



**Money &
Pensions
Service**

Money and Pensions Service

Annual Report and Accounts for the year ended
31 March 2021

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31 March 2021

Presented to Parliament pursuant to the Financial
Guidance and Claims Act 2018 section 1(2) and
Schedule 1 paragraph 14.

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Chair's Foreword

The impact of the Covid-19 pandemic on people's lives has undoubtedly demonstrated the importance of financial wellbeing and that a financially healthy nation is good for individuals, communities, business, and the economy. In particular, the pandemic has demonstrated the importance of building individual financial resilience – a theme which is central to the vision of the Money and Pensions Service (MaPS), 'everyone making the most of their money and pensions'.

For MaPS, the year 2020/21 was about navigating through this unprecedented period which required us to adapt and reorientate our resources to fulfil our statutory remit through the delivery of money and pensions advice and guidance services, 'to help those in need and the vulnerable to financial shocks'.

During this time, the organisation has been pragmatic in its response, undertaking a mix of innovative and reactive activities. This includes securing additional funding to increase capacity within the debt advice sector, developing and launching the Money Navigator Tool to support customers whose financial situations have changed, and delivering up-to-date money and pensions guidance to millions of customers in a rapidly changing climate.

As well as responding to the needs of our customers, the organisation has continued to develop its capabilities, processes, and governance structures. It is vital that we have the right people, capabilities, and policies in place to continue to serve and represent our customers effectively.

This has all been achieved alongside MaPS continuing to mobilise, with the support of key stakeholder challenge groups, the coordination of the UK Strategy for Financial Wellbeing – an ambitious ten-year strategy which will lead to change at scale across the five national goals:

- **Financial Foundations:** two million more children and young people getting a meaningful financial education
- **Nation of Savers:** two million more working age ‘struggling’ and ‘squeezed’ people saving regularly
- **Credit Counts:** two million fewer people often using credit for food and bills
- **Better Debt Advice:** two million more people accessing debt advice
- **Future Focus:** five million more people understanding enough to plan for later life

This has undoubtedly been a difficult period for MaPS, one in which the organisation switched to remote working, and many colleagues faced their own personal challenges. Despite this, MaPS’ money and pensions

guidance and debt advice services have continued to serve millions of people through the financial challenges presented by Covid-19, with minimal disruption.

The pandemic has brought to the fore the importance of individuals' financial resilience and MaPS will continue to play a critical role in helping people deal with the effects of the crisis, whilst laying the foundations for long-term and lasting change.

This would not be possible without the hard work and commitment of everyone at MaPS. My thanks to the Board, Chief Executive Caroline Siarkiewicz, the Executive Leadership Team, our stakeholders, and all my colleagues at MaPS for their continued dedication to improving the UK's financial wellbeing.

A handwritten signature in black ink, appearing to read 'Hector Sants', written in a cursive style.

Sir Hector Sants, Chair

Date: 22 November 2021

Chief Executive's Foreword

MaPS continues to be at the forefront of the UK's response to the pandemic to help support people's personal finances. In 2020/21, we were able to react to the changing needs of our customers, partners, and stakeholders to maintain services which enabled millions of people to access money and pensions guidance and debt advice when they most needed it.

Into its second year, the organisation continues to be guided by three core values: caring, connecting and transforming. MaPS was able to manage changing priorities in 2020/21, to deliver services for customers at pace, under unforeseen circumstances. It is testament to the dedication of my colleagues, partners, and stakeholders who have worked collectively through the Covid-19 pandemic to drive improvements to the financial outcomes of communities across the country.

Lockdown regulations meant face-to-face services ceased and Her Majesty's Treasury's (HMT) successful furlough and forbearance schemes helped to shelter customers from otherwise inevitable financial shocks, meaning the demand for money and pensions guidance and debt advice has been hard to predict.

In the face of a crisis on an unprecedented scale, MaPS worked to secure significant achievements across our statutory remits during the year, including:

- MaPS provided a total of 1,063,606 debt advice, money and pensions guidance and pension freedoms sessions in 2020/21
- customer satisfaction scores across the pensions service exceeded ambitions for the year, with 91% of pensions guidance calls, webchats and cases assessed to be of a good or very good standard, and a 92% quality score for pension freedoms interactions
- MaPS secured funding for 550 additional debt advisers and to cover shortfalls in the debt advice sector, providing security of supply for people in crisis
- developed and delivered the money navigator tool, to help triage people to the support and services they may need due to a change in their financial circumstances
- gathered insight to inform the requirements for the pensions dashboards' digital architecture, moving forward the ambition that in the future, customers can access their pensions information online, securely, and all in one place
- as well as all this work, colleagues also mobilised 145 sector leaders to work as part of 11 'challenge groups' designed to help activate the UK Strategy for Financial

Wellbeing, so that our work and impact continues to spread over the next decade

We go into 2021/22 with more to do. We will be taking what we have learnt over the last 12 months to continue to identify areas of additional focus and put in place plans to address gaps and build strong and effective services for our customers across money guidance, pensions, and debt advice.

A handwritten signature in black ink, appearing to read 'C. Siarkiewicz', with a stylized flourish at the end.

Caroline Siarkiewicz, Chief Executive Officer

Date: 22 November 2021

Performance Report

Overview

MaPS is an arm's-length executive non-departmental public body sponsored by the Department for Work and Pensions (DWP) with which we also work on pensions policy. Additionally, we work with HMT on policy matters relating to financial capability and debt advice. MaPS' mission is to ensure everyone in the UK can easily access the information they need to make the right financial decisions for them throughout their lives, making the most of their money and pensions.

MaPS is the only provider of free, independent and impartial guidance on pensions. Our pensions guidance services support consumers at all stages of their pension journey – whether it is starting a pension, deciding how much to save, or supporting people with specific and complex decisions relating to their pensions, helping them make decisions that make the most of their savings.

MaPS funds Pension Wise which supports people in navigating their choices to support their retirement. This service is part-delivered directly by MaPS and via a Delivery Partner.

MaPS has been charged with producing a pensions dashboard which will enable customers to access all the information they need to help them decide on their pension options within one customer facing solution. As

part of this mandate MaPS is leading on the Pensions Dashboards Programme including the development of the infrastructure and standards to support the customer facing Pensions Dashboard. It is expected that over time there will be a number of other organisations producing Dashboards.

We strive hard to ensure our services are accessible and adaptable to a wide range of audiences. This involves recognising the different needs and legislative requirements for customers in Wales, Northern Ireland and Scotland. Whilst debt advice funding is devolved, we remain fully committed to working in close partnership with the Devolved Administrations. Through the Debt Advice Steering Group and the Devolved Administrations Sub-committee we have continued to engage funders and providers of debt advice and other stakeholders in Wales, Scotland and Northern Ireland on debt advice initiatives of shared interest.

Performance Analysis

The Covid-19 pandemic has had a profound impact on the finances of millions of people across the UK, and that has flowed through into the services we deliver. These services have faced a number of operational challenges and performance should be considered in that light.

Overall demand for guidance and advice has been subdued. We anticipated that demand for guidance and advice would remain strong throughout 2020/21 as a

result of the adverse impact of Covid-19 on individuals' financial positions.

That is not what happened. Government and Regulators took a series of decisions which mitigated some of the most significant adverse financial impacts of Covid-19. As a consequence, many of the 'triggers' which tend to prompt people to seek help with their money and pensions disappeared.

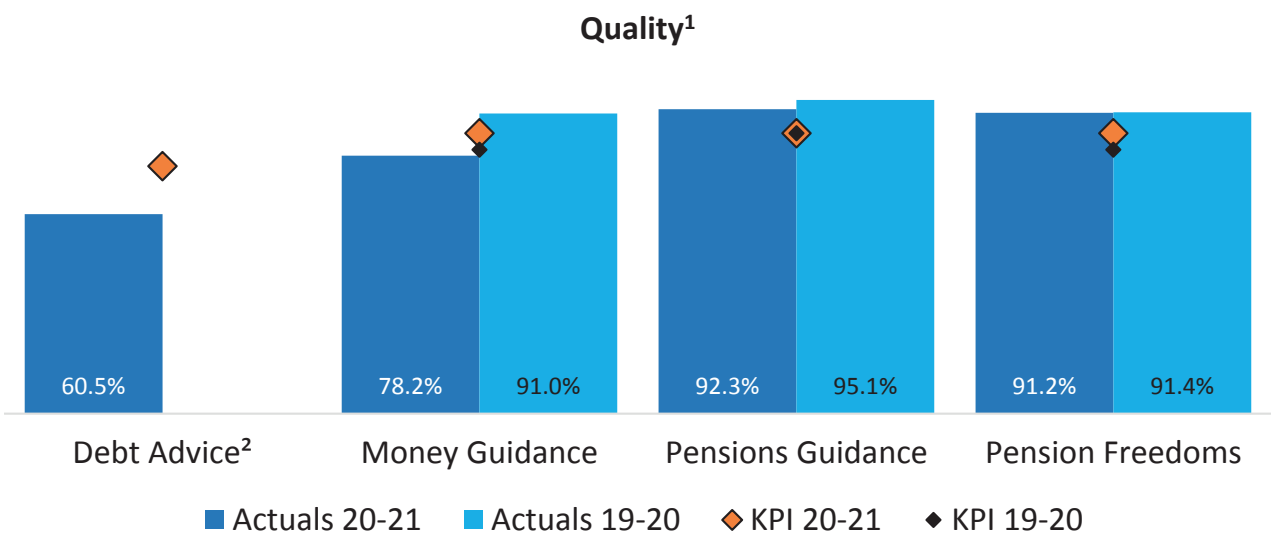
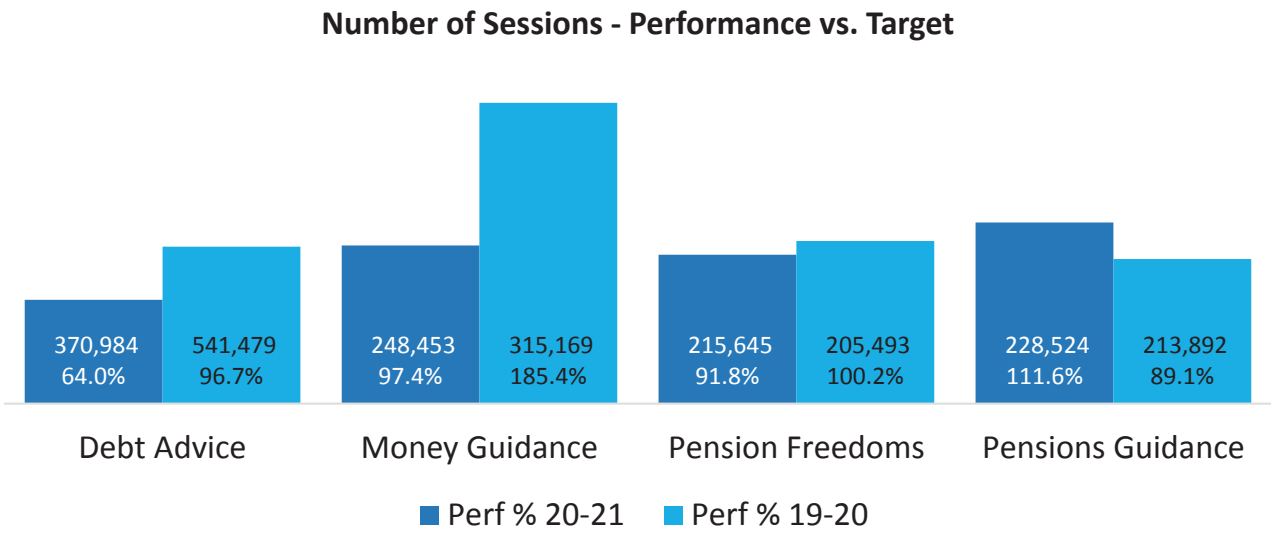
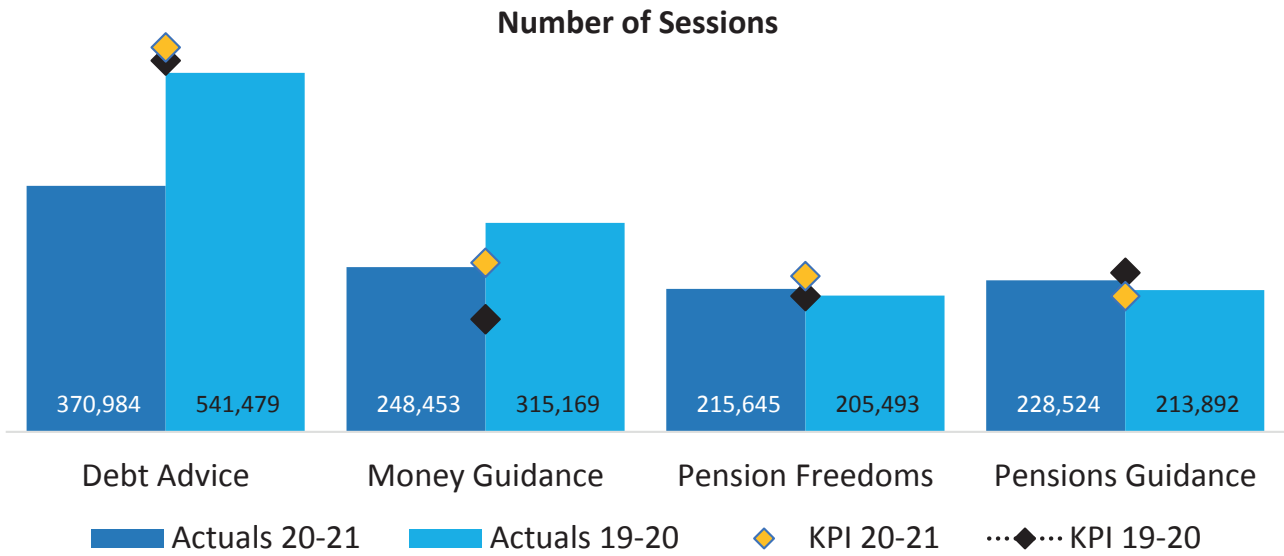
Three key decisions have been: the repeated extension of the furlough scheme; the extended payments holidays provision; and the change in the way creditors are seeking to collect debts. These policies have helped to prevent widespread job losses, reduced the pressure on household finances and given people time and space to sort out their finances to a degree that we could not have expected at the start of 2020/21. As a result, overall demand for money, pensions guidance and debt advice has been subdued.

We generally have a clear view about how demand for guidance and advice will vary during the year, within months, weeks and at different times during the day. This year has been very different, with demand-driven events that are difficult, if not impossible, to predict. Government announcements, media coverage, policy changes and specific business closures have all driven demand for guidance and advice, making demand more volatile and much harder to plan for.

What people want help with changed. As the pressures that people are under have changed, so has the help they need. Early in 2020/21, demand for pensions guidance dropped significantly, as people's priorities changed. It then rebounded strongly in the latter part of the year when we saw increased interest in certain topics such as people wanting to understand how they could access some of their pension assets. Demand for debt advice fell very significantly, partly as a result of the policy decisions made by Government and Regulators set out above. On money guidance, we saw increasing numbers of people wanting help with redundancy, benefits and house purchasing.

