PPI) prepared by the Office for National Statistics (ONS).

Revaluation

Gains arising on revaluation are credited to the Revaluation Reserve and shown in Other Comprehensive Net Expenditure, unless they reverse a revaluation decrease on the same asset. Reversals are credited to the SoCNE to the extent of the previous amount expensed, and any excess is credited to the Revaluation Reserve.

A revaluation decrease (other than as a result of a permanent diminution) is reversed against any existing amount held in the Revaluation Reserve in respect of that same asset, with any residual decrease taken to net operating costs in the SoCNE.

Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the SoCNE and depreciation based on the asset's original cost is transferred from the Revaluation Reserve to the General Fund.

Depreciation

Depreciation is charged on a straight-line basis at rates calculated to write-off the value of the assets, less estimated residual value evenly over their estimated useful lives.

The useful lives of assets or asset categories are reviewed annually.

If an item of property, plant and equipment comprises two or more significant components, with substantially different useful lives, then each component is treated separately for depreciation purposes and depreciated over its individual useful life.

Estimated useful asset life is within the following ranges:

- leasehold improvements – remaining lease period
- furniture and fittings – 10 years
- plant and equipment – 5 to 7 years
- information technology – 3 to 7 years

Disposal of non-current assets

Gains and losses on disposal of non-current assets are determined by comparing the proceeds with the carrying amount and are recognised in the SoCNE.

When revalued assets are sold, the amounts included in the Revaluation Reserve are transferred to the General Fund.

Assets under construction

Assets under construction are valued at historical cost within property, plant and equipment and intangible assets, and are not depreciated or amortised until completed. On completion, the asset's carrying value is transferred to the respective asset category.

Expenditure is capitalised where it is directly attributable to bringing an asset into working condition, such as external consultant costs, relevant employee costs and an appropriate portion of relevant overheads.

1.10. Intangible assets

The intangible asset balance comprises software developed internally or by third parties and owned by the OPG. In 2019/20 the costs of software currently under construction were transferred to the MoJ. Software is now developed for OPG's use by MoJ Digital. Once developed those MoJ costs directly attributable to the design, development and testing of identifiable and unique software products to be utilised solely by OPG will be transferred back to the OPG and recognised as software assets in the OPG accounts, in accordance with the criteria specified in the FReM, which has been adapted from IAS 38 Intangible Assets.

Other expenditure that does not meet these criteria is recognised as an expense as incurred. Costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation is charged on a straight line basis at rates calculated to write off the value of the assets, less estimated residual, evenly over their estimated useful lives.

The expected useful lives of internally developed software range from two to seven years. In accordance with IAS 38 (Intangible Assets) OPG reviews the useful economic lives of its intangible assets each financial year.

The OPG's capitalisation threshold for software projects is £10k (including irrecoverable VAT).

Subsequent to initial recognition, intangible assets are recognised at current value in existing use. As no active market exists for OPG's intangible assets, current value in existing use is assessed as replacement cost less any accumulated amortisation and impairment losses. Intangible assets are revalued at each reporting date using the Producer Price Index (PPI) produced by ONS.

1.11. Impairment

Each year, OPG performs an impairment review across all significant asset categories. If indicators of impairment exist, the assets in question are tested for impairment by comparing the carrying value of those assets with their recoverable amounts.

1.12. Cash and cash equivalents

Cash and cash equivalents recorded in the SoFP and Statement of Cash Flows include deposits held in the Government Banking Service.

1.13. Value added tax

The agency does not have an individual VAT registration with HM Revenue and Customs, but falls under MoJ's registration, which advises the agency of any recoverable input VAT.

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output VAT is charged, or input VAT is recoverable, the amounts are stated net of VAT.

1.14. Segmental reporting

Management review the performance of OPG as a single directorate due to the similar nature of all activities. Further breakdown of these activities would not provide a meaningful analysis as intended by IFRS 8 (Operating Segments).

1.15. Critical accounting estimates and judgments

OPG makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of contract assets

We hold receivables initially at their gross amount, and subsequent to initial recognition, at amortised cost reflecting the lifetime expected credit loss.

As at 31 March 2020, the expected credit loss was determined using historic payment profiles, which assumed that future performance would be reflective of past performance and there would be no significant change in the payment profile or recovery rates. We also assessed whether there were any future economic impacts that we needed to adjust for. An on-going debt house-keeping exercise meant that an aged debt listing was not available at 31 March 2020: instead, the impairment model tracked invoices, remissions and cash receipts to assess past debt recoveries.

