

Office of the Public Guardian Annual report and accounts

2021 to 2022

For the period 1 April 2021 to 31 March 2022

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

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

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

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Performance report

Overview

The purpose of the overview is to give a summary of the work of the Office of the Public Guardian (OPG), our purpose, the main risks to us achieving our aims and how we have performed during the year.

The overview includes:

- the Public Guardian's statement, giving his perspective on our performance in 2021 to 2022
- a description of OPG's purpose: what we do, who our customers and stakeholders are, our relationship with the Ministry of Justice (MoJ), and the key risks and issues we managed during the year
- a performance summary, outlining how we performed against our service delivery aims

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

The main risks managed within OPG in 2021 to 2022 included:

- dealing with a significant increase in demand for LPA applications, whilst also responding to the challenges arising from the coronavirus pandemic, including a backlog of Power of Attorney applications first created during the early period of the pandemic
- staffing recruitment and retention – ensuring we have enough staff with the right skills to deliver our services
- moving our office in Birmingham to a new building

Further detail on these and the other risks managed during the year can be found on page 92.

Statement from the Public Guardian



I took on the role of Public Guardian on 14 March 2022 pending the recruitment of a permanent replacement for Nick Goodwin, who left the role in March 2022 to become Chief Executive of Her Majesty's Courts and Tribunal Service.

In last years report, Nick described 2020 to 2021 as 'unprecedented' and a period that required OPG to adapt and change in order to respond to the impact of the COVID-19 pandemic. Throughout 2021 to 2022 that theme has continued as we've focused our efforts on reducing the backlog of lasting power of attorney (LPA) applications that first accumulated during the pandemic. This is work that will continue to be a major priority for OPG as we move forward.

In the last year we have innovated and introduced new ways of working – always seeking to improve how we deliver our services, which are needed by some of the most vulnerable adults in England and Wales.

We supported MoJ as it consulted on plans to modernise LPAs, helping to engage with stakeholders, professionals and the wider public. The government response was published in May 2022, marking the latest milestone in this project.

We started a phased relocation of staff and operations in Birmingham to a new city centre location. The culmination of months of planning, this move is being delivered with minimal disruption, and is one we look forward to completing in the Autumn of 2022.

And work has also begun on introducing new standards for all deputies. Designed to be simpler and clearer, the new standards will set out clearly the expectations we have for all deputies as we support them in delivering their responsibilities in a consistent way.

However, the year has not been without its challenges, COVID-19-related sickness and the challenges in recruiting and retaining staff has meant we've been operating with reduced numbers of staff. At the same time, we have been working to meet the high demand on our services as LPA applications steadily increased as pandemic restrictions relaxed. Towards the end of the year, numbers of LPA applications reached record levels, at over 4,000 a day. We've subsequently seen a build-up of LPAs needing to be processed. Customers have had to wait much longer than we would like for these important documents to be registered.

In response, we rapidly changed working practices and processes and the hybrid working model ensured, in fact, that we could deliver our services throughout the pandemic. In 2020 to 2021, we processed an average of 53,000 LPA applications per month despite the many restrictions in place. This rose to an average of 60,000 per month in the last financial year, and 62,500 per month across April and May 2022.

We have hired extra staff to tackle the backlog and improve how we manage LPA applications and customer enquiries. This is having an impact, with the number of LPAs being registered each month back to what they were before the pandemic. I want to thank our teams who are also working around the clock, with overtime and across multiple shift patterns.

Guided by our values, we have worked together across the organisation. Whilst we have not been able to meet some of our performance targets, we are committed to reducing the time it's taking to register LPAs and we are doing all we can to reduce the backlog. I would like to thank our customers for their patience during this time.

Throughout an ever-changing environment, the one constant has been our people – working hard in difficult circumstances with unwavering commitment to uphold our values and help protect the needs of some of the most vulnerable adults in England and Wales. They have done this with passion and a professionalism of which I am incredibly proud.