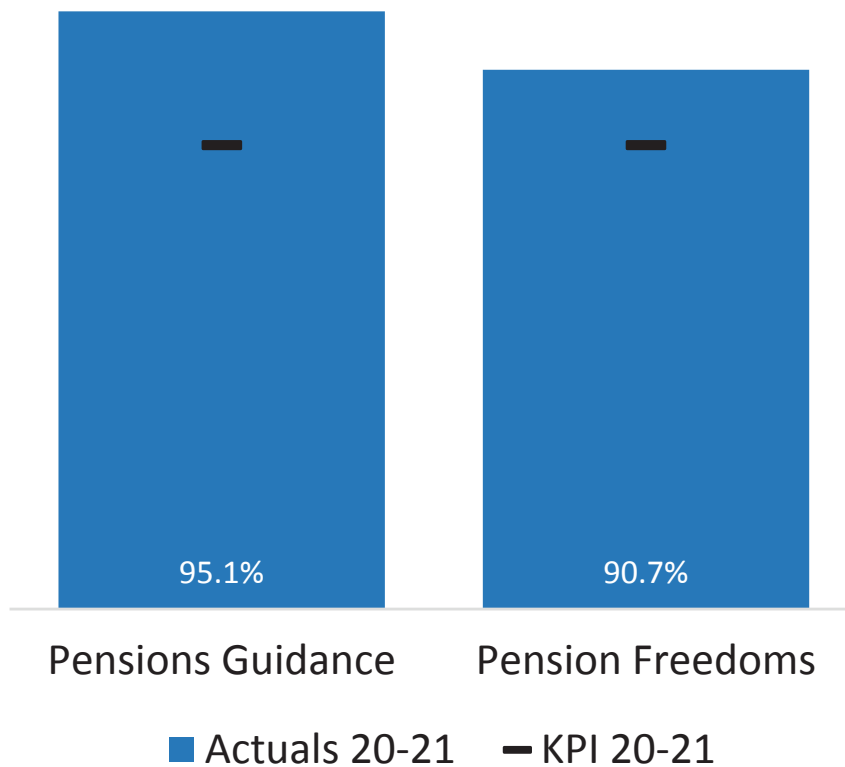
Disruption to the supply of guidance and advice. Alongside those changes to the demand for guidance, our services have had to adapt to the impact of Covid-19 on those providing guidance and advice. That has included adapting to remote working and the different infrastructure needs that come with that, recognising the impact of people being off sick or having additional caring responsibilities, as well as the wellbeing implications of being at the front line dealing with people in financial distress.

Given that context of subdued and volatile demand accompanying disruption to the supply of money and pensions guidance and debt advice, performance in 2020/21 was different to our expectations at the start of the year.



1. This has been measured differently across the service areas and as a result the levels are not comparable; however, a standardisation process is underway.
2. Owing to the completion of an existing contract for the legacy survey in Q1, no debt advice evaluation survey took place prior to a procurement exercise for a new tracker.

Satisfaction 20-21^{1,2,3}



1. Satisfaction KPI: % of surveyed customers reporting satisfaction with the service.
2. 20-21 Money Guidance satisfaction KPIs were not available as a tender process for a wider Service Evaluation took place during 2020/21.
3. Debt Advice satisfaction was not reported due to a change in methodology and development of the Debt Advice Evaluation Tracker.

Debt Advice

MaPS is the largest single funder of debt advice in England and works alongside Delivery Partners across the UK to make debt advice easier and quicker to access, and to improve standards and quality across the sector. We lead innovation by managing an extensive research and evaluation programme to help evidence-based decision-making related to financial wellbeing.

As outlined above, the impact of the Covid-19 pandemic dramatically affected the performance of our Debt Advice service throughout the whole of 2020/21.

The pandemic had a profound effect on service delivery with numerous local and national lockdowns restricting access to services, particularly face-to-face services reliant on walk-ins and referrals from partner services (e.g. local authorities). By April, all services (face-to-face and telephone) were being delivered remotely.

Whilst lockdowns affected physical access to debt advice, government relief measures (e.g. creditor forbearance and furlough) were effective in easing the financial pressure on individuals, which in turn suppressed immediate demand. By May 2020, the number of clients served against forecast had dropped to its lowest level (48.5%).

In response, we worked with our funded organisations to:

- introduce an omnichannel platform by three providers covering telephone, web chat, video chat and WhatsApp and supporting video kiosks at outreach locations, e.g. foodbanks
- introduce a dedicated debt telephone line/number operated by local Citizens Advice
- proactively call previous clients who are classified as vulnerable and those who fall under the shielding category

- actively establish new referral partnerships

Though still in lockdown, by March 2021 monthly performance had risen to 74.5% of forecast with year-end amounting to 370,984, some 64% of the original forecast of 580,000.

On the quality of the Debt Advice provided, MaPS' quality assessments are intent on setting extremely high expectations. Factors contributing to an average mean score of 60.5% (forecast 75.0%) include examples of advisers not fully exploring all the customer's circumstances or exploring all options available to the customer but not fully recording them on the case file. The impact of Covid-19 has also meant that advisers have needed to adapt to a new way of working, particularly moving from face-to-face to telephone. Consequently, more restricted access to files, IT and supervision has contributed to case files not achieving the required content and quality scores and suffering as a result.

Money Guidance

The impact of Covid-19 on the demand for money guidance flowed through into the volume of people helped during 2020/21, and meant we helped 2.6% fewer people than our target at the start of the year.

The quality of guidance provided also suffered and led to a review being carried out which resulted in a greater focus on assessment and a further fall in quality

scores. We created a performance improvement plan which included direct intervention in the recruitment and induction of outsourced contact centre staff, taking direct control and responsibility for initial training and accreditation, the removal of underperforming agents and increased quality checks and mystery shopping.

This has resulted in quality scores increasing towards the year-end and we anticipate this to continue in the coming year.

Pensions Guidance and Pension Freedoms

Despite the disruptive impact of Covid-19, taken together, the number of people helped through Pensions Guidance or Pension Freedoms was higher than target, and the quality of help we gave was higher than target.

Within that overall picture, as a result of Covid-19 we saw demand move from Pension Freedoms into Pensions Guidance throughout the year as more people than ever wanted to investigate their pension options and the potential implications of job loss. Furlough meant that some people who may have been looking to retire last year postponed their plans, impacting on demand as well as the type of queries dealt with.

Guidance on Pension Freedoms, through our Pension Wise service, suffered particular challenges as a result of Covid-19 due to the face-to-face nature of elements of the guidance. Significant efforts were made to migrate face-to-face delivery through to telephone appointments,

and this helped to ensure support was available to those that needed it.

Throughout the second half of the year, volumes increased significantly in relation to Pension Freedoms guidance; this was largely due to the recommencement of advertising during the third quarter of the year to promote the Pension Wise service.

UK Strategy for Financial Wellbeing

The UK Strategy for Financial Wellbeing was published in January 2020. It sets out our belief that a financially healthy nation is good for individuals, communities, business and the economy. Our vision is to have everyone making the most of their money and pensions. This will be achieved via shared agendas for change. The five ways we will drive change at scale, working through others, are:

- **Financial Foundations:** children, young people and their parents
- **Nation of Savers:** working age ‘struggling’ and ‘squeezed’ people
- **Credit Counts:** people who often use credit for food and bills
- **Better Debt Advice:** people who need debt advice
- **Future Focus:** all adults

<https://www.maps.org.uk/wp-content/uploads/2020/01/UK-Strategy-for-Financial-Wellbeing-2020-2030-Money-and-Pensions-Service.pdf>

Consumer Protection

In line with our legal remit, we have worked closely with the Financial Conduct Authority (FCA), The Pensions Regulator (TPR) and the Pension Protection Fund (PPF) to share our insight into emerging consumer risks and threats.

We have helped to protect consumers through our information and guidance and have been increasingly proactive in getting our guidance directly to those impacted by organisations going through major change.

We have continued to support those affected by the British Steel Pension Scheme restructuring, contributing to the development of a toolkit with 'frequently asked questions' (FAQs), creating a template for complaint letters and maintaining support through the British Steel Pension Scheme Facebook site.

We have launched a redesigned pension and investment loss appointment service to improve the support available to victims of pension scams which has improved our ability to understand the customer journeys of victims and by extension helps us contribute further to work to reduce this threat.

Accountability Report

Directors' Report for the Year Ended 31 March 2021

The Directors of MaPS present their report, together with the audited financial statements on pages 117 to 123 and associated notes on pages 124 to 150 for the year ended 31 March 2021.

Establishment

MaPS was created under the temporary name of the SFGB on 1 October 2018, under the Financial Guidance and Claims Act 2018. It is an arm's-length executive non-departmental public body, sponsored by the DWP. Under the Act, transfer schemes transferred all the staff, property, rights and liabilities of the Money Advice Service (MAS), The Pensions Advisory Service (TPAS) and Pension Wise to the SFGB/MaPS on 1 January 2019.

On 6 April 2019, the SFGB was renamed as the Money and Pensions Service (MaPS). This was done under the Financial Guidance and Claims Act 2018 (Name and Consequential Amendments) Regulations 2019.

Principal Activities

We have five core functions:

- **Debt Advice:** we provide free and impartial information and advice on debt to members of the public in England and are the biggest funder of free debt advice. Delivery is through our partner

organisations via a mix of on-line, call-centre, and face-to-face

- **Money Guidance:** we provide free and impartial information and guidance designed to enhance people's understanding and knowledge of financial matters and their ability to manage their own financial affairs. Delivery is through our website, call centre and webchat
- **Pensions Guidance:** we provide free and impartial information and guidance to members of the public on matters relating to occupational and personal pensions
- **UK National Strategy:** we are working to develop and co-ordinate a national strategy for financial wellbeing to improve the financial capability of members of the public, the ability of members of the public to manage debt and the provision of financial education to children and young people
- **Consumer Protection:** we have a remit to help protect consumers against financial scams. We notify the FCA when we become aware of practices carried out by FCA-regulated entities which we consider to be detrimental to consumers, and consider the effect of unsolicited direct marketing on consumers of financial products and services

In addition, MaPS is further required to provide advice and assistance to the Secretary of State on matters

relating to the functions above, on the establishment of a debt respite scheme, and to develop and deliver Pensions Dashboards that will allow people to access their pension information securely and in one place.

Directors

The founding members of the MaPS Board were appointed by the Secretary of State for Work and Pensions in 2018, including the first Chief Executive Officer (CEO) and Chief Financial Officer (CFO). Subsequent Executive Board appointments have been made by the MaPS Board with the approval of the Secretary of State for Work and Pensions.

The Directors of MaPS who served during this reporting period, together with their appointment dates, are shown below:

Non-Executives	Appointment Date	End of Current Term
Sir Hector Sants	Appointed 3 October 2018	30 September 2023
Mike Dailly ¹	Appointed 1 October 2018	30 September 2020
Ann Harris OBE ²	Appointed 1 October 2018	30 September 2022
Tim Jones CBE	Appointed 1 October 2018	31 December 2021
Professor Elaine Kempson CBE	Appointed 1 October 2018	31 July 2022
Moray McDonald	Appointed 1 October 2018	31 July 2022
Alex Heath ³	Appointed 1 March 2021	28 February 2025

1. Mike Dailly's term ended on 30 September 2020.
2. Ann Harris's original appointment was up to 30 September 2020. Her term has been extended to 30 September 2022.
3. Alex Heath was appointed by the Secretary of State for Work and Pensions on 1 March 2021.

Executives	Appointment date
Caroline Siarkiewicz, Chief Executive Officer	Appointed 27 January 2020
Steve Buckingham, Chief Financial Officer	Appointed 29 April 2019 <i>(Left on 31 March 2021)</i>

Further details of MaPS’ Directors are included in our Governance Statement for the year ended 31 March 2021 (see page 33).

Disclosure of Information to the Auditor

Each of the Directors in office, at the date the Directors’ Report is approved, confirms that:

- so far as the Director is aware, there is no relevant audit information of which MaPS’ auditors are unaware
- it is expected that the Director has taken all the steps that he/she ought to have taken as a Director in order to make him/her aware of any relevant audit information and to establish that MaPS’ auditors are aware of that information

External Auditors

Under the Financial Guidance and Claims Act 2018, the Comptroller and Auditor General (C&AG) was appointed the Statutory Auditor of MaPS.

Freedom of Information

The Freedom of Information Act (FOIA) 2000 provides the public with the right to request information held by all public authorities in England, Wales and Northern Ireland.

The FOIA is regulated by the Information Commissioner’s Office (ICO). All requests must be made in writing, i.e. letter, email, social media, online form etc.

The person making the request needs to provide:

- their name
- a contact address
- a clear description of the information they require

The statutory time limit for public authorities to reply is 20 working days.

MaPS dealt with 12 FOI requests between 1 April 2019 and 31 March 2020 and 23 requests between 1 April 2020 and 31 March 2021. In addition to this, one requester made a complaint to the ICO in September 2020 which was subsequently withdrawn.

The following table shows the number of requests received each financial year according to specific category.

Freedom of Information Requests	Year Ended 31 March 2021	Year Ended 31 March 2020
Corporate	12	5
Customer Data	1	0
Commercial	2	0
Communication	1	1
Environment	0	1
Governance	1	3
Information Technology	6	2
Total	23	12

MaPS' FOI Policy sets out the organisation's legal obligations under the Act. The policy is subject to regular review to reflect best practice and ensure compliance with any changes or amendments to the legislation. Further details can be accessed on the MaPS website at:

<https://moneyandpensionservice.org.uk/wp-content/uploads/2020/06/freedom-of-information-policy.pdf>

Complaints

A complaint is defined as an expression of dissatisfaction made about the quality of services, actions, or lack of action, made directly to MaPS or through one of its commissioned Delivery Partners. It can be made in writing, in person, by phone or email etc.

MaPS has a clear process for investigating and escalating complaints. The final stage involves an external arbitrator, The Pensions Ombudsman, Parliamentary and Health Service Ombudsman or the Financial Ombudsman Service, depending on the nature of the complaint.

In the last financial year, 1 April 2020 to 31 March 2021, three complaints were escalated to the Ombudsman services. The Ombudsman noted some areas for improvement but supported MaPS and its Delivery Partners' complaint decisions and outcomes.

The following table shows the number of complaints MaPS received in the last financial year according to the different services it provides.

Complaints	Year Ended 31 March 2021
Pension Wise	192
Pension Operations	11
Money Guidance	5
Pilot Adviser Capacity and Efficiency (PACE)	1
Debt Operations	134
Total	343

MaPS' Complaints Policy sets out how the organisation and its Delivery Partners handle complaints. Complaints are integral to the organisation and immediate action is undertaken to resolve them satisfactorily. Further details can be accessed on the MaPS website at:

<https://moneyandpensionsservice.org.uk/wp-content/uploads/2020/05/complaints-policy.pdf>

Internal Auditors

Mazars LLP provided internal audit services to MaPS via a contract for the financial year 2020/21. The MaPS Audit, Risk & Assurance Sub-committee (ARAC) approved the Internal Audit Plan for 2020/21 at its meeting in June 2020. The programme of work was undertaken with outcomes and reports being shared for approval by the ARAC at quarterly intervals.

In addition, Mazars carried out several advisory and follow-up reviews.