In August 2020 the house-keeping exercise was completed, and management has since developed a revised estimation technique, which ages debts based on the earliest invoice which the customer did not pay, and groups trade receivables based on different customer characteristics, including their payment history. Management has used this data and knowledge of the customer base to assess expected collection rates and applied those rates to the receivables categories: while this assessment is based on data and management's understanding of the customer base, it is a judgment, and therefore includes an element of estimation uncertainty.

The revised estimation technique has resulted in a significant increase in the receivables impairment, which is disclosed in Note 9, Trade and other receivables. The increase in provision is driven by a number of changes, key among which is that we are now impairing some invoices raised during the last 12 months at 100%, are impairing more categories of receivable at 100%, and have increased our impairment rates for others.

As at 31 March 2021, debt is grouped and impaired as follows:

Live cases

- 1st unpaid debt more than 3 years old: 100%
- 1st unpaid debt between 2-3 years old: 50%
- 1st unpaid debt between 1-2 years: 37.5%
- 1st unpaid debt less than 1 year old: 10%

Terminated cases

- 1st unpaid debt more than 2 years old: 100%
- 1st unpaid debt between 1-2 years old: 90%
- 1st unpaid debt less than 1 year old: 50%

The percentages applied are based on the data available and management's knowledge of the customer base. Assessing future expected credit losses requires the application of estimation techniques and management judgment: actual credit losses in the future may not be the same as the provision made.

Management have conducted a sensitivity analysis, showing the following possible impacts of an increase/(decrease) in impairment percentages:

Reduction in provision	-15% £m	-10% £m	-5% £m	+5% £m
Live cases	(1.1)*	(1.0)	(0.5)	0.4
Terminated cases	(0.4)	(0.2)	(0.1)	0.1
Total	(1.5)	(1.2)	(0.6)	0.5

* Live cases under 1 year are provided against at 10%: this calculation assumes they are not provided for.

Both estimation techniques are consistent with IFRS 9, Financial Instruments, and per IAS 8, Accounting policies, Changes in Accounting Estimates and Errors, the change in estimation technique is prospective and there is no requirement to apply it retrospectively.

There is no additional adjustment in the impairment of the OPG's receivables at 31 March 2021 to reflect the potential future impact of the macroeconomic effect of COVID-19: this is based on the characteristics of the individuals owing the debt to OPG as we do not consider this will have a material impact on the expected recovery of the receivables recognised in these accounts.

Exemptions and remissions provision

The timing of the annual billing for supervision at the end of the financial year means that applications for remissions and exemptions against those fees are usually received in the following year. Due to this, a provision is recognised within receivables based on a detailed assessment of the extent to which supervision fee exemption and remission have been granted in the year following recognition of the income. This represents the anticipated amount of exemption and remission that may be received in the following year. The provision assumes that the value of exemptions and remissions awarded historically are representative of the future value.

Provisions

Provisions are recognised when OPG has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and for which a reliable estimate can be made for the amount of the obligation.

1.16. Financial instruments

OPG's cash requirement is met through the estimate process, financial instruments play limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the agency's expected purchase and usage requirements and the agency is therefore exposed to little credit, liquidity or market risk. All financial assets and liabilities are stated at their amortised cost.

1.17. General reserve

OPG uses the general reserve to settle notional charges and intra group balances that are reported in the accounts as expenditure rather than settling in cash. Any cash that OPG generates, over and above its own requirements to meet fiscal operating costs, is surrendered to MoJ and is also settled through general reserve.

1.18. Revaluation reserve

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

2. Fees and charges breakdown

	2020/21 £000	2019/20 £000
OPG Fee revenue		
Lasting powers of attorney	(55,172)	(72,998)
Enduring powers of attorney	(677)	(796)
Supervision of Deputies	(12,139)	(12,260)
Appointment of Deputy	(1,054)	(1,250)
Other	(301)	(283)
	(69,343)	(87,587)
Exemptions and remissions		
Lasting powers of attorney	3,961	4,997
Enduring powers of attorney	16	22
Supervision of Deputies	2,378	2,611
Appointment of Deputy	213	314
Discretionary Fee Waivers	513	647
	7,081	8,591
Total revenue from contracts with customers	(62,262)	(78,996)

3. Staff costs

	2020/21 £000			2019/20 £000
	Total	Permanently employed	Others	Total
Wages and salaries	39,749	33,884	5,865	37,798
Social Security costs	3,044	3,044	0	2,839
Other pension costs	8,461	8,461	0	7,711
Total gross costs	51,254	45,389	5,865	48,348
Less recoveries in respect of outward secondments	(40)	(40)	0	(18)
	51,214	45,349	5,865	48,330
Non-executive board members (fees and benefits)	25	25	0	25
Total net costs	51,239	45,374	5,865	48,355

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 OPG is unable to identify its share of the underlying assets and liabilities. In accordance with the FReM, the OPG accounts for these as a defined contribution scheme.