We've rightly focused on their physical and mental wellbeing, ensuring the safety of those in our offices while continuing

to support teams who had to work from home. Despite being dispersed we've remained connected by our purpose and this is reflected in the results of our annual staff survey. Our engagement index score has continued its upward trajectory, increasing from 62% to 65% in the last two years. Our commitment to our workforce, and to making OPG an even better place to work, is encapsulated in our People Promise, which was launched at the end of 2021.

The year has once again been difficult, but we move forward united in our vision, focused on our plans to reduce LPA processing times, and excited about the future as we look to change and innovate further.

Stuart Howard

Public Guardian for England and Wales

About the Office of the Public Guardian

Introduction

The Public Guardian is appointed by the Lord Chancellor under Section 57 of the Mental Capacity Act 2005. The Public Guardian is also the Accounting Officer of OPG and personally responsible to the Lord Chancellor and Secretary of State for Justice for the effective operation of the agency, including the way the agency spends public money and manages its assets. The leadership role of chief executive is also usually held by the Public Guardian. This role is temporarily being covered by the senior leadership team whilst the process is underway to recruit a new chief executive and Public Guardian.

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

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

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

- the Deputy Prime Minister, the Right Honourable Dominic Raab, Lord Chancellor and Secretary of State for Justice (from September 2021)

- the Right Honourable Robert Buckland QC, Lord Chancellor and Secretary of State for Justice (until September 2021)
- Tom Pursglove MP, Minister for Justice and Tackling Illegal Immigration (from September 2021)
- Alex Chalk QC MP, Parliamentary Under Secretary of State for Justice (until September 2021)

As an MoJ executive agency, our aims are in line with MoJ's outcome delivery plan. We act to deliver the best possible services for users, working efficiently and improving accessibility.



The fact that the form is available for free online is the best thing about it. My family and friends are delighted we can do this for ourselves. I am forever grateful to the people who made this possible. Thank you. I've not yet had to use the PoA but I'm sleeping better now that it's in place."

Feedback from a customer

What does OPG do?

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

We are responsible for:

registering lasting and enduring powers of attorney (LPA and EPA)

supervising deputies appointed by the Court of Protection (CoP)






supervising guardians appointed by the High Court



maintaining the public registers of deputies, guardians, LPAs and EPAs and responding to requests to search the registers

investigating representations, complaints or allegations of abuse, made against guardians, deputies, and attorneys acting under registered powers

Our customers and stakeholders

We serve several types of customers and stakeholders, including:

	Donors	People who have made an LPA or EPA to protect their welfare or finances should they lose capacity in the future
	Attorneys	People who have been appointed by donors to manage their welfare or finances should they lose capacity in the future
	Clients (known as 'P')	People who have lost capacity and whose welfare or financial affairs are subject to proceedings before the CoP
	Deputies	Lay or professional individuals or authorities (such as solicitors or local authorities) who have been appointed by the CoP to manage the welfare or finances of a client
	Missing persons	People who have been reported missing and whose affairs are being managed by a guardian appointed by the High Court

	Guardians	Individuals who have been appointed by the High Court to manage the property and financial affairs of a person who is absent or has gone missing
	Other stakeholders	Relatives of a client or donor, GPs or other health professionals, charities, and the legal sector

Key issues, risks and uncertainties

The key risks that faced us in 2021 to 2022 are outlined on page 92. Against this backdrop we continued to deliver our day-to-day business, however we have experienced significant backlogs in the processing of LPAs.

The biggest issue that we faced this year was the continuing impact of the COVID-19 pandemic on our staff, services and customers. Further details can be found on pages 19 and 20.

Performance analysis

Measuring our performance

During 2021 to 2022 we conducted an internal performance audit that has provided us with insight on how we can improve how we measure our performance, ensuring it clearly drives customer service and helps us to deliver our key strategic objectives. This work has started and will continue in 2022 to 2023. We have improved the way we report performance internally, so that we are providing clear and accurate data. Our performance information is used to inform business decisions and support the delivery of our main aims and objectives.

This year we have extended the range of OPG data that we publish externally as part of MoJ's quarterly family court statistics. This is part of our ambition to be open and transparent with our data and to make it available for others to use in their research.