For further information on internal audit see page 74.

Political Donations and Political Expenditure

MaPS has not made any political donations for the year ended 31 March 2021 (Nil 31 March 2020).

The Strategic and Directors' Report was approved by the Board on 12 November 2021 and signed below by Order of the Board.



By Order of the Board
Caroline Siarkiewicz
Chief Executive Office
Date: 22 November 2021



Statement of Accounting Officer's Responsibilities

Statement of Accounting Officer's Responsibilities

Under the Financial Guidance and Claims Act 2018, the Secretary of State for Work and Pensions has directed MaPS to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of MaPS and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the financial statements, 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 the Secretary of State for Work and Pensions, 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 Secretary of State for Work and Pensions has appointed the Chief Executive as Accounting Officer of MaPS. 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 MaPS' assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that MaPS' auditors are aware of that information.

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

A handwritten signature in black ink, appearing to read 'C. Siarkiewicz', with a large, stylized flourish at the end.

Caroline Siarkiewicz

Accounting Officer

Date: 22 November 2021



Governance Statement

Governance Statement

Scope of Responsibility

I have been Accounting Officer since my appointment as Acting Chief Executive Officer on 15 June 2019 and have since been appointed CEO on 27 January 2020.

During the period of this report, Alex Connolly, the Chief Operating Officer, temporarily fulfilled the role of Acting CEO and Accounting Officer between the dates of 07 September 2020 and 03 January 2021. He has provided me with written assurance in respect of the period of his time in that role.

As Accounting Officer for MaPS, my responsibilities include ensuring the propriety and regularity of our public finances, keeping proper records, and safeguarding our assets. These are set out in Managing Public Money published by HMT. I am accountable (through the DWP Principal Accounting Officer) to Parliament. I am also required to provide assurances about the stewardship of MaPS. These assurances are provided in this Governance Statement, in line with HMT guidance.

I can also confirm that all transactions and balances included in the MaPS 2020/21 financial statements were recognised in accordance with the relevant legislation and International Financial Reporting Standards (IFRS) as adopted by the European Union.

I also confirm to the best of my knowledge and belief that:

- all transactions undertaken have been properly reflected and recorded in the financial statements, and all material liabilities, both actual and contingent, and all material guarantees that we have given to third parties, including oral guarantees made by the Service and the group on behalf of an affiliate, Director or officer of any other third party, have been properly recorded or disclosed
- all significant assumptions used by us in making accounting estimates, including those surrounding measurement at fair value and review of impairments, are reasonable

My assurance is based on the ongoing programme of work carried out by our internal audit function. I also have the added comfort of work carried out by external auditors on the MaPS financial statements, whose work includes an assessment of the reasonableness of significant accounting estimates made by the Directors.

Overview

MaPS is independent of the DWP in carrying out its statutory function. However, the DWP ensures that MaPS is at all times capable of exercising its function and that it is operating within the framework agreement.

The Chief Executive Officer is the Accounting Officer of MaPS and is personally responsible for:

- safeguarding the public funds for which she has charge
- ensuring propriety and regularity in the handling of those public funds
- the day-to-day operations and management of MaPS
- ensuring that MaPS as a whole is run in accordance with the principles of Managing Public Money (MPM), Cabinet Office Controls and Public Contracts Regulations (2015 PCR)

Having reviewed the evidence provided from risk management and from the internal auditors' opinions, I have concluded that MaPS has a limited system of internal control. There is an ongoing action plan in place to address internal controls as a matter of priority. Progress against the plan is tracked and monitored by the Risk, Compliance and Assurance function. MaPS continues to build capacity and capability across all key control areas to help embed policies and controls to drive compliance across the organisation. This ongoing activity is vital to ensuring that the regularity framework has been adhered to.

Governance Framework of MaPS

The Board and its committees



Sir Hector Sants **Chairman**

Before becoming Chair of the Money and Pensions Service, Hector was Chair of StepChange, the UK's largest debt advice charity. He brings vast knowledge and experience to MaPS having spent more than 30 years working in financial services and regulation, including serving as the CEO of the Financial Services Authority, European CEO of Credit Suisse and Head of Compliance at Barclays. Outside of financial services his work has included Chairing the Oxford University Said Business School and being an NHS non-executive director.

Since retiring from full-time work, Hector has been working to help people manage their money as well as circumstances allow and promoting a fairer financial system which works for everyone. He is currently a trustee of Just Finance, a charity which collaborates with The Church of England to promote a fairer financial system.



Caroline Siarkiewicz **Chief Executive Officer**

Prior to her role as Chief Executive, Caroline was Acting CEO, during which time the organisation developed and published the UK Strategy for Financial Wellbeing.

As the former Partnerships and Commissioning Director, Caroline held an executive management board role with overall responsibility for MaPS' relationships with partners throughout the UK, and for money guidance and debt advice operations with a commissioning budget of approximately £50m a year.

Previously, Caroline was Head of UK Debt Advice at the Money Advice Service (MAS), a member of the executive leadership team leading the development of new ways of working with the debt advice sector.

Before this, Caroline was also Chief Executive of the Institute of Money Advisers, where she developed a new professional qualification for advisers and initiated a five-year strategy that doubled membership and substantially increased revenues.



Steve Buckingham ACMA, CGMA
Chief Financial Officer
(left 31 March 2021)

Steve joined us from the DWP, where he was its Business Finance Director, having previously held roles as Head of Finance in Jobcentre Plus, Finance and Commercial Director at the Child Maintenance Enforcement Commission, and Director for DWP Housing Delivery and Operations Finance. Steve started his career at BT Group Plc, where he qualified as a Chartered Management Accountant and worked in a variety of finance roles supporting its retail, marketing, sales, product development, and billing and credit management organisations.



Ann Harris OBE, CPFA (Non-Executive Director and Chair, Audit, Risk and Assurance Sub-committee)

Before joining the Money and Pensions Service board, Ann was the Chair and a Non-Executive Director of the Pensions Advisory Service. She previously worked for 40 years as a civil servant, latterly holding senior Civil Service roles in finance and programme management. She was awarded an OBE in 2009 for her services to the DWP. Ann's roles outside the Money and Pensions Service include Non-Executive Director and Chair, Audit, Risk and Assurance Committee for Social Work England and Chair of Dunstable and District Citizens Advice.



**Mike Dailly (Non-Executive Director and Chair,
Remuneration and People Sub-committee)**

(left 30 September 2020)

Before joining the MaPS Board, Mike was a Non-Executive Director of the MAS, and Chair of its Remuneration Committee. Mike is the Director of a not-for-profit advice centre and a court lawyer with around 25 years' experience of advocating for consumers and vulnerable people in financial difficulty. He is a Solicitor Advocate, and an experienced non-executive director. He is a Non-Executive Director of the Scottish Housing Regulator. Mike is a member of the European Banking Authority's Stakeholder Group and a visiting lecturer at the University of Glasgow. He was a member of the Financial Conduct Authority's Consumer Panel from 2009 to 2015 and chaired its working group advising the FCA on the regulation of retail banking, mortgages and general insurance. He has been a member of HM Treasury/BIS Future Regulation of Consumer Credit Stakeholder Forum, FSCS Advisory Panel and chaired the UK Valuation Commission's Residential Cross-sector Group for the Royal Institution of Chartered Surveyors. He was awarded the title "Scottish Solicitor of the Year" at the Law Awards of Scotland in 2007 and 2011.



Tim Jones CBE (Non-Executive Director and Chair, Finance and Investment Sub-committee)

Tim is Executive Director of Tata Limited, representing the Tata Group in the UK. He has a background in financial services spanning payment systems, retail banking, pensions and institutional stockbroking. Earlier in his career, Tim spent 17 years at NatWest Bank. Previous executive roles include CEO of the Personal Accounts Delivery Authority (PADA) and the National Employment Savings Trust (NEST) for the Department for Work and Pensions. Previous Board positions include Capital One Bank (Europe) plc in London and ITG Inc in New York. In recognition of his work, Tim was awarded a CBE in 2015 for his services to the pensions industry.



Moray McDonald (Non- Executive Director and Chair, Remuneration and People Sub-committee)¹

Moray has worked across retail and business financial services in the UK, Southern Europe and Asia for more than 30 years. He has contributed to financial policy through Australian and UK Central Bank enquiries, CMA Hearings and Treasury Select Committee appearances. He chaired the UK Council of Mortgage Lenders and was a member of the British Bankers' Association/UK Finance Retail Board, delivering innovations such as open banking standards, current account switching and Digital Cheque Imaging.

His not-for-profit interests include chairing two Australian charities and, in 2017, forming an informal group with the CEOs of the three main UK debt advice charities to improve the debt advice journey for customers.

1. Appointed Chair of the Remuneration and People Sub-committee from 1 October 2020.



Professor Elaine Kempson CBE (Non-Executive Director)

Emeritus Professor at the University of Bristol, Professor Elaine has nearly 30 years' experience of research and policy analysis on consumer behaviour and the provision of both government and commercial services. She was previously a consultant with both the World Bank and the OECD and carried out the first two independent reviews of the Banking Codes. She is currently a Non-Executive Director of the Lending Standard Board and the Standard Life Foundation, and she was also a member of the MAS Financial Capability Strategy Board. In 2007, Elaine was awarded a CBE for services to the financial services industry.

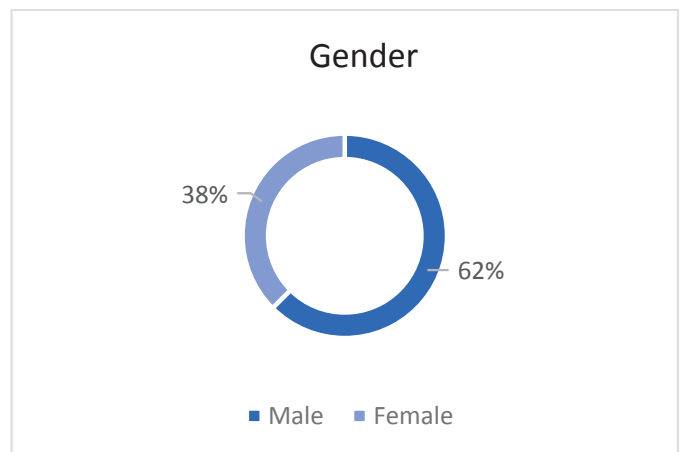
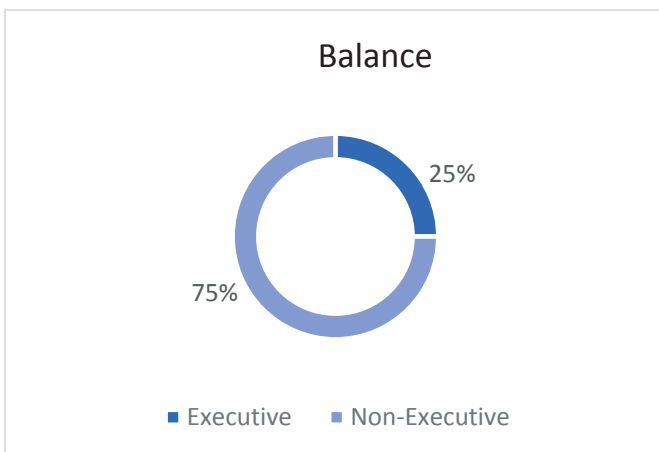


Alex Heath (Non-Executive Director)

(Appointed 1 March 2021)

Alex is a digital pioneer, having spent his early career building the UK's first cable communications network with Virgin Media and its first online investment portal as CEO of interactive investor. In recent years he has founded CrowdRating, a screening service for equity crowdfunding investors, and is Chairman designate of Fairer Finance, the independent provider of product and customer experience ratings on consumer finance and insurance products. He is also Chairman of Artfinder, the UK's leading on-line marketplace for affordable art.

The graphs below show the composition of MaPS' Board structure at 31 March 2021



Executive Directors



Jenny Liebenberg (People, Culture and Skills Director)

Jenny joined MaPS from the Department for Work and Pensions where she was the HR Director for Digital. Making a real difference in the lives of real people is at the core of Jenny's values. She has spent the last 17 years in the Civil Service where she held senior positions in human resources, strategy, change, public policy and communications. She has worked in the Home Office, Ministry of Justice and the Department of Health and Social Care. Before emigrating from South Africa in 2002, Jenny worked in the private sector for civil engineering companies, leading on communications and corporate social responsibility projects.



Sarah Porretta (Strategy and Insight Director)

Sarah joined us from MAS where she led on corporate strategy and the financial capability strategy for the UK. She brings a significant understanding of industry needs and requirements to MaPS. Before her role at MAS, she was Head of Financial Inclusion and Education at Lloyds Banking Group, where she created a group-wide strategy for financial inclusion and founded Money for Life – a UK-wide financial education programme. Sarah has also held senior positions at Cadbury and BAA.



Alex Connolly
(Chief Operating Director)

Alex has worked in the retail banking and pensions sectors for over 30 years, with the likes of TSB Bank, Barclays, Aviva and The Pensions Trust.

His passion and experience centre around helping organisations to meet customer needs effectively and efficiently. This has involved time spent in senior marketing, customer proposition, operations, transformation and strategy roles.



Eileen Pevreall (Chief Digital and Information Officer)

Eileen has a proven background in Digital Transformation for mission-driven companies, working in the professional services, energy and transport sectors over the past 20 years.

She has had responsibility for consolidating Digital/IT activity across organisations and has worked with the business to create strategic roadmaps using Digital/IT as an enabler to improve and develop services for customers, leading and delivering organisational and technological change for business growth.



Mark Gray (Interim Risk, Compliance and Assurance Director)¹

(Appointed 16 June 2020)

Mark joined MaPS as Interim Risk and Compliance Director having previously advised various Government arm's-length bodies on their Risk, Compliance and Assurance Frameworks. He also set up the Risk and Compliance Department at the Government-owned British Business Bank where he was Chief Risk Officer for five years.

Prior to working in the public sector, Mark was Chief Risk Officer at Shawbrook Bank and before that he spent nearly ten years at General Motors Acceptance Corporation, a global financial services company.

In June 2018, Mark was appointed to the Board of the Marsden Building Society where he chairs the Board Risk Committee.

1. Appointed permanent Chief Risk Officer from 1 April 2021.



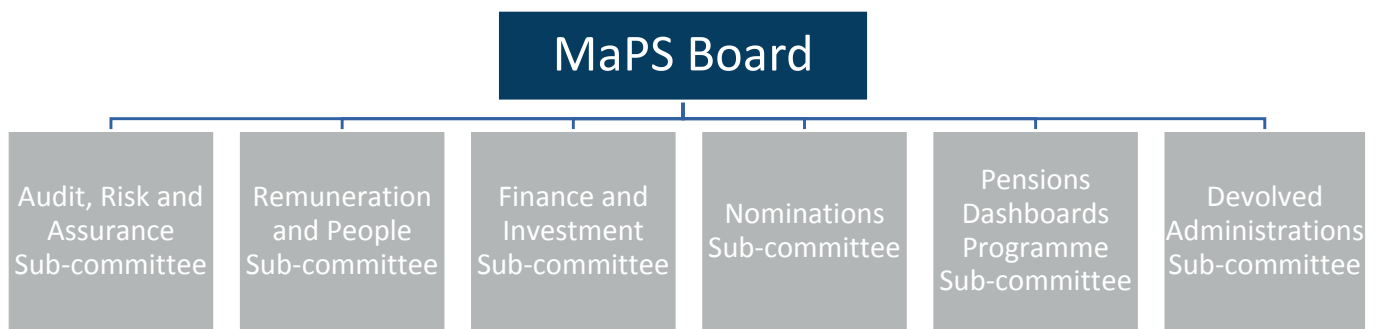
Scott Wylie (Interim Corporate Planning Director)
(Appointed 30 June 2020)

Scott joined the Money and Pensions Service as the Interim Director of Corporate Planning.