The OPG recognises contributions payable to defined contribution schemes as an expense in the year in which it is incurred, and the legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

For 2020/21, employers’ contributions of £8,393k were payable to the PCSPS (2019/20: £7,639k) at 1 of 4 rates in the range 26.6% to 30.3% of pensionable earnings, 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 2020/21 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 £68k (2019/20: £72k) were paid to one appointed stakeholder pension provider. Employer contributions are age-related and range from 8% to 14.75% of pensionable earnings.

Employers also match employee contributions up to 3% of pensionable earnings.

A further summary on staff costs is included within the Accountability Report.

OPG expects to pay employer pension contributions of £8,924k in 2021/22.

4. Other operating costs

	2020/21 £000	2019/20 £000
Accommodation, maintenance and utilities	2,147	2,251
Lease charges	765	1,028
Office consumables	181	474
Postage	2,899	3,709
Professional services	474	572
Shared services	1,674	1,796
Training and other staff related costs	191	599
Travel, subsistence and hospitality	63	317
Visitor services	1,654	2,746
Other running costs	640	425
Total	10,688	13,917

5. Other non-cash expenditure

	2020/21 £000	2019/20 £000
MoJ recharges	12,977	12,977
Depreciation – property, plant and equipment	958	766
Amortisation – intangible assets	674	1,661
External auditor's remuneration*	63	63
Loss on disposal of property, plant and equipment and intangible assets	78	205
Provision for liabilities:		
Provided in year	657	241
Provision utilised	0	(13)
Provisions written back	0	(8)
Movement in impairment of trade and other receivables	3,767	78
Uncollectable trade and other receivables	29	194
Other non-cash charges	0	3
Total non-cash charges	19,203	16,167

* There were no non-audit services provided by the C&AG during 2020/21 (nil: 2019/20).

6. Fees and charges

OPG is required, in accordance with Managing Public Money, to disclose results for the areas of its activities undertaken throughout the financial year, where fees and charges were made. For details about the OPG fees and subsidies available to external customers please visit: <https://www.gov.uk/government/organisations/office-of-the-public-guardian>

A subsidy is provided as planned to ensure people are not denied access to services through the inability to afford the requisite fees.

	2020/21 £000	2019/20 £000
Total income	(62,262)	(78,996)
Total expenditure	81,130	78,439
Deficit/(surplus)	18,868	(557)
Cost recovery (%)	76.7%	100.7%

Section 180 of the Anti-social Behaviour, Crime and Policing Act 2014 permits the Lord Chancellor, with the consent of HM Treasury, to prescribe a fee that exceeds the cost of providing that service. Since April 2017, OPG has used this power to charge an enhanced fee for PoA registration to cover the costs of exemption and remission of fees and to subsidise the operating costs of delivering the supervision services.

The financial objective for OPG to achieve within 5% of full cost recovery (as agreed with HM Treasury and in accordance with its budget delegation from MoJ) was not achieved as recovery this year was 76.7% (2019/20: 100.7%). Further information is given in the Parliamentary accountability and audit report on pages 81 to 83.

7. Property, plant and equipment

2020/21	Leasehold improvements £'000	Information technology £'000	Plant & machinery £'000	Furniture & fittings £'000	Assets under construction £'000	Total £'000
Cost or valuation at 1 April 2020	884	2,234	68	905	99	4,190
Additions	31	0	0	0	0	31
Reclassifications	0	0	0	99	(99)	0
Disposals	(73)	(1,057)	(68)	0	0	(1,198)
Revaluation	(456)	37	0	2	0	(417)
Total cost or valuation at 31 March 2021	386	1,214	0	1,006	0	2,606
Depreciation at 1 April 2020	0	(1,851)	(68)	(438)	0	(2,357)
Charge in year	(448)	(333)	0	(177)	0	(958)
Disposals	0	1,052	68	0	0	1,120
Revaluation	448	(36)	0	(1)	0	411
Total depreciation at 31 March 2021	0	(1,168)	0	(616)	0	(1,784)
Net carrying value at 1 April 2020	884	383	0	467	99	1,833
Net carrying value at 31 March 2021	386	46	0	390	0	822

*All property, plant and equipment disclosed above are owned outright by OPG.