We are currently reviewing our performance measures and key performance indicators so that they better reflect the work that is done to support the Public Guardian in the fulfilment of his statutory functions, and to better serve our customers.

How we have performed and the effects of COVID-19

OPG's performance against its customer service indicator targets is given below, along with the most significant workload levels for the past financial year. More detail on the full range of targets, performance and how they are measured can be found in the performance annex.

The challenges of COVID-19, our challenges in recruiting enough skilled staff, and a significant increase in demand have made it difficult for us to meet many of our performance targets, such as the time taken to register powers of attorney and to answer complaints.

Throughout, we have focused on maintaining our service delivery and the best possible customer service. We've worked to improve our services – both how they function and the way that people access them.

Staff who process applications have worked in the office throughout the pandemic and continue to do so, with our Birmingham office currently operating at full capacity. At all times, we have had to keep in mind that our customers can be vulnerable people, and the confidentiality of their information is extremely important. The risk appetite of the agency has changed where it can, to allow people to work from home in a way that does not put that information at risk. Staff have been flexible and have adapted quickly to new ways of working.

Other areas of OPG have also been affected by COVID-19 but to a lesser extent. Visits have continued – in gardens or in houses and care homes when government regulations have allowed. Where physical visits have been impossible, we have carried out virtual visits. This flexible approach has lessened the impact on the supervision and investigations work.

OPG has struggled to both recruit and retain staff, which has added to the challenge of dealing with the LPA backlog.

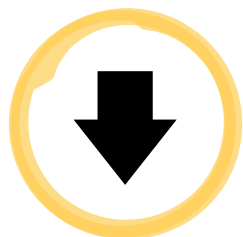
The efforts to reduce the backlog of work, particularly in relation to LPAs, are ongoing. However, the changes we are implementing will strengthen our position in the future. MoJ ran a consultation on modernising LPAs in 2021. Modernising the LPA would meet the needs of the future, and ensure that we are more resilient and able to deal with any similar crisis. It will also ensure that customers can access the powers that they need when they need them and improve protections against fraud, abuse and undue pressure.

Throughout the year, the welfare of OPG staff has been a priority – both those in the office and those working from home. In the circumstances we are pleased that our staff survey scores have remained positive – with our overall staff engagement index increasing by 1% and a 1% drop in the bullying and harassment scores.

We are proud of the way OPG staff have met the challenges of the last year, innovating and striving to improve ways of working. This ensured we were still able to deliver the critical statutory services that affect so many of our vulnerable customers. The backlog of LPA applications represents a significant challenge, but we expect processing times to start to reduce in the near future as the measures we have put in place take effect.



Performance indicators and workload



As at 31 March 2022 we were supervising 56,862 deputyship orders, a decrease of 915 from the end of 2020 to 2021 (57,777)



The number of applications to register LPAs and EPAs received during 2021 to 2022 was 975,557, an increase of 283,811 on 2020 to 2021 (691,746)



We ended the year with over 6 million current powers of attorney on the register

Against this backdrop we achieved:



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



Average time to obtain annual reports
Target: 40 days



Average time to review annual reports
Target: 15 days



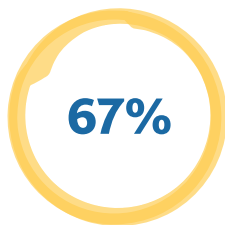
% of safeguarding risk assessments carried out within 2 days
Target: 95%



Average time to conclude investigations
Target: 70 days



% of calls answered within 5 minutes
Target: 90%



Customer satisfaction survey % with power of attorney services (very or fairly satisfied)
Target: 80%



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



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



% of complaints fully responded to within 10 day deadline
Target: 90%

Powers of attorney

Powers of attorney allow an individual to choose who will make decisions for them – including in circumstances when they are no longer able to do so. The registration of powers of attorney is an important service for the public. Therefore, we strive for continuous improvement and development of our power of attorney services.