He has held senior director level leadership roles in Financial Services and Public Sector and brings over 25 years of business planning and transformation experience.

His biggest strength is taking a vision and turning it into an implementable multi – year strategic plan that is fully cascaded and understood.

Governance Structure



The MaPS Board is responsible for ensuring that the statutory objectives are carried out and that the organisation is run in an appropriate and legal manner. The Board has six sub-committees which have delegated authority to support and advise the Executives in the running of the organisation:

- Audit, Risk and Assurance Sub-committee
- Remuneration and People Sub-committee
- Finance and Investment Sub-committee
- Nominations Sub-committee
- Pensions Dashboards Programme Sub-committee
- Devolved Administrations Sub-committee

At the end of the reporting period, the Board was composed of a Chair, five Non-Executive Directors, and two voting Executive Directors.

Steve Buckingham left the Board upon completion of his term as Chief Financial Officer (CFO) on 31 March 2021.

During the reporting period, Mike Dailly left the Board upon completion of his term as a Non-Executive Director on 30 September 2020.

Alex Heath joined the Board as a Non-Executive Director on 1 March 2021.

Board Duties/Responsibilities

The Board has responsibility for the development and delivery of MaPS' strategic vision, strategic business plan, policies and services. It monitors performance and the quality of service and holds the organisation to account. The Board also has the responsibility for setting and supporting the organisational values and ensuring that these values embody MaPS' commitment to conduct business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. Further details on the Board's responsibilities can be accessed on the MaPS website at:

<https://maps.org.uk/wp-content/uploads/2021/04/maps-board-terms-of-reference-march-2021.pdf>

During the period to 31 March 2021 the Board deliberated on a number of key issues, including:

- The UK Strategy for Financial Wellbeing
- MaPS' 3-Year Corporate Strategy and the 1-year Corporate Plan for delivery
- Oversight of the Pensions Dashboards Programme

- Approval of funding for delivery of key Governmental priorities including *Breathing Space*
- Agreeing updated MaPS Standards
- Review of MaPS' consumer brands
- Agreeing a Risk Management Framework and Risk Appetite Statement
- Agreeing Compliance and Assurance Frameworks
- Overseeing effective delivery of MaPS' ongoing response to customer needs in light of the Covid-19 pandemic
- Ongoing support and consultation around the UK strategy
- Review of culture, equality and diversity within the organisation

Board Performance

There were 11 full Board meetings during the period, with a further six meetings of at least 45 minutes to address time-sensitive matters arising as part of MaPS' response to the Covid-19 pandemic.

In February/March 2021, the Board conducted an externally facilitated evaluation of its performance and effectiveness for the period ending 31 March 2021. The action plan is owned equally by the Board and the Executive and will continue to inform the annual effectiveness review process. The Chair of MaPS and

the Senior Independent Director also oversee the setting of individual Board member objectives, including for the CEO and specific outcomes required from sub-committees. Each Board member is also subject to a 360° peer review which forms part of their annual appraisal process, managed by the MaPS Chair.

The Non-Executive Directors continued attending meetings and subject-specific workshops as part of an ongoing induction programme and were involved in the business outside of Board meetings throughout the accounting period.

The Board and its sub-committees reviewed their terms of reference during the year, ensuring they remained fit for purpose.

Register of Interests

The register of Board members' declaration of interests can be accessed on the MaPS website at:

<https://maps.org.uk/wp-content/uploads/2021/05/board-declaration-interests-april-2021.pdf>

Board Sub-committees

Audit, Risk and Assurance Sub-committee

The Audit, Risk and Assurance Sub-committee (ARAC) is chaired by Ann Harris OBE, MaPS' Senior Independent Director. The ARAC is responsible for reviewing and providing assurance to the Board on matters including the effectiveness of MaPS' internal controls and risk management systems, the integrity of financial statements and for oversight of the internal and external audit processes.

The ARAC comprises four Non-Executive Directors, including a Chair, appointed by the Board. The Chief Executive Officer (CEO), Chief Financial Officer (CFO) and other Executive Directors attend when appropriate. Additionally, representatives of the external auditors, internal auditors and the DWP attend all meetings of the Sub-committee.

As part of its standard cycle of business, the ARAC met seven times during the period and considered matters including:

- approval of new Compliance, Assurance and Risk Management frameworks
- a regular review of the organisation's Strategic Risk Register
- risk deep dives across a range of emergent issues identified by itself, the Board or the CEO

Remuneration and People Sub-committee

The Remuneration and People Sub-committee (RemPCo) is chaired by Moray McDonald, a Non-Executive Director. The RemPCo comprises three Non-Executive Directors appointed by the Board and has responsibility for making recommendations to the Chair and the Board on remuneration matters and HR policies.

As part of its standard cycle of business, the RemPCo met three times during the period and considered matters including:

- equality and diversity
- Covid-19 impact on MaPS colleagues
- staff survey results
- proposals for a Total Reward Strategy

Finance and Investment Sub-committee

The Finance and Investment Sub-committee (FinCom) is chaired by Tim Jones CBE, a Non-Executive Director, and comprises a total of four Non-Executive Directors plus the CEO and CFO.

The FinCom is primarily responsible for approving investment proposals¹ and making recommendations to the Board on matters including the business plan and budgets, and the monitoring of performance against budgets and value for money in all spending, procurement and management of key contracts.

FinCom meets quarterly; however, during the reporting period it met on a further 14 occasions to consider additional proposals specific to MaPS' Covid-19 response.

As part of its standard cycle of business, the FinCom considered matters including:

- review of the budget, delegated authorities and finance policies
 - quality assurance for MaPS commissioning
 - frontline Covid-19 response initiatives
 - Pension Freedoms marketing campaign
 - Pilot of Adviser Capacity and Efficiency (PACE)
 - call centre contracts
 - debt and Pension Wise grants
 - second tier specialist debt advice
 - responses to debt relief legislation
1. The Sub-committee has delegated authority up to £1m to approve investments and procurements with a whole life cost of up to £1m, and to agree reprioritisation within ring-fenced budgets up to the limits allowed in the Delegated Financial Authority, currently over £100k.

Nominations Sub-committee

The Nominations Sub-committee (NomCo) is chaired by Sir Hector Sants, Chair of the MaPS Board. The NomCo meets as required and comprises four Non-Executive Directors. It is tasked with:

- leading on the process for Board and sub-committee appointments and making related recommendations to the Board and to the Department for Work and Pensions
- leading on Board and Sub-committee effectiveness reviews
- setting of the objectives for the Board Chair, the Non-Executive Directors and the CEO
- setting the appraisal framework for the Board Chair, the Non-Executive Directors and the CEO

As part of its standard cycle of business, the NomCo met five times during the period and considered matters including:

- Chair, CEO and Non-Executive Directors' performance
- the external Board effectiveness survey
- consideration of future Non-Executive Director recruitment
- in-year Sub-committee membership
- current Board skills framework

Pensions Dashboards Programme Sub-committee

The Pensions Dashboards Programme Sub-committee is chaired by Sir Hector Sants, Chair of the MaPS Board. It comprises four Non-Executive Directors including the Chair, plus MaPS' CEO and CFO. The Chief Digital and Information Officer, the Pensions Dashboards Principal, and the Pensions Dashboards Programme Director attend all meetings, with other Executive Directors present as required.

The sub-committee's main objective is to assure the Board that delivery of the Government's flagship Pensions Dashboards Programme is progressing according to plan and established governance protocols.

As part of its standard cycle of business, the Sub-committee met five times during the period and considered matters including:

- approval of the strategic outline business case
- updates to the Pensions Dashboards Programme governance model
- membership of the programme steering group
- review of key risks
- deep dive on identity verification

Devolved Administrations Sub-committee

The Devolved Administrations Sub-committee is chaired by Sir Hector Sants, Chair of the MaPS Board. The purpose of the sub-committee is to provide a forum for MaPS to co-ordinate delivery of the UK National Strategy for money, pensions and debt guidance, in partnership with the Devolved Administrations of Northern Ireland, Scotland and Wales.

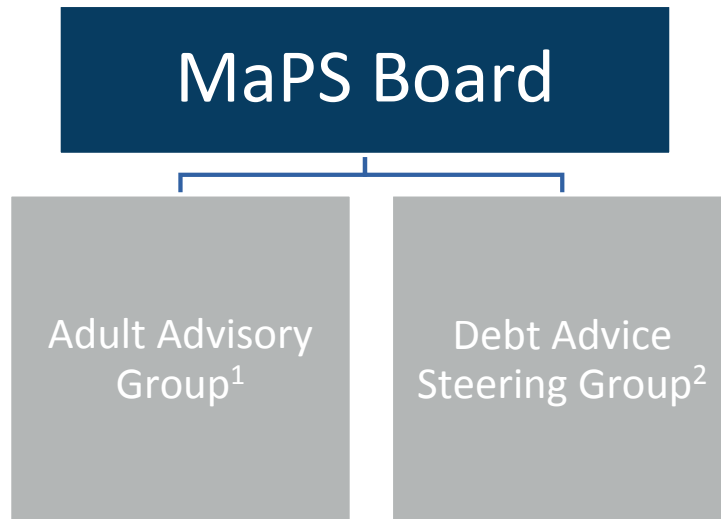
The sub-committee comprises the Chair, three Non-Executive Directors, the CEO and the CFO; the Propositions, Insights and External Engagement Director attends as required. Each devolved region is represented by MaPS Country Managers, Non-Executive Directors assigned to those regions, and Senior Members from the Devolved Administrations.

As part of its standard cycle of business, the sub-committee met four times during the period and considered matters including:

- outputs from Covid-19 challenge groups
- progress of the UK National Strategy
- Welsh language scheme
- debt advice delivery plans
- engagement plans between the Devolved Administrations and MaPS

MaPS Advisory and Steering Groups

Advisory and Steering Groups provide input to the MaPS' Board and Executive on specific areas of activity.



Adult Advisory Group

The Adult Advisory Group (AAG) was established in May 2020 to advise the MaPS Board on the formulation and implementation of the UK Strategy for Financial Wellbeing (the Strategy) in relation to adults. Within this remit, the AAG may be requested to:

- act as ambassadors for the Strategy
- provide a sounding board on the formulation and implementation of the MaPS business plan and Strategy in relation to adults

Since September 2020, the AAG has been chaired by Vim Maru, Group Director of Retail at Lloyds Banking

Group. Further details can be accessed on the MaPS website at:

<https://maps.org.uk/our-board/adult-advisory-group-to-the-board/>

1. Known as MaPS Advisory Group (MAG) from 29 June 2021 and will take on a wider remit to include Debt Advice.

Debt Advice Steering Group

The Debt Advice Steering Group (DASG) was set up to consider ways in which to ensure that everyone with problem debt reaches the best long-term outcome through an effective customer journey, funded in an efficient, fair and transparent way.

The DASG oversaw the action plan for the people in the financial difficulties strand of the UK Financial Capability Strategy.

2. As of 23 June 2021 this group has ceased.

Board and Sub-committees' Details for the Year Ended 31 March 2021

The Board and Board Sub-committees met regularly during the year and details of the number of meetings held and attendance at those meetings is shown below.

	Board	Finance & Investment Sub-committee	Audit, Risk & Assurance Sub-committee	Remuneration & People Sub-committee	Nominations Sub-committee	Pensions Dashboards Programme Sub-committee	Devolved Administrations Sub-committee
Non-Executive Directors							
Sir Hector Sants	11/11 C	18/18	–	–	5/5 C	5/5 C	4/4 C
Mike Dailly ¹	7/7	–	4/4	1/1 C1	–	–	2/2
Ann Harris OBE	11/11	18/18	7/7 C	–	5/5	5/5	–
Elaine Kempson CBE	11/11	–	7/7	3/3	5/5	2/2	–
Moray McDonald ²	11/11	18/18	7/7	3/3 C2	–	–	4/4
Tim Jones CBE	11/11	17/18 C	–	2/2	5/5	2/2	4/4
Alex Heath ³	1/1	–	–	–	–	–	–
Executive Directors							
Caroline Siarkiewicz ⁴	9/11	13/18	–	–	–	2/3	3/3
Steve Buckingham ⁵	11/11	18/18	–	–	–	5/5	2/3

C Chair

1. Ended term 30 September 2020.
2. Chair of Remuneration and People Sub-committee from 1 October 2020.
3. Joined 1 March 2021.
4. Medical leave 25 August – 1 November 2020.
5. Left MaPS on 31 March 2021.

Sub-committees' Membership as at 31 March 2021

	Board	Finance & Investment Sub-committee	Audit, Risk & Assurance Sub-committee	Remuneration & People Sub-committee	Nominations Sub-committee	Pensions Dashboards Programme Sub-committee	Devolved Administrations Sub-committee
Non-Executive Directors							
Sir Hector Sants	C	✓	-	-	C	C	C
Mike Dailly ¹	✓	-	✓	C1	-	-	✓
Ann Harris OBE	✓	✓	C	-	✓	✓	-
Elaine Kempson CBE	✓	-	✓	✓	✓	✓	-
Moray McDonald ²	✓	✓	✓	C2	-	-	✓
Tim Jones CBE	✓	C	-	✓	✓	✓	✓
Alex Heath ³	✓	✓	-	-	-	✓	-

C Chair

1. Ended term 30 September 2020.
2. Chair of Remuneration and People Sub-committee from 1 October 2020.
3. Joined 1 March 2021.

Executive Leadership Team

The Executive Leadership Team (ELT) oversees the day-to-day management of MaPS. ELT meetings are a forum for the senior management team to:

- deliver the strategic business plan
- drive operational delivery and monitor performance
- consider the risks to MaPS and agree mitigating actions
- endorse strategic papers and investment proposals for submission to the Board and sub-committees

The ELT is composed of:

Board Directors:

- Chief Executive Officer
- Chief Financial Officer

Executive Directors:

- Chief Operating Officer
- People, Culture and Skills Director
- Strategy and Insights Director¹
- Chief Digital and Information Officer
- Interim Risk, Compliance and Assurance Director²
- Interim Corporate Planning Director

1. Known as Propositions, Insights and External Engagement Director from 1 April 2021.

2. Known as Chief Risk Officer from 1 April 2021.

Other:

- Director of Corporate Affairs
- Pensions Dashboards Programme Director

Internal Controls

The ELT supports the Chief Executive and the Board in ensuring our functions are exercised efficiently and effectively. ELT members provide shared assurance to the Chief Executive Officer in her role as the Accounting Officer for decision-making and for recommendations made to the Board. This includes assisting the Board, the Finance and Investment Sub-committee, the Audit, Risk and Assurance Sub-committee and the Remuneration and People Sub-committee by ensuring they are asked to make only necessary decisions and that they are provided with appropriate information and support.