2019/20	Leasehold improvements £'000	Information technology £'000	Plant & machinery £'000	Furniture & fittings £'000	Assets under construction £'000	Total £'000
Cost or valuation at 1 April 2019	1,266	2,220	124	1,096	12	4,718
Additions	0	0	0	0	99	99
Disposals	(5)	0	(57)	(184)	(12)	(258)
Revaluation	(377)	14	1	(7)	0	(369)
Total cost or valuation at 31 March 2020	884	2,234	68	905	99	4,190
Depreciation at 1 April 2019	0	(1,657)	(124)	(264)	0	(2,045)
Charge in year	(405)	(184)	0	(177)	0	(766)
Disposals	0	0	57	0	0	57
Revaluation	405	(10)	(1)	3	0	397
Total depreciation at 31 March 2020	0	(1,851)	(68)	(438)	0	(2,357)
Net carrying value at 1 April 2019	1,266	563	0	832	12	2,673
Net carrying value at 31 March 2020	884	383	0	467	99	1,833

*All property, plant and equipment disclosed above are owned outright by OPG.

8. Intangible Assets

2020/21	Software licences £'000	Internally generated software £'000	Assets under construction £'000	Total £'000
Cost or valuation at 1 April 2020	148	14,105	0	14,253
Disposals	(148)	(3,840)	0	(3,988)
Revaluation	0	321	0	321
Total cost or valuation at 31 March 2021	0	10,586	0	10,586
Amortisation at 1 April 2020	(148)	(12,777)	0	(12,925)
Charge in year	0	(674)	0	(674)
Disposals	148	3,840	0	3,988
Revaluation	0	(301)	0	(301)
Total amortisation at 31 March 2021	0	(9,912)	0	(9,912)
Net carrying value at 1 April 2020	0	1,328	0	1,328
Net carrying value at 31 March 2021	0	674	0	674

* All intangible assets disclosed above are owned outright by OPG.

2019/20	Software licences £'000	Internally generated software £'000	Assets under construction £'000	Total £'000
Cost or valuation at 1 April 2019	147	13,842	4,196	18,185
Additions	0	18	1,712	1,730
Reclassifications	0	154	(154)	0
Transfer**	0	0	(5,750)	(5,750)
Disposals	0	0	(4)	(4)
Revaluation	1	91	0	92
Total cost or valuation at 31 March 2020	148	14,105	0	14,253
Amortisation at 1 April 2019	(147)	(11,034)	0	(11,181)
Charge in year	0	(1,661)	0	(1,661)
Revaluation	(1)	(82)	0	(83)
Total amortisation at 31 March 2020	(148)	(12,777)	0	(12,925)
Net carrying value at 1 April 2019	0	2,808	4,196	7,004
Net carrying value at 31 March 2020	0	1,328	0	1,328

* All intangible assets disclosed above are owned outright by OPG.

** In 2019/20 OPG's intangible capital budget transferred to the MoJ as part of functional leadership, meaning that the OPG Chief Executive has no delegated capital budget and does not have control over assets under construction, both existing and newly developed. The capital budget delegation has been made to MoJ Digitech for the development of MoJ's digital assets, they have the ability to decide which projects to allocate resources to, how to develop assets and which to prioritise. Therefore, control over assets under construction is within MoJ and it is our view these assets should be recognised in the MoJ's accounts and not OPG. In 2019/20 existing assets under construction, previously recognised by OPG, were transferred to the MoJ to reflect the fact that further development of these assets would be under the control of MoJ Digitech and not OPG.

9. Trade and other receivables

Amounts falling due within one year	31 March 2021 £'000	31 March 2020 £'000
Amount due from MoJ	180	483
VAT recoverable	71	114
Amount due from other government departments	69	177
Trade receivables	14,679	14,288
less: impairment*	(6,406)	(2,487)
Net trade receivables	8,273	11,801
Prepayments	78	261
Staff receivables	403	576
Contract assets	53	610
Other receivables	183	0
Total trade and other receivables	9,310	14,022

* The receivables impairment comprises: doubtful debts £4,760k (19/20: £1,295k); fee cancellations £491k (19/20: £339k) and remissions provision £1,155k (19/20: £853k). The remissions provision is charged against the remissions and exemptions section in Note 2.