The main customer service targets are:

- registering powers of attorney within 40 days
- answering 90% of calls within five minutes
- responding to 90% of complaints within 10 working days

The main challenges faced by power of attorney services in 2021 to 2022 have been:

- maintaining service delivery despite the impacts of COVID-19 and the increased numbers of LPA applications, which has required us to change how we operate: we have reviewed our processes, prioritised important work and ensured our staff wellbeing was a priority

- the retention of staff, with almost as many staff leaving as have joined OPG in the last year: there is a very competitive job market in both Birmingham and Nottingham and recently, more government departments have moved into these areas creating more Civil Service job opportunities – we have recruited and trained over 240 new staff in processing LPAs, and we carry out exit surveys to identify reasons that staff choose to leave and are using that information to consider how we improve retention



Service improvements

While delivering our day-to-day business, we have continued to look at ways to improve our services for our users. Below are some of the improvements we have made in the last year.

- We've expanded our rapid register service (which was originally set up to help health service professionals at the start of COVID-19). Colleagues from a wider stakeholder group including banks and local authorities can request a search of our register for urgent concerns about someone who may have an LPA or deputyship in place.
- We've transformed our LPA card payment process, which has significantly reduced manual processes that were involved, and have replaced these with a digital solution. The new process allows for card payment applications to be scanned onto our system within days of receipt and before payment is taken, which allows contact centre colleagues to see the LPA sooner. This in turn supports better customer service on the progress and status of their LPA applications.
- We've reviewed fraud guidance and awareness for all staff, which has led to updated casework guidance, the introduction of fraud single points of contact to triage concerns, and additional bespoke training for all contact centre staff. This will improve the facilities for our staff to ensure customer concerns are dealt with appropriately and in a timely manner.

- The contact centre remote-working solution has provided a vital link for the customer and OPG during the last 18 months, ensuring that we can still offer a service to our customers.
- We've used monthly action plans to ensure that feedback from customer satisfaction surveys and complaints encourages continuous business improvement.
- We've secured four-year doctoral funding in partnership with Leicester University to support work on understanding barriers to the uptake of LPAs within ethnic minority and low socio-economic groups.

These are just some of the steps we are looking to take next year to improve our services.

- We are working as hard as possible to reduce the current backlog of registrations. Progress on this is dependent on the ability to both recruit and retain staff.
- We have started a project to consider upgrading the telephone system, which should improve connectivity and management information, as well as supporting dynamic resource allocation. This new telephone system will be in line with other government departments and should support cross-department working.

Supervision

The supervision caseload was 56,862 deputyship orders in 2021 to 2022 compared to 57,777 in 2020 to 2021. An excellent performance throughout the year has allowed all our performance indicators to be met.

This year 56% of annual reports were submitted digitally, compared to 54% in 2020 to 2021.

Supervision is the only part of OPG that still requires a telephony service that can't be used when working from home. This inflexibility has been one of the main challenges faced by the team. It had a negative impact on our customer service during the COVID-19 restrictions, as customers could not call their case manager directly. To mitigate this, and ensure our deputies could still speak to their case manager, a ring-back service was introduced. This meant deputies were called back and still able to access support needed.

One of our main achievements this year has been moving all supervision cases from an old casework system to a new one. We are continuing to improve the new system to ensure all required functionalities are in place, but this is a key achievement to take forward into the year ahead.



Service improvements

Below are some of the key improvements and changes we have made this year.

- Several policy issues, including debt, non-compliance, unsealed orders and receiverships, have been addressed. In every case, these have been achieved through a high degree of cooperation between different teams in OPG with the aim of offering a better service to customers.
- Further progress was made on improvements to deputy standards, the panel, and our assurance processes.
- Supervision teams adopted flexible working practices and remote technology when working in the office was not possible. In addition, we organised a variety of activities to keep colleagues in touch with each other, maintain team cohesion and boost morale.
- In Spring 2021 the Non-Compliance Policy was agreed and implemented. Instances of non-compliance can be escalated more quickly, which is helping OPG recoup some historic professional debt. This policy will help ensure issues and concerns are resolved quickly, and takes a proactive approach to protecting vulnerable customers.