Over the course of the year, the Board was provided with management information on operational, financial and commercial performance and monthly Executive Directors' reports. The ARAC also receives reports at each meeting which set out in detail the key audit activities undertaken and monitors any outstanding recommendations.

We also have in place the following:

- codes of conduct and supporting training materials, where appropriate, for Board members, staff and contractors. These set out expectations of behaviour,

and the policy framework for declaring and managing conflicts of interest, and ensuring data protection and information security

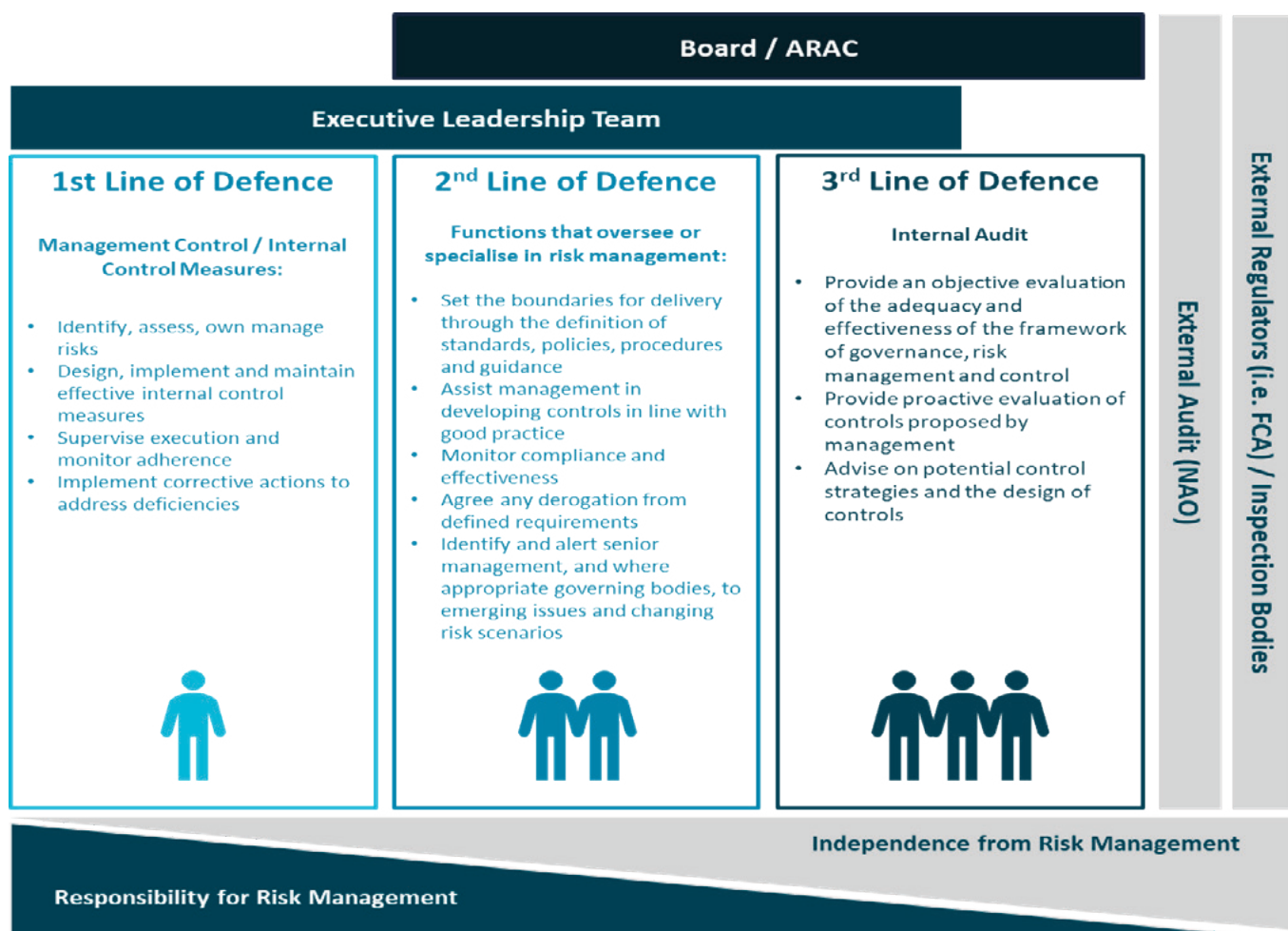
- terms of reference for the Board and its Sub-committees, and a set of general, financial and regulatory delegations and terms of reference for the ELT
- a programme of internal audits and other external assurance activity with a system for progressing implementation of recommendations and reporting progress to the ARAC
- a formal complaints procedure to deal with complaints made against us about the way in which we have carried out or failed to carry out our role

Risk Management

MaPS has established, implemented and embedded a Risk Management Framework (RMF) which is supported and approved by the ARAC and Board. It is designed to be a documented structured process for identifying potential threats and our strategy for eliminating or minimising the impact of these risks as well as the mechanisms to effectively monitor and evaluate this strategy. The RMF is one of the three pillars of our Risk Management Approach at MaPS. The framework ensures we have an agreed and documented process for effectively identifying, measuring, mitigating, reviewing,

monitoring and reporting the risks we face in line with corporate governance and best practice standards.

MaPS has adopted the Three Lines of Defence (3LoD) model in its approach to risk management. Everyone at MaPS has some responsibility for risk management. The Three Lines of Defence model provides a simple and effective way to help delegate and co-ordinate risk management roles and responsibilities within and across the organisation. The Board has overall accountability and responsibility for the management of risk within MaPS. The Audit, Risk and Assurance Sub-committee (ARAC) takes the lead in focusing on this responsibility for the Board.



Risk Management Approach (RMA)

MaPS' Risk Management Approach consists of three pillars: A Risk Management Framework, a Compliance Framework and an Assurance Framework.

It sets out the approach to Risk Appetite (following Orange Book guidance), how this should be applied to meeting MaPS' objectives given the organisation's capability and capacity plus the Three Lines of Defence. It also articulates MaPS' commitment to a positive risk culture and raising risk awareness throughout the organisation as well as the roles and responsibilities of the Board, the Audit, Risk and Assurance Sub-committee (ARAC), the ELT Strategic Risk Committee (SRC), the Risk, Compliance and Assurance Directorate and the role of Risk Champions.

Risk Management Framework (RMF)

The Risk Management Framework (RMF) describes a set of processes and methodologies that supports MaPS in identifying, measuring, managing, monitoring and reporting on risks to the organisation in achieving its objectives. As such, it is aligned to the size, scale and complexity of MaPS and recognises MaPS' status as an arm's-length body (ALB) of the UK Government. The RMF informs the development of the risk management infrastructure and provides a sound basis for more informed decision-making across MaPS' operations

based on the Three Lines of Defence (3LoD) model and in conjunction with a Risk Appetite Statement (RAS).

Compliance Framework

The Compliance Framework sets out the principles for MaPS' compliance with rules and regulations primarily in the spheres of financial guidance and advice and how MaPS should fulfil these obligations. It recognises that MaPS is not regulated to provide money or pensions advice and therefore the organisation must have policies and controls in place to ensure it does not inadvertently offer such advice. It also recognises that MaPS has a responsibility to monitor adherence to the MaPS Standards, agreed with the Financial Conduct Authority (FCA), and sets out how it will do this.

Assurance Framework

The Assurance Framework is designed to provide assurance to the Executive and Non-Executive members of the Board, the Accounting Officer, key external stakeholders, the Interim Risk, Compliance and Assurance Director and other Executive officers of MaPS that the organisation has in place effective risk management procedures, robust and comprehensive controls plus a positive culture with regards to compliance. It supports the Accounting Officer in taking responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and more generally as an evidence base for statements

contained in the Annual Report and Accounts. The framework documents the arrangements whereby management in all Three Lines of Defence test and check that policies are in place, controls are working, conditions of agreements and contracts are being met and the organisation is providing services of sufficient quality to meet its obligations and broader policy aims. It acknowledges that MaPS outsources to third-party Delivery Partners many of its services and details how assurance should be obtained in these circumstances. The Assurance Framework dovetails with the Risk Management and Compliance Frameworks to report on whether they are operating effectively. It operates according to the Three Lines of Defence (3LoD) model and is aligned to the Board's Risk Appetite to ensure that assurances obtained are proportionate to the Board's appetite for risk.

These three frameworks operate in parallel with the shared objective of enabling MaPS to achieve its strategic, functional and change objectives. Transparency and availability of information between the three pillars ensures that risks identified through compliance and assurance activity are measured, monitored and reported. The RMF, through risk reporting, will guide compliance and assurance activity based on areas of concern in the MaPS risk profile.

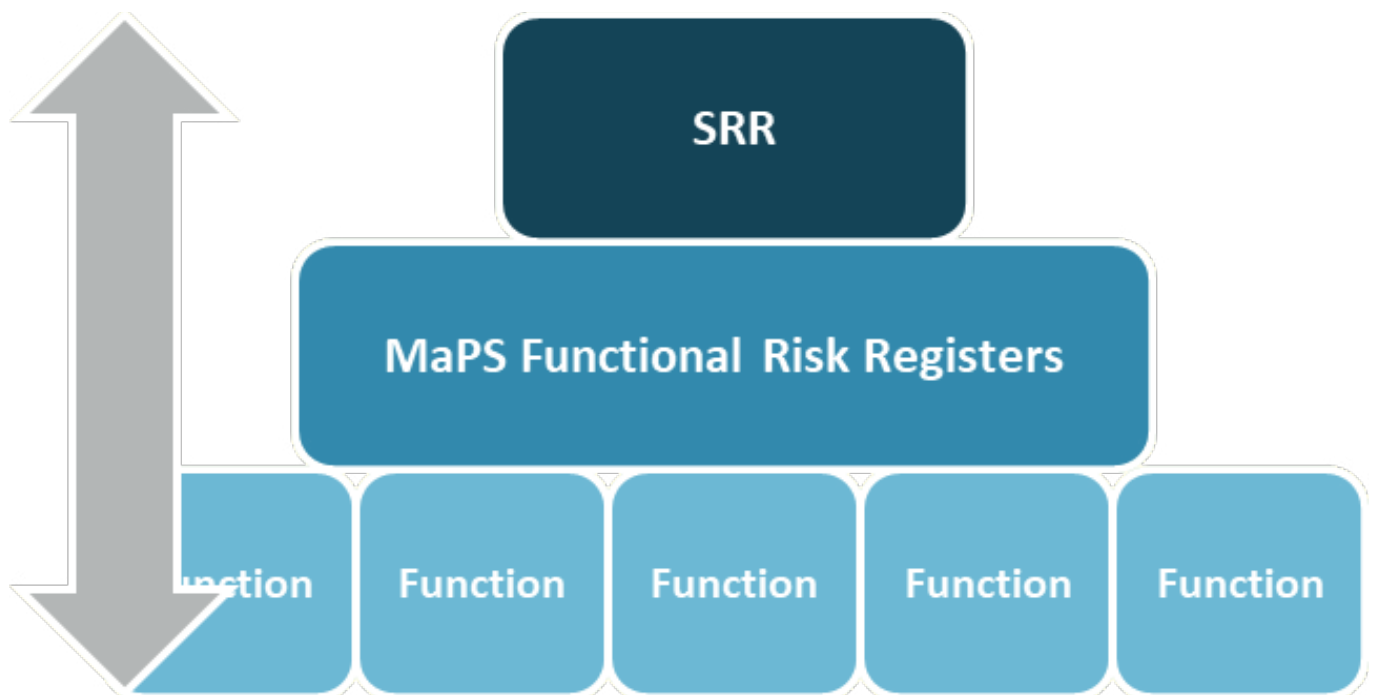
The Audit, Risk and Assurance Sub-Committee (ARAC) and the Board review the Risk Management Approach

(RMA) on an annual basis as part of their wider review of governance mechanisms.

MaPS' Strategic Risks

'Risk' is defined as 'an uncertain event or set of events that, should it/they occur, will have an effect on the achievement of objectives. MaPS recognises that some risk-taking is inevitable if the organisation is to achieve its objectives, and effective risk management is likely to improve performance against objectives.

Identified risks are captured on Risk Registers. There are three types of risk register used at MaPS, depending on the type of risk: Strategic Risk Register (SRR), Functional Risk Registers (FRR) and Programme/Project Risk Registers, including a risk register for the annual business plan.



The SRR is owned by the Board and represents a 'top down' view of the most material risks to MaPS achieving its objectives. It is regularly reviewed by the ARAC and bi-monthly at the SRC. A member of the ELT is designated as Senior Responsible Officer for ownership and resolution of each risk on the register.

Risk Appetite

HM Treasury defines 'risk appetite' as 'the amount of risk that an organisation is prepared to accept, tolerate or be exposed to at any point in time'. It is measured according to a rising scale of appetite from averse to hungry. The definitions used by MaPS are consistent with those in the HM Treasury guidance.

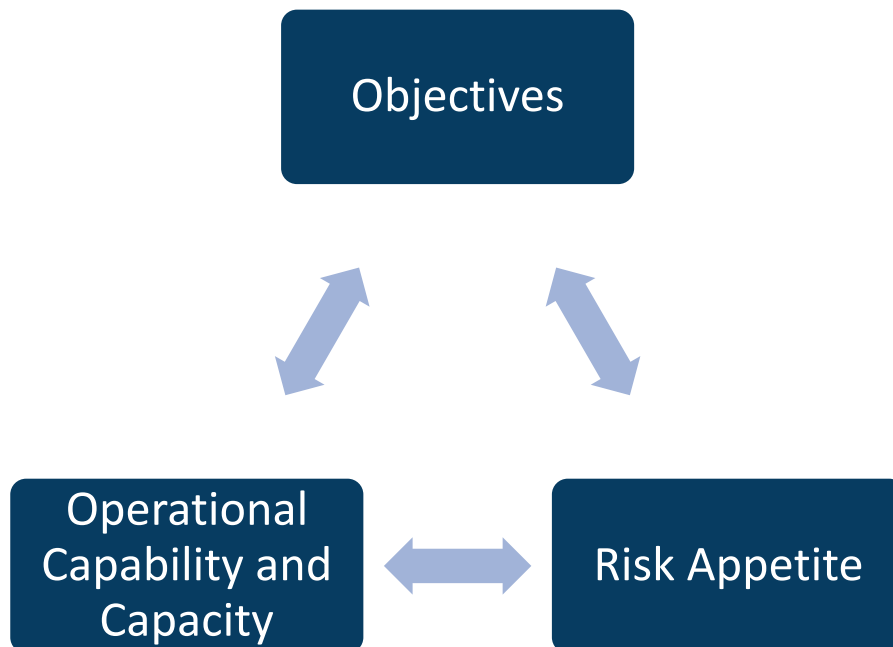
These definitions are applied to categories of risk that MaPS could be exposed to in the delivery of its objectives. These categories are defined in a Risk Taxonomy, detailed in the Board's Risk Appetite Statement (RAS).