10. Cash and cash equivalents

	2020/21 £000	2019/20 £000
Balance at 1 April	5,416	9,747
Net cash (outflow)/inflow	1,013	(4,331)
Balance at 31 March	6,429	5,416

The above balance is all held with the Government Banking Service.

11. Trade and other payables

Amounts falling due within one year	31 March 2021 £'000	31 March 2020 £'000
Amount due to MoJ	966	1,151
Amount due to other government departments	119	0
Taxation and social security	597	620
Accruals*	12,938	6,645
Contract liabilities	11,573	10,745
Trade payables	271	174
Other payables	2,033	1,439
	28,497	20,774
Amounts falling due after one year		
Other payables**	153	478
	153	478
Total trade payables and other liabilities	28,650	21,252

* Accruals includes £31k (2019/20: £99k) capital accrual for tangible assets.

** We are recognising the non-current element of the lease incentives for the operating leases disclosed in Note 13.

Deferred income reconciliation	2020/21 £'000	2019/20 £'000
Opening balance	10,745	10,841
PoA income deferred	52,700	68,679
PoA income recognised in year	(51,872)	(68,775)
Deferred income closing balance	11,573	10,745

12. Provisions for liabilities and charges

2020/21	Dilapidations £'000	Other £'000	Total £'000
Balance at 1 April	620	241	861
Provided in the year	629	28	657
Provisions written back	0	0	0
Provisions utilised in the year	0	(6)	(6)
Balance at 31 March	1,249	263	1,512
Analysis of expected timings of cash flow			
Not later than 1 year	420	263	683
Later than 1 year and not later than 5 years	829	0	829
Later than 5 years	0	0	0
	1,249	263	1,512

Dilapidations

Following a review, the agency increased its dilapidations provision, arising from the occupancy of the leasehold office property in Nottingham, to £829k. A provision for soft strip out costs of Axis building was also created for £420,000.

13. Commitments under operating leases

OPG leases two properties, in Birmingham and Nottingham, under non-cancellable operating lease arrangements. These lease terms are between 4-10 years. The leases do not have purchase options and no contingent rents are payable on operating leases. Renewals are negotiated with the lessor in accordance with the provision of the individual lease agreements.

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

Operating leases - Commitments under leases	2020/21 £000	2019/20 £000
Land and buildings		
Not later than one year	1,243	1,301
Later than one year but not later than five years	2,608	2,293
Later than five years	0	279
Total land and buildings	3,851	3,873

The minimum lease payments are determined from the relevant lease agreements and do not reflect possible increases as a result of market based reviews.

The lease expenditure charged to the SoCNE during the year is disclosed in Note 4.

14. Related party transactions

The agency is an executive agency of MoJ. MoJ is regarded as a related party. During the period the agency had various material transactions with MoJ.

MoJ manages the lease arrangements and associated accommodation costs of OPG's occupancy of its offices.

MoJ recharge methodology calculations is the documented basis applied transparently and consistently to apportion overheads including HR, Finance and IT to all MoJ departments and agencies on a notional basis. In addition, the Government Internal Audit Agency also provides internal audit services to the agency.

The agency also had transactions with other government departments and entities.

None of the members of the board of the agency, key managerial staff or other related parties have undertaken any material transactions with the agency during the financial year.

15. Contingent liabilities

At 31 March 2021, there were no contingent liabilities (2019/20: nil).

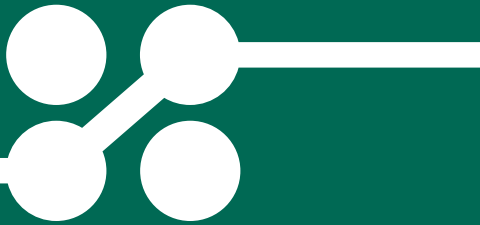
16. Financial instruments

As OPG's cash requirements are met through the estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the agency's expected purchase and usage requirements and the agency is therefore exposed to little credit, liquidity or market risk. All financial assets and liabilities are stated at their amortised cost.

17. Events after the reporting period

Events after the reporting period are considered up to and including the date on which the accounts are authorised for issue. This is interpreted as the date of the Comptroller and Auditor General's certificate and report.