These improvements and changes have ensured case managers have maintained effective supervision of deputies in our clients' best interests.

These are just some of the steps we are planning for our services next year:

- anniversary billing – our aim is to bring in anniversary billing for supervision fees from April 2023. This will be a big benefit to our customers and will improve the efficiency of our business delivery
- project supervision culture – we will continue working on our culture within our supervision process, ensuring the focus is on safeguarding P and providing deputies with the appropriate support



We approached the process of seeking a deputyship in order to protect our brother's financial and material interests. We were very nervous of the daunting process but every approach and contact has been dealt with in a professional and courteous manner. It could not have been a more seamless journey.”

Feedback from a customer

Moj Refund Scheme

The Moj-led historic Refund Scheme for powers of attorney is now in the fourth year of a six-year campaign. Efficient administration of the scheme saw 6,017 customers receive £457,749.85 in refunds.

We also continue to administer the scheme to refund overpaid guardianship and deputyship fees. This saw customers receive £4617.37 in refunds this year.

Missing persons

We are now supervising six guardianship orders, having supervised five in 2020 to 2021. The numbers may be small but this essential work helps families with a missing loved one during a traumatic time.

Investigations

The Public Guardian is authorised to investigate allegations of abuse by court appointed deputies and attorneys who are acting under a registered power of attorney or court order. We will carry out an investigation if there are grounds to suggest that the best interests of the person at risk are not being met.

Overall, investigations increased from 2,089 in 2020 to 2021 to 2,464 in 2021 to 2022. Investigations targets were heavily affected by COVID-19. Investigations are dependent not just on OPG but on the information from other third parties (such as financial information, and reports from medical professionals etc) as well. Our key stakeholders have themselves been affected by COVID-19, often leading to delays in the provision of this information. We are

working closely with these stakeholders to improve the flow of information.

Public Guardian reports summarise an investigation and provide recommended actions. These are agreed by the Public Guardian or those within OPG with delegated powers to sign off the reports. OPG's deadline for signing off a report after receiving a concern is 70 days. We were unable to meet that target – at the end of 2021 to 2022 this was at 80 days. This was due to staff absences, issues in recruiting sufficient staff, delayed information from third parties and COVID-19 restrictions preventing some visits needed as part of the investigation.

We closed 2,411 investigations in 2021 to 2022 compared to 2,073 in 2020 to 2021, and have 702 active investigations (open cases) compared to 680 open cases at the end of 2020 to 2021.

19% of investigations resulted in CoP action this year. In most cases either no action was required (72%) or we used 'additional measures' short of court action (9%). These are used to resolve any issues and get the attorneyship or deputyship back on track.

An investigator may make a recommendation that requires an application to court. In this case, our investigations and legal teams work closely together to progress this as quickly as possible.

We aim to begin court action within 35 days. The average time taken this year was 78 days but that improved significantly over the course of the year (40 days in March 2022 compared with 145 days in April 2021). We have worked closely with the CoP to manage the impact of COVID-19, including virtual hearings and rules and changing our processes.

The investigations and legal teams have been running a pilot to identify the best time to take legal advice on an investigation. Consultation routinely happened late in the process, but this pilot has shown the value of engaging with the legal team much earlier. This should help to provide the best possible outcome for the investigation and all those involved.

Service improvements

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

- an internal review of the existing process to ensure efficiencies are realised and that we future proof the investigations area
- working more closely with the legal team has ensured investigation cases fit the criteria for a court application, which has been a focus for the legal and investigations teams to prevent delays

An example of a case that went to court

Concerns were raised with OPG by a financial institution, alleging that the donor's funds were not being used in his best interests.

An investigation was launched, the concern raiser was contacted for additional information and a visit to the donor was arranged, in order to establish their mental capacity.

The general visitor met with the donor and concluded he did not have the required capacity. This meant he could not revoke his current LPA, make a new one, deal with the concerns or manage his finances. The visitor had no concerns regarding the general health and wellbeing of the donor.