For 2020/21 there were eight categories of risk within the Risk Taxonomy, these being:

- reputation & credibility
- operational delivery
- change/transformation
- financial
- people & conduct

- legal/regulatory
- cyber & data security
- strategy

The Risk Appetite Statement is reviewed on an annual basis, ideally in line with the Business Planning cycle. Whilst it can be reviewed and modified by the ARAC and/or Board in the event that the organisation's objectives and strategy change, this did not occur in 2020/21.



Internal Audit

Internal audit services were provided by Mazars for 2020/21. The ARAC approved the Internal Audit plan at their meeting in June 2020. The plan contained the programme of internal audits for the year determined by areas highlighted within the Strategic Risk Register (SRR), meetings with the Executives, feedback from the Chair of ARAC and the CEO, results of internal

audit work in 2019/20 and emerging trends/themes from across their wider public service client base.

Both the ELT and the ARAC kept the progress of the internal audit plan under review, reviewing and approving audit reports monthly at ELT meetings then quarterly at each ARAC meeting along with monitoring the progress of the implementation of previous audit recommendations throughout the year.

The following audits were undertaken during 2020/21:

- business continuity and disaster recovery (Stages 1 & 2)
- data protection and information security
- compliance framework
- payroll
- programme and project management
- strategic and corporate planning
- finance review

During the year, MaPS introduced and implemented an Internal Audit Procedure Document detailing the end-to-end process for internal audit at MaPS. The document provides detailed steps for each stage of the lifecycle of audit management, from approval of the Audit Plan, through the fieldwork undertaken by the Internal Auditors, to the implementation of the Audit recommendations.

PricewaterhouseCoopers (PwC) were awarded the contract.

With the contract with Mazars ending on 30 April 2021, an open and fair competition process took place between Q3 and Q4 to identify a supplier for provision of this service from April 2021 onwards.

Whistleblowing

MaPS is committed to the highest standards of transparency, probity, integrity and accountability.

As such, MaPS' Whistleblowing procedure sets out the framework it adopts for dealing with disclosures about standards, conduct, financial irregularity or possible unlawful action, in such a way as to ensure confidentiality, and protect anyone making such a disclosure in the reasonable belief that it is in the public interest to do so, from being victimised, discriminated against or otherwise disadvantaged.

This procedure is intended to ensure that MaPS complies with its duties under the Public Interest Disclosure Act 1998.

The Non-Executive Director that leads on whistleblowing is Moray McDonald, and the Executive lead is Mark Gray, Interim Risk, Compliance and Assurance Director.

Information Security

In accordance with our responsibilities under the HMG Security Policy Framework and the Data Protection

Act 2018 (incorporating GDPR), MaPS has in place provisions for information security.

Information held by MaPS in electronic or paper form, be it structured or unstructured, is one of the organisation's most vital and valuable assets and it is essential that this information is protected against the many threats that may compromise its confidentiality, integrity and availability. In addition, it is critical to ensure that the service meets all required UK and EU legal compliance obligations to avoid the risk of litigation, potential brand damage and loss of public confidence in the service.

We take all reasonable steps to ensure suppliers abide by all relevant UK and EU legislation regarding information security, storage, handling and processing. The requirement to comply with this legislation is devolved to all employees, contractors, consultants and agents who may be held accountable for any breaches of information security for which they may be responsible.

MaPS is now also a Cyber Essentials Plus certified organisation and this helps to assure all parties of our information security responsibilities.

Remuneration and Staff Report

Remuneration Policy

The policy for remuneration of the Non-Executive Directors is set by the DWP. For the period, they were remunerated for 36 days per year at £500 per day. The remuneration policy is reviewed annually by the MaPS Nominations Sub-committee which reviews the appropriateness of those hours and reports to the DWP.

With regards to expenses, 120 Holborn is considered their normal place of work and payment of expenses for travel is taxable, and MaPS pays the tax. This is reviewed annually.

The remuneration policy for the Directors during the period was agreed and set by the DWP.

Directors' Service Contracts

Name	Date Appointed	Contract End Date	Notice Period
Executive Directors			
Steve Buckingham ¹	29/04/2019	31/03/2021	Seconded (DWP)
Caroline Siarkiewicz	15/06/2019	26/01/2024	6 months
Non-Executive Directors			
Tim Jones	01/10/2018	31/12/2021	3 months
Mike Dailly ²	01/10/2018	30/09/2020	3 months
Ann Harris	01/10/2018	30/09/2022	3 months
Elaine Kempson	01/10/2018	31/07/2022	3 months
Moray McDonald	01/10/2018	31/07/2022	3 months
Sir Hector Sants	03/10/2018	30/09/2023	3 months
Alex Heath	01/03/2021	28/02/2025	3 months

1. Steve Buckingham left MaPS' employment on 31 March 2021.
2. Mike Dailly left MaPS' employment on 30 September 2020.

Directors' Remuneration

The information in this section is subject to audit.

Executive Directors

Name	Salary £'000		Bonus Payments £'000		Benefits in Kind ¹ £		Pension Benefits ² £		Total £'000	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Caroline Siarkiewicz	175-180	115-120 (FYE 170-175)	5-10	–	–	–	18,000	12,000	200-205
Steve Buckingham ³	130-135	100-105 (FYE 105-110)	0-5	–	–	–	47,000	34,000	180-185	130-135 (FYE 140-145)

1. The amounts are to the nearest £'00.

2. The amounts are to the nearest £'000.

3. Steve Buckingham is seconded from the DWP. In addition to the amounts disclosed in the table, for the year to 31 March 2021 MaPS also paid the DWP for employers' National Insurance of £17k and Value Added Tax of £38k.

Non-Executive Directors

Name	Salary		Bonus Payments		Benefits in Kind ¹		Pension Benefits ²		Total	
	£'000		£'000		£		£		£'000	
	2021-21	2019-20	2021-21	2019-20	2021-21	2019-20	2021-21	2019-20	2021-21	2019-20
Sir Hector Sants	75-80	75-80	-	-	-	-	-	-	75-80	75-80
Mike Dailly ³	5-10 (FYE 15-20)	15-20	-	-	-	-	-	-	5-10 (FYE 15-20)	15-20
Ann Harris	15-20	15-20	-	-	-	-	-	-	15-20	15-20
Alex Heath ⁴	0-5 (FYE 15-20)	-	-	-	-	-	-	-	0-5 (FYE 15-20)	-
Tim Jones	15-20	15-20	-	-	-	-	-	-	15-20	15-20
Elaine Kempson	15-20	15-20	-	-	-	-	-	-	15-20	15-20
Moray McDonald	15-20	15-20	-	-	-	-	-	-	15-20	15-20

1. The amounts are to the nearest £'00.
2. The amounts are to the nearest £'000.
3. Ended term 30 September 2020.
4. Joined 1 March 2021.

‘Salary’ includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by MaPS and thus recorded in these financial statements.

‘Bonuses’ are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2020/21 relate to performance in 2019/20.

Non-Executive Directors are not eligible for bonus payments or pension contributions.

Executive Directors’ Pension

The information in this section is subject to audit.

Director	Accrued pension at pension age as at 31 March 2021 (£'000)	Real increase in pension and related lump sum at pension age (£'000)	CETV at 31 March 2021 (£'000)	CETV at 31 March 2020 (£'000)	Real increase in CETV (£'000)
Steve Buckingham	30-35	2.5-5	494	443	29

All pension benefits are quoted gross and do not take account of any actual or potential reduction to amounts received resulting from taxation which may be due when pension benefits are taken in excess of the lifetime allowance.

When an Executive Director leaves or joins MaPS part-way through the year, the 'Cash Equivalent Transfer Value' (CETV) column refers to the value at the date of joining or leaving.

Pay Multiples

The information in this section is subject to audit.

	31 March 2021	31 March 2020
Band of highest paid Director's annualised total remuneration	185,000 to 190,000	170,000 to 175,000
Median remuneration of the workforce	56,189	55,000
Multiple (ratio)	3.34	3.14

On 31 March 2021, six (31 March 2020, seven) employees received remuneration in excess of the highest paid Director. Their annualised total remuneration ranged from £185,000 to £290,000 (31 March 2020, £175,000 to £465,000).

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

Staff Report

The information in this section is subject to audit.

Staff costs

Year ended 31 March 2021	Note	Permanently employed staff (£'000)	Others (£'000)	Total (£'000)
Wages and salaries		23,823	6,854	30,677
Social Security costs		2,473	–	2,473
Other pension costs		2,190	–	2,190
Sub-total		28,486	6,854	35,340
Less recoveries in respect of outward secondments		(218)	–	(218)
Total net costs	1	28,268	6,854	35,122

Year ended 31 March 2020	Note	Permanently employed staff (£'000)	Others (£'000)	Total (£'000)
Wages and salaries		16,975	4,315	21,290
Social Security costs		1,752		1,752
Other pension costs		1,738		1,738
Sub-total		20,465	4,315	24,780
Less recoveries in respect of outward secondments		(186)		(186)
Total net costs	2	20,279	4,315	24,594

Note:

1. Total staff costs of £35,448k (Financial Statements Note 2) in the year to 31 March 2021 included Board fees (£163k), medical insurance (£88k) and life assurance (£75k) which were excluded from this table. They are also shown after the recoveries for outward secondments.
2. Total staff costs of £24,940k (Financial Statements Note 2) in the year to 31 March 2020 included Board fees (£170k), medical insurance (£131k) and life assurance (£45k) which are excluded from this table. They are also shown after the recoveries for outward secondments.

Average number of full-time equivalent persons employed

Year ended 31 March 2021	Permanently employed staff – average numbers	Others – average numbers	Total
Directly employed	356.20	50.60	406.80
Staff engaged on capital projects	–	–	–
Total	356.20	50.60	406.80

Year ended 31 March 2020	Permanently employed staff – average numbers	Others – average numbers	Total
Directly employed	284.00	28.00	312.00
Staff engaged on capital projects	–	–	–
Total	284.00	28.00	312.00

Pension Arrangements

Pension benefits for staff appointed under MaPS and MAS contracts are provided by Aviva through the MaPS pension scheme. The pension benefits for most of the employees transferred from TPAS on 1 January 2019 are provided through the legacy Civil Service Pension arrangements.

MaPS Pension Scheme

The MaPS pension scheme is a workplace pension provided by Aviva. In the scheme, MaPS contributes twice the employee's contribution up to 10% of the employee's basic salary.

Charges stand at 0.34% of the fund value per annum and there are no other charges except where a speciality or externally managed fund is chosen or in the event of a market value reduction being applied in relation to the With Profits Fund.

The MaPS pension provider, Aviva, has confirmed that the markets dipped in March 2020, but recent analysis suggests that there are signs of recovery and will continue to do so over the longer term, although any further Covid-19 outbreaks may see funds dip again.

Aviva has confirmed that the scheme remains fully funded at 180% of the required regulatory amount and Aviva has been rated as 'stable' by the credit ratings Fitch.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed

civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). 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 the 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 defined contribution (money purchase) 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 their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation.

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

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). 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 the 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 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 or 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 by Gender

The following table sets out the composition of staff headcount as at 31 March 2021 by gender.

Category	Female	Male	Total
Executive Directors	1	1	2
Non-Executive Directors	2	4	6
Staff	198	210	408
Total	201	215	416
Percentage	48%	52%	100%

Expenditure on Consultancy

MaPS spent £123,024 (31 March 2020 £167,744) on external consultancy to assist in the continuing development of the total reward, realignment, culture and diversity strategies and in developing our internal control processes.

Off-payroll Engagements

Off-payroll engagements relate to any people-based resources which are not paid through the MaPS payroll.

All off-payroll engagements as at 31 March 2021, earning £245 per day or greater:

	Total
The total number of existing engagements as of 31 March 2021	14
Of which:	
The number that have existed for less than 1 year at time of reporting	13
The number that have existed for between 1 and 2 years at time of reporting	–
The number that have existed for between 2 and 3 years at time of reporting	1
The number that have existed for between 3 and 4 years at time of reporting	–
The number that have existed for 4 or more years at time of reporting.	–

All off-payroll engagements at any point during the year ended 31 March 2021, earning £245 per day or greater:

	Total
The total number of engagements during the year ended 31 March 2021	68
Of which:	
The number of these engagements not subject to off-payroll legislation	–
The number of these engagements which were assessed as caught by IR35	51
The number of these engagements which were assessed as not caught by IR35	17
The number that were reassessed for consistency or assurance purposes during the year	5
The number of engagements that saw a change to IR35 status following the consistency review	–
The number of engagements that were disputed following a change to IR35 status following the consistency review	–
The number of engagements that saw a change to IR35 status following the consistency review	–

All off-payroll engagements, outlined above, have been subject to risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

Significant Financial Responsibility

The number of Board members and senior officials with significant financial responsibility between 1 April 2020 and 31 March 2021 were as follows:

	Total
Those that were off-payroll engagements	–
Those that were on-payroll engagements	3
Total number of on-payroll and off-payroll engagements	31

1. This refers to Caroline Siarkiewicz as CEO, Steve Buckingham as CFO and Alex Connolly as Acting CEO during the period of 7 September 2020 – 3 January 2021.

Sickness

The average working days lost (AWDL) due to sickness absence per staff year is 4.7 days (31 March 2020, 4.6 days). The rate of sickness absence over the year was 1.8%, which is in line with the Office for National Statistics (ONS) Labour Force Survey national sickness absence rate for 2020.

Exit Packages

The table below sets out exit packages for employed staff (subject to audit).

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Less than £10,000	–	–	–
£10,000 – £25,000	1	–	1
£25,000 – £50,000	–	–	–
£50,000 – £100,000	–	–	–
£100,000 – £150,000	–	–	–
£150,000 – £200,000	–	–	–
More than £200,000	–	–	–
Total number of exit packages	1	–	1
Total resource cost (£'000)	16	–	16

Exit costs are accounted for in full in the year of departure.

Equality, Diversity and Inclusion (ED&I)

Our Ambition

Our ambition is so much greater than compliance with our legal framework. We want MaPS to be fully inclusive, attracting and retaining diverse talent where colleagues thrive and deliver their best performance. We need to reflect our customers and communities to truly understand their needs. Of course, we can only

achieve our ambition if we establish a firm foundation of compliance, knowledge and evidence-based actions. This includes complying with the Equality Act 2010 to ensure that we do not discriminate against anyone because of their protected characteristics. In addition to the nine protected characteristics¹, we collect and monitor an indicator of socioeconomic background and care responsibilities. As an arm's length body providing public services, we need to respond to the Public Sector Equality Duty and take steps to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not

We have carried out extensive field work in 2020, but we know that this is just the start. There is more to do if we are to achieve our ambition. We need good quality data, with high levels of disclosure so that we can make evidenced-based decisions. Following the implementation of our self-service HR system, we launched a campaign to collect colleague diversity data, followed by an analysis to understand the make-up of our workforce. We need to monitor our recruitment process

1 Protected characteristics are age, disability, gender reassignment, being married or in a civil partnership, being pregnant or on maternity leave, race including colour, nationality, ethnic or national origin, religion or belief, sex and sexual orientation.

and employee lifecycle to ensure that colleagues do not have an unequal experience. We know that there are some colleagues who feel a sense of belonging, but we want this to be true for everyone.