Annex: Performance targets



Impact indicator: Average actual clearance time (AACT) for powers of attorney

Target AACT is 40 working days.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
<p>This indicator calculates the average number of working days taken to register and dispatch all PoAs in a given reporting period. This is the time taken between the date of application and the date of dispatch.</p>	<p>Of all PoAs, with a date of dispatch within a reporting period, the number of working days (excluding bank holidays and weekends) between the 'date of dispatch' and the 'date of receipt' are summed and then averaged between the number of applications.</p> <p>'Date of receipt' is the day the application is received by OPG supported by a valid payment received or, alternatively, the date of decision for a successful remission or exemption application. This is the point OPG begins processing the application.</p> <p>'Date of dispatch' is the date the registered PoA is dispatched as the last part of the application process which then shows an application as registered within our internal case management systems.</p>	<p>OPG's internal case management systems.</p>	<p>Average Actual Clearance Time (AACT) of 58 working days against a target of 40 working days.</p>

Customer service indicator: customer contact centre

Target percentage for calls answered within five minutes in OPG's customer contact centre is 90%.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator measures timely and accurate support and guidance for all of OPG's services, and signposting to CoP services where appropriate.	Number of calls answered within five minutes plus number of calls abandoned within five minutes divided by total number of calls answered plus total number of calls abandoned. *Calls that are re-directed out of scope are deducted from the total calls to avoid double counting as these are reported separately where required.	OPG's telephony data management system.	% of calls answered within five minutes were 56% against target of 90%.

Impact indicator: OPG digital customer satisfaction surveys

Target percentage of customers 'very' or 'fairly satisfied' with OPG digital services is 80%.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This impact indicator helps to ensure we are developing our digital services to meet our customer's needs.	Number of customers who are 'very' or 'fairly satisfied' with digital services divided by number of survey responses received answering this question.	LPA digital tool customer satisfaction survey.	Customer satisfaction survey score at year end was 94%.

Customer service indicator: OPG customer satisfaction survey – PoA Services

Target percentage of customers 'very' or 'fairly satisfied' with PoA services is 80%.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator helps us to understand our customers' needs. It also helps us to identify trends so we can continually improve services.	Number responding 'very' or 'fairly satisfied' divided by number of survey responses.	LPA customer satisfaction surveys.	Customer satisfaction survey score at year end was 79%.

Customer service indicator: OPG customer satisfaction survey – Deputyship Services

Target percentage of customers 'very' or 'fairly satisfied' with Deputyship services is 80%.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator helps us to understand our customers' needs. It also helps us to identify trends so we can continually improve services.	Number responding 'very' or 'fairly satisfied' divided by number of survey responses.	Deputyship customer satisfaction surveys.	Customer satisfaction survey score at year end was 78%.

Impact indicator: supervising deputies

- a) Target average time to obtain annual reports within 40 working days.
- b) Target average time to review annual reports within 15 working days.
- c) Target for annual reports outstanding for over 98 calendar days is 4.5% or less.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
These indicators help us to ensure that we provide proportional and appropriate support for all deputies.	<ul style="list-style-type: none"> a) The average number of working days between the 'due date' of the report (40 working days after the anniversary of the court order) and the date which the report was received in OPG b) The average number of working days between the date on which an annual report is received and the date it was reviewed d) The number of cases with at least one report outstanding for over 98 days / the number of cases that have had at least one report due* 100 	OPG's internal case management systems.	<ul style="list-style-type: none"> a) Average time to obtain annual reports was 33 working days (Reported one month in arrears so as at 28 February 2021) b) All annual reports were reviewed within 15 days at an average of seven working days c) 2.6% of annual reports were outstanding over 98 calendar days