An analysis of the donor's finances showed over £146,000 in transactions that were of concern. Attorney One admitted using the donor's funds for his own benefit, but specific information about these transactions was not provided to OPG.

OPG requested that Attorney One provide an explanation of his handling of the donor's financial affairs. He failed to do so.

Attorney Two confirmed that he does not act regarding the donor's finances.

Given the outcome of the financial analysis and the lack of response from Attorney One, OPG first asked the CoP to order him to provide a full account of his actions. Attorney One did not provide this account.

OPG then asked the court to request that the appointment of Attorney One be revoked but suggested that Attorney Two's appointment could continue.

However, Attorney Two would not agree to recoup the misappropriated funds. As a result, the appointment of Attorney Two was revoked as this was not acting in the donor's best interests. As there were no remaining attorneys, the court appointed a panel deputy to act on behalf of client.

An example of a case that required no further action

Concerns were raised by the local authority that the attorneys were mismanaging the donor's finances. They were referred to the situation by a concern raiser who wished to remain anonymous. Another concern raiser, who also wished to remain anonymous, raised the same concerns.

An analysis of the donor's extensive property and finances was completed, and the attorneys were asked about the concerns raised. The donor's personal money is in a joint account he shares with his wife, who is a donor on a separate LPA and is assumed to have capacity. She has not raised any concerns about how their finances are being managed.

The only capacity evidence available in this case is an assessment by the visitor on 10 September 2021. The donor was assessed as lacking capacity to revoke his LPAs, create a new LPA, manage his finances and deal with the concerns raised.

The attorneys have been open about the donor's situation and are clearly acting in his best interests managing his finances. They are clearing his debts as well as managing the day-to-day running of his substantial business interests (property portfolio). This includes settling any historic tax liabilities of the donor's undeclared income and making their business interests legally compliant and tax efficient by creating limited companies to conduct the donor's business affairs.

No evidence was found that the attorneys are mismanaging the donor's finances and OPG took no further action.

Visits

We work with our visitors and CoP visitors to carry out visits to donors, clients, attorneys and deputies. Visits allow us to:

help ensure that people understand and are carrying out their duties effectively

ensure those who need support are receiving it

seek information as part of investigations

We are continuing to conduct visits, using the virtual visits process that was introduced at the beginning of the pandemic. It enabled us to continue the investigation process throughout the various government restrictions introduced as a result of COVID-19. As social distancing restrictions have been reduced, we have been conducting more face-to-face visits.

We ran a recruitment campaign for visitors to ensure that we had enough visitors to deal with the workload and to facilitate the reach we needed across the country. 23 new general CoP visitors have been appointed and six have been reappointed to our panel of visitors.

In 2021 to 2022 we:

allocated 99.9% of standard visit commissions with five working days

allocated 99% of urgent visit commissions within two working days

Safeguarding

Our main focus has been to work with our safeguarding partners, specifically local authorities and the Principal Social Worker Network. This helps us ensure each concern is handled in an efficient manner, and we provide guidance to those queries that may not fall under our direct jurisdiction.

In 2021 to 2022 we:

completed 95% of risk assessments of any safeguarding concerns within two working days

triaged 98% concerns within five working days

We have been continuing to improve engagement with external stakeholders, to increase their understanding of OPG's role in safeguarding vulnerable adults. We have delivered presentations, in partnership with local authorities, to increase awareness of OPG and encourage closer working. We believe this will improve the information supplied to OPG when concerns are raised by local authorities. As well as being given to individual teams, the presentations have been delivered as webinars, which have included attendees from the NHS and police forces.



Complaints

We manage customer complaints through a tiered complaints process. Complaints are initially handled by the business area responsible, which is the 'first tier'. If a customer is unhappy with the response, the complaint can be escalated to the 'second tier' complaints team. At this stage the complaint, and its handling, is reviewed by the Public Guardian or a member of the senior leadership team on his behalf.

If a customer is still unhappy, they can ask their MP to refer their complaint to the Parliamentary and Health Service Ombudsman for an independent review.

Four cases have been referred to the Parliamentary and Health Service Ombudsman this year and one has been returned to us as not upheld.