The Board and Executive Leadership Team have a shared responsibility for ensuring that our ambition becomes a reality. Leaders' behaviours shape the culture of an organisation. We want our leaders to actively champion ED&I in a consistent and meaningful way. Our inclusive leadership development programme will enable leaders to deliver our ED&I strategy with confidence.

Priority Areas and Objectives

Our priority areas and objectives have been developed through engagement with colleagues and stakeholders, combined with data analysis and benchmarking. We have sought views and suggestions through interviews with the Executive Leadership Team (ELT), Board members and colleagues who are responsible for ED&I. We ran a workshop with our Colleague Consultative Group (CCG) and all colleagues across MaPS were invited to a series of six focus groups. This included an open group for all and affinity groups for gender, ethnicity, sexual orientation and disability. We also collated views from colleague surveys and disaggregated these results by protected characteristics.

The data analysis enabled us to understand our workforce profile and identify areas of under-representation. However, this is based on the known

data and our priority now is to increase disclosure. Benchmarking showed how well we reflect the working population in the UK, along with how we compare with the Department for Work and Pensions (DWP) and the Civil Service. This work enabled us to identify our strengths and areas for improvement.

Diversity at MaPS

We have a balanced gender profile at all levels of the organisation. Our known data indicate that there is social mobility at leadership level, and we have representation of lesbian, gay and bi-sexual colleagues at all levels. However, it has been challenging to find robust benchmarks for some areas and it is clear from our data that we need to focus on improving disclosure. We have good ethnic diversity below leadership level when compared with the UK working population, but this is not represented at the most senior levels of MaPS. We remain focused on all protected characteristics, but our insights have enabled us to identify ethnicity, disability and neurodiversity, and early careers as priority areas. Further details are contained in the Equality Information Report.

Our Objectives

We value the diversity that we have at MaPS and see this as key to achieving our mission. Our objectives will enable us to address specific priority areas, in

conjunction with improving and celebrating all areas of ED&I and meeting the needs of our customers:

- build a comprehensive evidence base through collecting and analysing colleague diversity data, to inform actions and report progress
- address areas of under-representation including ethnicity at leadership level, disability and neurodiversity at all levels and explore opportunities to support early careers
- create a culture where all colleagues feel included and engaged
- design and deliver high-quality services to our customers that take full account of their current and potential vulnerability and their protected characteristics

Action Plan

We are developing a plan with practical actions for each of our people objectives that we believe will have the most impact, alongside measures and success indicators. We will review progress against objectives and report to the Remuneration and People Sub-committee every six months and the Board annually. We will share progress with our CCG every six months.

Our Published Reports

On our website we have published:

- 2020/21 Gender Pay Gap report

<https://moneyandpensionservice.org.uk/wp-content/uploads/2021/03/gender-pay-gap-report-march-2021.pdf>

- Equality, Diversity and Inclusion Strategic Objectives

<https://moneyandpensionservice.org.uk/wp-content/uploads/2021/03/equality-diversity-inclusion-strategic-objectives-march-2021.pdf>

- Equality Information

<https://moneyandpensionservice.org.uk/wp-content/uploads/2021/03/equality-information-march-2021.pdf>

Sustainability Report

MaPS continues to be committed to the '*Greening Government Commitments*'. The Covid-19 pandemic has had a significant impact over the past 12 months on office occupancy and travel, making a direct comparison with last year's key environmental and sustainability measures challenging.

Improving waste management

MaPS is not the sole occupant of its remaining site and therefore works closely with the landlord to ensure sustainability is promoted through the daily routines of property and facilities management, continuously looking to enhance the working practices of all contractors and review ways of promoting innovation to reduce the property's overall carbon footprint.

During 2020/21, MaPS has occupied the physical office for only 22 weeks, resulting in decreased use of paper and other office consumables, for example in 2020/21 our paper usage reduced by 72,500 sheets compared to the previous year. This has led to a significant reduction in the volume of MaPS' waste and recycling.

Reducing water use

In the last year, MaPS has introduced measures to reduce water use including the installation of innovative sanitary products incorporating automation and sensors.

Reducing our emissions

In the 2020/21 financial year, MaPS has exited its second site in London at Belgrave Road and moved wholly to 120 Holborn. This has included the decommissioning of MaPS' remaining physical IT infrastructure and full migration to a cloud-based technology environment.

In 2019, MaPS commenced a workplace technology transformation. This enabled MaPS to shift quickly to remote working during the pandemic, which resulted in a six-fold increase in online/virtual meetings and a three-fold increase in the utilisation of instant messaging.

The investment in technology coupled with the pandemic meant MaPS reduced distance travelled by 439,952 kilometres compared to the previous year.

Buying 'greener' products and services

When procuring products and services, MaPS seeks to ensure that suppliers can demonstrate an overall positive approach to sustainability. MaPS has and will continue to work closely on sustainability opportunities with our facilities suppliers and our total facilities management partner which has a strategy in place to have a net positive impact on climate change, resources and people by 2030.

Parliamentary Accountability Report

MaPS is a non-departmental public body sponsored by the DWP. The DWP approves the Business Plan and the Board delivers its Annual Report and Accounts to Parliament through the Secretary of State. MaPS regularly provides performance and resource utilisation information to the DWP which is reviewed at quarterly accountability reviews. The DWP is also represented on MaPS' Audit Risk and Assurance Sub-committee.

Losses and special payments (subject to audit)

There were no losses or special payments during the year above the limits prescribed by 'Managing Public Money'.

Remote contingent liabilities (subject to audit)

There are no remote contingent liabilities.



Caroline Siarkiewicz
Accounting Officer
Date: 22 November 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 Money & Pensions Service for the year ended 31 March 2021 under the Financial Guidance and Claims Act 2018. 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 Money & Pensions Service's affairs as at 31 March 2021 and of the Money & Pensions Service's net expenditure for the year then ended;
- have been properly prepared in accordance with the Financial Guidance and Claims Act 2018 and Secretary of State 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 Money & Pensions Service 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 Money & Pensions Service'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 Money & Pensions Service'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 Board and 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 Money & Pensions Service is adopted in consideration of the requirements set out in HM Treasury's Government Financial 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 Board and 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 Secretary of State directions made under the Financial Guidance and Claims Act 2018; 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 Money & Pensions Service 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 Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities , the Board and the 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 Board and the Accounting Officer determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing the Money & Pensions Service'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 Board and the Accounting Officer anticipates that the services provided by the Money & Pensions Service 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 Financial Guidance and Claims Act 2018.

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, the Money & Pensions Service head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Money

& Pensions Service'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 Money & Pensions Service's controls relating to the Financial Guidance and Claims Act 2018 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 and sources of estimates within the financial statements; and
 - obtaining an understanding of the Money & Pensions Service's framework of authority as well as other legal and regulatory frameworks that the Money & Pensions Service 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 Money & Pensions Service. The key laws and regulations I considered in this context included the Financial Guidance and Claims Act 2018, Managing Public Money, Employment Law and Tax Legislation.

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 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; and
- 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.

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

Date 26 November 2021

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



Financial Statements

Financial Statements

Statement of Comprehensive Net Expenditure

For the Year ended 31 March 2021

	Note	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Income			
Revenue from levies	15	21	109
Total income		21	109
Operating activities			
Staff costs	2	(35,448)	(24,940)
Other expenditure	2	(103,939)	(82,278)
Total expenses		(139,387)	(107,218)
Operating deficit		(139,366)	(107,109)
Non-operating activities			
Loss on the disposal of assets		(2)	
Net deficit		(139,368)	(107,109)

Other Comprehensive Expenditure

There was no other comprehensive expenditure.

This deficit is funded by Grant-in-Aid from the DWP of £131,187,914 (see note 15). As this contribution is from a controlling party, it is treated as financing.

Where applicable expenses are shown net of VAT recovered (see note 16).

The notes on pages 124 to 150 form part of these financial statements.

Statement of Financial Position

As at 31 March 2021

	Note	31 March 2021 £'000	31 March 2020 £'000
Non-current assets			
Intangible assets	3	158	242
Property, plant and equipment	4	2,228	2,496
Total non-current assets		2,386	2,738
Current assets			
Cash and cash equivalents	5	3,401	11,765
Trade and other receivables	6	3,850	1,552
Total current assets		7,251	13,317
Total assets		9,637	16,055
Current liabilities			
Trade and other payables	7	(10,738)	(8,976)
Provisions	8	(189)	(189)
Total current liabilities		(10,927)	(9,165)
Total assets less total liabilities		(1,290)	6,890
Reserves			
General reserve		(1,290)	6,890
General Fund		(1,290)	6,890

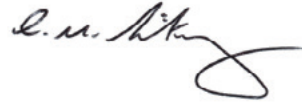
The notes on pages 124 to 150 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:



Sir Hector Sants,
Chair

Date: 22 November 2021



Caroline Siarkiewicz,
Chief Executive Officer &
Accounting Officer

Date: 22 November 2021

Statement of Cash Flows

For the Year ended 31 March 2021

	Note	Year ended 31 March 2021 £'000	Year ended 31 March 2021 £'000
Cash flows from operating activities			
Operating deficit		(139,368)	(107,109)
Adjustments for non-cash transactions			
Amortisation	3	84	87
Depreciation	4	776	493
Loss on disposal of assets		2	–
(Increase)/decrease in trade and other receivables	6	(2,298)	200
Increase/(decrease) in trade and other payables	7	1,760	1,316
Net cash outflow from operating activities		(139,044)	(105,013)
Cash flows from investing activities			
Purchase of property, plant, equipment and computer software	3,4	(508)	(2,111)
Net cash outflow from investing activities		(508)	(2,111)
Cash flows from financing activities			
Net cash inflow from financing activities		131,188	112,184

	Note	Year ended 31 March 2021 £'000	Year ended 31 March 2021 £'000
Net increase/(decrease) in cash and cash equivalents during the period	5	(8,364)	5,060
Cash and cash equivalents brought forward		11,765	6,705
Cash and cash equivalents carried forward		3,401	11,765

The notes on pages 124 to 150 form part of these financial statements.

Statement of Changes in Taxpayers' Equity

For the Year ended 31 March 2021

	Note	General Reserve £'000
Changes in taxpayers' equity for 2019/20		
Balance at 31 March 2019		1,815
Deficit for the year		(107,109)
Grant-in-Aid received from the DWP and levy		112,184
Balance at 31 March 2020		6,890
Changes in taxpayers' equity for 2020/21		
Deficit for the year		(139,368)
Grant-in-Aid received from the DWP and levy		131,188
Balance at 31 March 2021		(1,290)

The notes on pages 124 to 150 form part of these financial statements.

Notes to the Financial Statements

For the Year ended 31 March 2021

1. Statement of Accounting Policies

1.1 Basis of accounting

These Financial Statements are presented in pounds sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The Financial Statements are prepared in compliance with:

- International Accounting Standards (IAS) 1; the 'Presentation of Financial Statements' (Revised 2007)
- International Financial Reporting Standards (IFRS) as interpreted by The Treasury's *Financial Reporting Manual* (FReM) for the public sector
- Other guidance which Her Majesty's Treasury (HMT) may issue (e.g. Public Expenditure System (PES)) from time to time in respect of accounts which are required to give a true and fair view
- The Framework Document (containing the Management Statement and Financial Memorandum of Understanding) agreed between MaPS and DWP

- Any other specific disclosure or other requirements required by the Secretary of State

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the circumstances of MaPS to give a true and fair view is selected.

MaPS' principal accounting policies are reviewed and published annually in the Annual Report and Accounts (ARA).

1.2 Accounting standards, interpretations and amendments

MaPS has adopted all IFRS, International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC) interpretations and amendments to published standards that were effective at 31 March 2021. MaPS has also taken into account the specific interpretations and adaptations included in the FReM.

IFRS 16 (leases)

IFRS 16 (leases) is a new standard that is planned to replace IAS 17 (leases), introducing a new single accounting approach for lessees for all leases (with limited exceptions).

Owing to COVID-19, HMT agreed with the Financial Reporting Advisory Board (FRAB) to defer the implementation of IFRS 16 in central government until

1 April 2022, thus representing a two-year deferral from the initial effective date of 1 April 2020.

IFRS 16 amends the accounting for lessees, as there will no longer be a distinction between operating leases (off balance sheet) and finance leases (on balance sheet). IFRS 16 will require recognition of all qualifying leases on the balance sheet.

The lessees will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term.

MaPS believes that the most significant impact will be the need to recognise a right of use asset and lease liability for the building leases currently treated as operating leases. This will mean that the nature of the lease payments will change from being an operating lease expense to a depreciation and interest expense.

MaPS has two leases on 120 Holborn which will be impacted by the new standard, resulting in the recognition from 1 April 2022 of assets with an approximate value of circa £1.8 million, along with a lease liability of a corresponding amount. The lease on 11 Belgrave Road ended in March 2021 and, as such, is exempt from the new standard.

IFRS 17 (insurance contracts)

The International Accounting Standards Board (IASB) has issued IFRS 17 (insurance contracts), which replaces IFRS 4 (insurance contracts). It is expected to

be effective for accounting periods beginning on or after 1 January 2023, following IASB decisions to defer the effective date.

Guidance has yet to be issued to government departments on the interpretation of this standard.

MaPS does not expect this to have any material impact on the financial statements.

1.3 Accounting convention

These Financial Statements have been prepared on an accruals basis under the historical cost convention, modified to account for the revaluation of property, plant and equipment and intangible assets.

1.4 Going concern

Future financing of MaPS will be met by Grant-in-Aid from the DWP, as MaPS' sponsoring department. It is accordingly considered appropriate to adopt the going-concern basis for the preparation of financial statements.

1.5 Grant-in-Aid accounting convention

Grant-in-Aid is received from the DWP quarterly based on written applications showing evidence of need and is accounted on a cash basis. As this is from a controlling party, it is treated as financing.

1.6 Operating segments

MaPS currently reports expenditure under four operating segments: Money Guidance, Debt Advice, Pensions

Guidance and Pension Freedoms. Segmental reporting is not applied to assets and liabilities. All costs are reviewed to ensure they relate to each operational area to ensure a fair distribution of cost.

Corporate overheads have been apportioned to the operational areas using an analysis based on the percentage of Full Time Equivalent (FTE) staff and the share of direct spend in each segment.

1.7 Commissioned services and grants

MaPS commissions services to help deliver its statutory objectives. MaPS does this through grant agreements. These will be authorised via the MaPS procurement processes and consider the requirements of *Managing Public Money (MPM)*, *CO Guidelines* and commercial rules.

Funding is given to external partner organisations to carry out frontline services on a one year rolling basis with an agreed evaluation plan. In most instances, funding is issued only when identified milestones, quality standards and performance thresholds *are met*.

1.8 Property, plant and equipment (PPE)

PPE are stated at fair value. However, as permitted by the FReM, MaPS has adopted a depreciated historical cost basis as a proxy for fair value where non-property assets have a short useful life or are of relatively low value. This applies to most IT hardware, plant and

machinery, and furniture and fittings. MaPS classifies PPE as ‘tangible assets’.

Assets are capitalised where they have an expected useful life of more than one year and where the original cost of the item exceeds the capitalisation threshold. Where appropriate, items can be pooled.

The following capitalisation thresholds apply:

PPE	Threshold
Leasehold improvements	£100,000
Furniture and fittings	£5,000
Other tangible assets	£5,000
ICT	£2,500

1.9 Intangible assets

Whether we acquire intangible assets externally or generate them internally, we measure them initially at cost, with subsequent measurement at fair value.