Impact indicator: Investigations

- a) Target is to risk assess 95% of concerns raised within two working days.
- b) Target is 95% safeguarding risk assessments to reach final outcome in five working days.
- c) Target is to conclude all investigations within 70 working days.
- d) Target is average time taken to implement OPG owned actions within Public Guardian recommendations, where court action has been deemed necessary within 35 working days.
- e) Target is average time taken to implement OPG owned actions within Public Guardian recommendations, where court action has not been deemed necessary within 25 working days.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
<p>These indicators centre on OPG's responsibility to safeguard vulnerable adults.</p> <p>(a) and (b) OPG will carry out a risk assessment process to determine:</p> <p>i) whether the Public Guardian has jurisdiction to investigate concerns and, if not, signpost the concern to the relevant agency</p> <p>ii) whether the vulnerable person is at immediate risk in terms of their personal welfare or finance/property and what immediate action is required</p> <p>iii) whether the concern can be investigated over a longer period</p> <p>c) An investigation is classed as concluded if:</p> <p>i) a formal written report is signed off by the Public Guardian</p> <p>ii) approval of a court application is agreed (where this pre-date a Public Guardian report)</p> <p>iii) a compliance manager agrees to conclude an investigation as a report to the Public Guardian is deemed unnecessary</p> <p>iv) the client dies (where the compliance manager judges sufficient work had been done on the case to merit classification)</p>	<p>a) Two working days start from the date that the concern is received by OPG. Day one is the working day the concern is received</p> <p>b) Five working days start from the date that the concern is received by OPG. Day one is the working day the concern is received</p> <p>c) The 70-working day period starts the date that the concern leading to an investigation is received by OPG</p> <p>d) The 35-working day period starts from the date the Public Guardian approves the report. Day one will be the day the report is approved</p> <p>e) The 25-working day period starts from the date the Public Guardian approves the report. Day one will be the day the report is approved</p>	<p>All complaints and concerns are risk assessed and the Public Guardian's jurisdiction is considered.</p> <p>Referrals are recorded and include:</p> <ul style="list-style-type: none"> • date of concern received by OPG • date of concern received by investigations team • risk assessment date • risk assessment time • investigation completion date • outcome of application to the CoP period (working days) • investigation (pre-report) time period • investigation (post report) time period • recommendations-closure approvals date 	<p>a) 94% of concerns were risk assessed within two working days</p> <p>b) 98% of concerns reached final outcome within five working days</p> <p>c) Average time to conclude investigations was 75 working days</p> <p>d) Average time to conclude all recommendations where court action has been deemed necessary was 154 working days</p> <p>e) Average time to conclude all recommendations where court action has not been deemed necessary was 31 working days</p>

Impact indicator: Investigations continued

- a) Target is to risk assess 95% of concerns raised within two working days.
- b) Target is 95% safeguarding risk assessments to reach final outcome in five working days.
- c) Target is to conclude all investigations within 70 working days.
- d) Target is average time taken to implement OPG owned actions within Public Guardian recommendations, where court action has been deemed necessary within 35 working days.
- e) Target is average time taken to implement OPG owned actions within Public Guardian recommendations, where court action has not been deemed necessary within 25 working days.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
<p>(d) and (e) A recommendation is classed as concluded if:</p> <p>i) an application is made to the CoP, where this was as a result of a recommendation approved by the Public Guardian</p> <p>ii) a case is approved for closure where:</p> <ul style="list-style-type: none"> • court action is not deemed necessary • the investigator shares the outcome of the investigation and any further requirements to the attorney/deputy. This will not include any subsequent monitoring of the case • the deputy makes an application to the CoP 			

Customer service indicator: complaints

Target is to respond to 90% of all customer complaints within 10 working days of receipt.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator plays an important part in helping OPG understand to what extent we are achieving our customers' expectations.	Every month the tier 2 complaints manager collate the number of complaints that were due in the month ('total with target in month') and the number of complaints that were completed in target ('total responded to in target'). The indicator is calculated with the help of following formula: Complaints completed in target/complaints due x 100	Management information from each individual business area.	82% of complaints were responded to within 10 working days of receipt.

Target is 30% customers choosing to complete their LPA applications using the online service

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator plays an important part in helping OPG to improve the digital tools to make it easier for users to access our online services.	Percentage of digital intake = Number of online LPAs received in the reporting period/ Total number of applications received in the reporting period x 100	OPG's internal case management systems.	35% of LPA applications were completed using online services.

Customer service indicator: quality measure for LPAs registered

Target is to achieve an error rate of 5% or less from the quality checks completed at registration of the LPAs.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator is a quality measure and measures the number of LPAs registered without error.	To obtain the error rate percentage the number of cases checked with an error are divided by the total cases checked.	The check is a manual process using information taken from the internal case management system and the physical letters issued to customers.	98% of LPAs were registered without error, leaving the error rate 5%.