1.10 Internally developed assets

We capitalise internally developed software if it meets the criteria in IAS 38 (Intangible Assets). We classify development costs as assets under the course of construction until the asset is available for use. At that point we transfer it to the relevant asset class.

1.11 Website development costs

We capitalise website development costs in line with the requirements of SIC 32 'Web Site Costs'.

1.12 Purchased software licences

We capitalise software licences at cost as intangible assets if they are in use for more than one year and cost more than £2,500. We capitalise applications at cost as intangible assets if they are in use for more than one year and cost more than £2,500.

1.13 Depreciation and amortisation

Depreciation

MaPS calculates the depreciation of tangible assets using the straight-line method and rate of depreciation with regard to the asset, generally acceptable accounting principles (GAAP) and in line with government guidelines.

PPE	Useful economic life
Leasehold improvements	Over the period of the lease
Furniture and fittings	5 years
Other tangible assets	2-5 years ¹
ICT	2-5 years ¹

1. Over expected useful economic life of asset.

Amortisation

MaPS calculates the amortisation of intangible assets using the straight-line method to reflect the consumption of the economic benefit of that asset.

Intangible Assets	Useful economic life
Internally developed assets	5 years
Website development costs	5 years
Purchased software licences	Over the period of the licences

1.14 Disposal of assets

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income

1.15 Impairment

MaPS carries out an impairment review on an annual basis to evaluate whether the carrying value of the assets is less than the recoverable amount.

1.16 Leases

In order to determine whether an 'arrangement' is or contains a lease, MaPS looks at the substance of the arrangement.

MaPS follows the guidance under IFRIC 4 (Determining Whether an Arrangement Contains a Lease), IAS 17 (leases) and the FReM. The financial statements have been prepared on this basis.

IFRS 16 (leases) is planned to be introduced on 1 April 2022 replacing IAS 17; this is disclosed in note 1.2.

1.17 Financial assets and liabilities

In accordance with IFRS 9 (Financial Instruments), MaPS recognises financial assets and liabilities when it becomes party to the contracts that give rise to them. MaPS' policy is not to trade in financial instruments.

MaPS does not hold any complex financial instruments i.e. long-term loans or equity investments.

Assets

Receivables

Trade and other receivables are recognised at carrying value and reduced by appropriate allowances for estimated irrecoverable amounts.

Cash and cash equivalents

Cash is the current balance at the bank and MaPS does not have any cash equivalents.

Liabilities

Payables

Trade and other payables are recognised as short term (i.e. fall due within one year) and are stated at carrying value.

1.18 Deferred income

Deferred income is released across the period to which it relates.

1.19 VAT

On the 26 February 2019, HMT made an order in exercise of power conferred by section 33E of the VAT Act 1994 (1) allowing specified persons from 1 April 2020 to claim refunds of VAT charged on supplies to, and acquisitions and importations by them, provided that those supplies, acquisitions and importations are not for the purpose of a business carried on by them. This allows MaPS to recover VAT on certain expenditure as defined under the 'Contracted Out Services' (COS) headings.

1.20 Provisions, contingent liabilities and contingent assets

It is MaPS' policy to recognise and disclose any provisions, contingent liabilities and contingent assets in accordance with IAS 37.

Provisions

MaPS recognises a provision when there is a present legal or constructive obligation arising from MaPS' actions, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If an outflow is not probable or it cannot be measured reliably then it is treated as a 'contingent liability'.

Contingent liabilities

MaPS recognises a contingent liability when there are possible obligations whose existence will be confirmed

by uncertain future events that are not wholly within the control of MaPS.

Contingent liabilities also include obligations that are not recognised because they cannot be measured reliably, or settlement is not probable.

A contingent liability is not recognised in the Statement of Financial Position. However, unless the possibility of an outflow of economic resources is remote, a contingent liability is disclosed in the notes.

Contingent assets

MaPS recognises a contingent asset when there is a possible occurrence or non-occurrence of uncertain future events that are not wholly within the control of MaPS.

A contingent asset is not recognised in the Statement of Financial Position, but it is disclosed when it is more likely than not that an inflow of benefits will occur.

However, when the inflow of benefits is virtually certain an asset is recognised in the Statement of Financial Position because that asset is no longer considered to be contingent.

2. Operating deficit

2.1 Total deficit

The deficit on ordinary activities before interest and taxation is stated after charging:

	Note	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Wages and salaries		30,837	21,496
Social security costs		2,454	1,736
Pension costs		2,157	1,708
Total staff costs		35,448	24,940
Grants paid		61,376	46,931
Covid-19 grants		16,958	–
Contracted services		9,984	17,602
Digital & communications		6,288	5,335
Media & marketing		3,127	5,309
Training and recruitment		1,989	1,976
Accommodation costs		1,810	1,917
Research & evaluation		767	1,463
Office costs		241	436
Travel costs		11	383
Legal and professional fees		491	238
Transition costs		–	54
Audit fee		35	35
Other costs		–	17
Bank charges		2	2
Total cash spend		138,527	106,638
Amortisation		84	87
Depreciation		776	493
Total administration expenses		139,387	107,218

2.2 Deficit by operating segment

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Money Guidance		
Staff costs	11,474	10,579
Grants paid	1,178	174
Contracted services	4,733	2,077
Digital & communications	3,447	2,352
Media & marketing	97	203
Training and recruitment	405	638
Accommodation costs	609	766
Research & evaluation	351	1,463
Office costs	40	15
Travel costs	2	151
Legal and professional fees	34	91
Transition costs	–	22
Audit fee	5	13
Other	–	7
Bank charges	–	1
Total	22,375	18,552

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Debt Advice		
Staff costs	8,056	3,617
Grants paid	48,374	34,388
Covid-19 Grants	16,958	–
Contracted services	3,655	13,420
Digital & communications	704	1,675
Media & marketing	276	36
Training and recruitment	642	576
Accommodation costs	420	326
Research & evaluation	401	–
Office costs	41	181
Travel costs	4	65
Legal and professional fees	135	30
Transition costs	–	9
Audit fee	21	6
Other	–	3
Bank Charges	1	–
Total	79,688	54,332

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Pensions Guidance		
Staff costs	6,131	4,264
Contracted services	225	215
Digital & communications	930	325
Media & marketing	2	36
Training and recruitment	402	295
Accommodation costs	310	326
Office costs	22	69
Travel costs	2	66
Legal and professional fees	91	39
Transition costs	–	9
Audit fee	–	6
Other	–	3
Total	8,115	5,653

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Pension Freedoms		
Staff costs	9,787	6,480
Grants paid	11,824	12,369
Contracted services	1,371	1,890
Digital & communications	1,207	983
Media & marketing	2,752	5,034
Training and recruitment	540	467
Accommodation costs	471	499
Research and evaluation	15	–
Office costs	138	171
Travel costs	3	101
Legal and professional fees	231	78
Transition costs	–	14
Audit fee	9	10
Other	–	4
Bank charges	1	1
Total	28,349	28,101
Total cash spend	138,527	106,638

3. Intangible assets

	Software Licences £'000	Website £'000	Total £'000
Cost or valuation			
Opening balance 1 April 2019	693	293	986
Additions in the year	7	–	7
Disposals in the year	–	–	–
As at 31 March 2020	700	293	993
Opening balance 1 April 2020	700	293	993
Additions in the year	–	–	–
Disposals in the year	(349)	–	(349)
As at 31 March 2021	351	293	644
Amortisation			
Opening balance 1 April 2019	634	30	664
Charge in the year	28	59	87
Disposals in the year	–	–	–
As at 31 March 2020	662	89	751
Opening balance 1 April 2020	662	89	751
Charge in the year	26	58	84
Disposals in the year	(349)	–	(349)
As at 31 March 2021	339	147	486
Net Book Value as at 31 March 2020	37	205	242
Net Book Value as at 31 March 2021	12	146	158

The website was first capitalised in October 2018 in MAS's books as development work, and although started during 2017/18 it was not finished until October 2018. The website was still in use at the end of the reporting period.

4. Property, plant and equipment (PPE)

	Leasehold Improvements £'000	Information Technology £'000	Furniture & Fittings £'000	Total £'000
Cost or valuation				
Opening balance 1 April 2019	413	1,240	423	2,076
Additions in the year	1,056	833	215	2,104
Disposals in the year	–	–	–	–
As at 31 March 2020	1,469	2,073	638	4,180
Opening balance 1 April 2020	1,469	2,073	638	4,180
Additions in the year	183	253	72	508
Disposals in the year	–	(396)	(70)	(466)
As at 31 March 2021	1,652	1,930	640	4,222
Depreciation				
Opening balance 1 April 2019	–	805	386	1,191
Charge in the year	223	220	50	493
Disposals in the year	–	–	–	–
As at 31 March 2020	223	1,025	436	1,684
Opening balance 1 April 2020	223	1,025	436	1,684
Charge in the year	346	364	66	776
Disposals in the year	–	(396)	(70)	(466)

	Leasehold Improvements £'000	Information Technology £'000	Furniture & Fittings £'000	Total £'000
As at 31 March 2021	569	993	432	1,994
Net Book Value as at 31 March 2020	1,246	1,048	202	2,496
Net Book Value as at 31 March 2021	1,083	937	208	2,228

5. Cash and cash equivalents

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Balance at 1 April	11,765	6,705
Net change in cash and cash equivalent balances	(8,364)	5,060
Balance at 31 March	3,401	11,765
The following balances were held at:		
Government Banking Services	3,401	11,765
Total	3,401	11,765

6. Trade and other receivables

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Amounts falling due within one year		
Trade receivables	24	189
Prepayments	1,404	903
Other receivables	2,422	460
Total	3,850	1,552

7. Trade and other payables

	Year Ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Amounts falling due within one year		
Trade payables	575	2,513
Taxation and social security	246	249
Accruals	9,888	6,214
Other payables	29	–
Total	10,738	8,976

There are no payables falling due after more than one year.

8. Provisions

	Dilapidations £'000	Total £'000
Opening balance 1 April 2019	(189)	(189)
Provided in the period	–	–
Utilised in the period	–	–
As at 31 March 2020	(189)	(189)
Opening balance 1 April 2020	(189)	(189)
Provided in the year	–	–
Utilised in the year	–	–
As at 31 March 2021	(189)	(189)

9. Contingent liabilities

On 1 April 2012, MAS took on grant agreements previously managed by the Department for Business, Innovation and Skills for the provision of Debt Advice in the UK. This transferred any employee-related liabilities accrued at the date of termination of these grant agreements to MAS. This responsibility was transferred to MaPS under the transfer scheme.

10. Pension commitments

Pension benefits for staff appointed under MaPS and MAS contracts are provided through the MaPS pension scheme provided by Aviva. Additionally, the pension benefits for most of the employees transferred from TPAS on 1 January 2019 are provided through the legacy Civil Service pension arrangements.

MaPS pension scheme

The MaPS pension scheme is a workplace pension provided by Aviva. In the scheme, MaPS contributes twice the employee contribution up to 10% of the employee's basic salary.

Civil Service pension arrangements

Most past and present employees transferred from TPAS are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is a defined benefit scheme and is unfunded and contributory, except in respect of dependents' benefits. MaPS recognised

the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' service by payment to the PCSPS of amounts calculated on an accruing basis. Liability for the payment of future benefits is a charge on the PCSPS. As described more fully in the Remuneration and Staff Report, certain employees can opt for a stakeholder pension. TPAS staff were transferred to MaPS under TUPE and therefore the cost for pensions has transferred as well.

11. Operating lease commitments

As at 31 March 2021, MaPS had outstanding commitments for the future minimum lease payments under non-cancellable operating leases which fall due as follows:

	31 March 2021 £'000	31 March 2020 £'000
Not later than 1 year	943	1,035
Later than 1 year but not later than 5 years	1,842	2,764
Later than 5 years	–	–
Total	2,785	3,799

The total lease payments recognised as an expense in the year ended 31 March 2021 were £927,992 (year ended 31 March 2020, £1,007,095).

The above operating leases relate to:

- MaPS' office at 5th Floor, 120 Holborn. The lease started on 8 March 2014 for a 10-year period, ending on 7 March 2024. A 24-month rent-free period was granted at the start of the operating lease (March 2014 – February 2016). In accordance with IAS 17 (Leases), the rent-free period was amortised over the duration of the lease. A contribution of £225,000 from the landlord towards renovations of the office has also been amortised over the duration of the lease. This lease was novated from MAS under the Transfer Scheme
- MaPS' office at 1st Floor, Leather Lane. The lease started on 21 December 2018, ending on 7 March 2024. A three-month rent-free period was granted at the start of the operating lease (December 2018 – February 2019). In accordance with IAS 17 (Leases), the rent-free period was amortised over the duration of the lease
- MaPS' storage in the basement at 120 Holborn. The licence started on 19 December 2018, ending on 18 December 2021

12. Related party transactions

MaPS is a non-departmental public body sponsored by the DWP. The DWP is regarded as the ultimate controlling related party. MaPS submits quarterly Grant-in-Aid bids to the DWP. Once the DWP approves the quarterly bid, the agreed amount is released to MaPS.

During the 12 months to 31 March 2021, MaPS received Grant-in-Aid amounting to £131,187,914 (year ended 31 March 2020, £112,184,264) from the DWP.

MaPS also received revenue from levies collected by the FCA in the 12 months to 31 March 2021 of £21,094 (year ended 31 March 2020, £108,576).

In addition, MaPS entered into secondment agreements for staff with the DWP, Home Office, HM Revenue and Customs, the FCA and the Cabinet Office.

All transactions with Directors are disclosed in the Directors' Emoluments section of the Remuneration and Staff Report. No Directors had any other transactions with MaPS during the year.

13. Financial instruments and associated risks

MaPS' policy is that no trading in financial instruments is undertaken.

MaPS does not face the degree of exposure to financial risk that commercial businesses do. In addition, financial assets and liabilities generated by day-to-day operational activities are not held in order to change the risks facing MaPS in undertaking its activities. MaPS relies upon the DWP for its cash requirements, having no power itself to borrow or invest surplus funds. The short-term liquidity and interest rate risks are therefore slight. MaPS does not have and has not had an exposure to foreign currency risk.

The fair values of MaPS' financial assets and liabilities for both the current period and comparative year do not differ materially from their carrying values.

14. Events after the reporting date

In accordance with the requirements of IAS 10 (Events After the Reporting Period), post-Statement of Financial Position events are considered up to the date on which the financial statements are authorised for issue.

The Accounting Officer authorised these financial statements for issue on the same date as the Certificate and Report of the Comptroller and Auditor General.

15. Revenue from levies and Grant-in-Aid from the DWP

Revenue from levies received from the FCA in the 12 months to 31 March 2021 was £21,094 (31 March 2020, £108,576). During the 12 months to 31 March 2021, MaPS received Grant-in-Aid amounting to £131,187,914 (31 March 2020, £112,184,264). £507,881 (31 March 2020, £2,111,417) of the total amount was applied to capital expenditure.

16. VAT recoverable

The VAT recovered in the 12 months to 31 March 2021 was £2,244,134 (31 March 2020, nil).

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