People indicator: Staff engagement

- a) Target is to achieve staff engagement score at 62%.
- b) Target for % of staff who have experienced bullying or harassment at work is 11% or less.
- c) Target for % of staff who have experienced discrimination at work is 11% or less.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
These indicators help us to create a great place to work and to support zero-tolerance approach against bullying, harassment and discrimination in the workplace.	<p>a) Each of the five engagement questions in the survey are weighted with a score from 100-0 dependant on their response. The resulting scores are added together and divided by 5 (the number of questions) to create the engagement index score</p> <p>b) This indicator is calculated by dividing number of respondents declaring experience of bullying and/or harassment by total respondents</p> <p>c) This indicator is calculated by dividing number of respondents declaring experience of discrimination by total respondents</p>	Annual Survey (staff engagement) and Smart Survey.	<p>a) Staff engagement score was 64%</p> <p>b) 9% of staff experienced bullying and harassment</p> <p>c) 12% of staff experienced discrimination</p>

People indicator: workforce data

- a) Target staff turnover is 10% or less.
- b) Target is to achieve a score of 7.5 working days or lower lost to sickness absence.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
These indicators help to assist our decision makers to ensure that OPG is sufficiently resourced, which will enable OPG to achieve its business plan objectives, carry out its vision and strive to live up to the OPG values in everything we do.	<p>a) The indicator is calculated by dividing total number of leavers in 12 month rolling period by average total staff headcount over 12 month rolling period</p> <p>b) The indicator is calculated by dividing total working days lost in period by staff years in period</p>	The data is provided by the MoJ Analytical Services team. The Analytical Services team download the data from SOP, the MoJ's HR Case Management System.	<p>a) Staff turnover was 10% (Reported one month in arrears so as at 28 February 2021)</p> <p>b) Average working days lost was 8.8 working days (Reported one month in arrears so as at 28 February 2021)</p>

People indicator: average time to recruit

Target is 52 working days.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator helps to assist our decision makers to ensure that OPG is sufficiently resourced, which will enable OPG to achieve its business plan objectives, carry out its vision and strive to live up to the OPG values in everything we do.	The total working days to hire are calculated by counting the number of working days between the 'vacancy advertised' date and the contract start date for each new starter in the reporting period and then added together. A mean average calculation will be run on the above figure. This will provide us with the average time to recruit (working days).	The MoJ recruitment case management system	Average time to recruit is 43 working days from the last reported data available.

People indicator: learning and development

Target percentage of staff who have participated in learning and development opportunities is 90%.

Purpose	Calculation method	Data source	Achieved to 31 March 2021
This indicator helps to create a great place to work and to be supported to develop a broader set of skills and offer more varied careers to help retain the best talent.	The indicator is calculated by dividing respondents declaring L&D activity undertaken by total respondents in the survey.	The data will be collected, monitored and analysed via an online Smart Survey platform.	68% of staff participated in learning and development activities.

Glossary

Donor

Someone who has created either an enduring or lasting power of attorney. They are referred to as donors because they have donated certain decision-making powers to someone else.

Attorney

The person chosen to act for someone else on an enduring power of attorney (EPA) or lasting power of attorney (LPA).

P

Persons who are the subject of proceedings in the Court of Protection, and/or in relation to whom arrangements have been made for decisions about their personal welfare or property and affairs to be made by others – whether through an LPA or EPA, or under a deputyship order.

Deputy

Lay, professional individuals or public authorities (such as solicitors or local authorities) who have been appointed by the Court of Protection to make decisions on behalf of people lacking capacity.

Investigations

OPG can carry out an investigation into the actions of a deputy, a registered attorney, or someone authorised by the Court of Protection to carry out a transaction for someone who lacks capacity, and report to the Public Guardian or Court of Protection. The recommendations in the investigation report are then considered by the Public Guardian, who takes overall responsibility for ensuring that the recommendations are in the best interests of the donor or client, and then signs off on the report. This is a vital part of OPG's role safeguarding adults at risk.

Lasting power of attorney (LPA)

A legal document which is used to appoint someone to make decisions on your behalf. There are two types of LPA:

- health and welfare
- property and financial affairs

both types of LPA must be registered with OPG before they can be used.

Enduring power of attorney (EPA)

Replaced by lasting powers of attorney (LPAs) in October 2007. Like an LPA, it is a legal document used to appoint someone to make decisions on your behalf should you lose mental capacity. EPAs signed and dated before 1 October 2007 are still valid and can be registered with OPG when the donor starts to lose, or has lost, mental capacity.

Mental capacity

The ability to make a specific decision at the time that the decision needs to be made. You can find a legal definition of mental capacity in section 2 of the Mental Capacity Act (MCA).

Best interests

Any decisions made, or actions taken, on behalf of someone who has lost mental capacity must be in their best interests. There are standard steps to follow when deciding on someone's best interests. These are set out in Section 2 of the MCA code of practice.

User

Anyone who makes use of OPG services. This could be donors, attorneys, deputies, persons subject to deputyship orders, partners or intermediaries. It also covers staff using OPG systems.