We have continued to face challenges in dealing with complaints. COVID-19 and range of other factors have had a serious effect on the time taken to process LPAs, which means we have received a higher volume of complaints this year. This increase in workload, along with resourcing issues, has meant we have been unable to meet our target.

We were only able to respond to 38% of the complaints within 10 days, despite our target of 90%.

We received 204 pieces of correspondence from MPs this year, compared to 61 in 2020 to 2021.

We produce quarterly updates of complaints and customer survey trends. This data is presented to executives and operational areas to drive improvements. Action plans have been set up and shared with teams, to log ongoing issues and work being done to tackle these. We have already completed several action points and work is ongoing in other areas.

Service improvements

- Acknowledgement letters are being sent out so that customers are aware we have received their complaint. Although we try to reply within 10 working days, we are currently facing delays. The aim is to improve the service customers receive and reduce the need for follow-up correspondence.
- Contact centre and tier 1 meetings are held to discuss issues and ideas to improve communication and customer service.
- Regular catchups with the tier 2 complaints team have also been organised to discuss best practice.

In 2022 to 2023 we aim to:

- increase resource in the tier 1 power of attorney services complaints team meaning targets can be met and quality improved
- launch a new complaints report that would provide further detail on trends and issues arising in complaints
- work more closely with the Parliamentary and Health Services Ombudsman – improving communication via regular catch ups and face-to-face conversations about specific cases

- engage in cross working with other MoJ agencies – quarterly conversations with complaints leads in other MoJ agencies to share best practice and improve consistency in complaint handling

Example of a complaint and how we handled it

A customer wrote to OPG to raise a complaint that we had rejected their LPA paperwork and about the delays in our process. An investigation found that the LPA was rejected because a signature date had been amended on the document, but the change was not initialled.

While it was possible to resubmit just the affected section of the LPA, the customer asked for the document to be returned for them to add the initials. Our guidance states that LPAs can't be amended in this way, and the caseworker informed the customer this wasn't possible. The caseworker asked for the section to be resubmitted. However, it wasn't received in time for registration to be completed. The LPA was then returned unregistered to the customer.

The customer was unhappy with this outcome, the delays, and our response to the first complaint. He escalated the complaint to tier 2 for the decision not to register the LPA to be reconsidered.

The Complaints team sought advice from the Legal team, about the options available to the customer and how we could support them. The Legal team advised that, although amended, the date was clear and so should not have been queried.

We wrote to the customer to apologise and confirm the LPA could now be accepted. We asked him to return the LPA, which he did, and it was registered immediately.

Having dealt with the complaint, the team provided feedback to the casework teams. This ensured they understood the guidance signing and dates on LPAs. This will help avoid incorrect decisions being made in the future.

OPG received

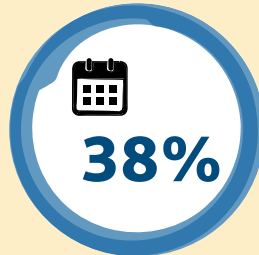


compared to



in 2020 to 2021

Complaints
responded to in
10 days were



Target: 90%

Average time
to respond to
complaints was



Target: 10 days



complaints
about power
of attorneys



complaints
about
deputyships

Top three power of
attorney complaints are:

delays in the registration
of powers of attorney

lost or mislaid documents

contact with OPG – this
includes the content
of our letters, and how
and when we contact
customers

Top three supervision
complaints are:

fee-related

about the deputy

contact with OPG – this
includes the content
of our letters, and how
and when we contact
customers

Our people

People and culture

We have implemented a range of measures to support the wellbeing of our employees this year.

One of our key successes was launching the OPG People Promise. Staff across OPG contributed to the development of the People Promise, which aims to ensure that OPG provides the supportive environment to allow staff to deliver exceptional services. The key themes are belonging, great leaders at all levels, feeling good, developing ourselves, and fit for the future. We will continue to deliver on the People Promise in 2022 to 2023.

Other steps we have taken this year to support staff wellbeing include:

- sharing key wellbeing messages, support and activities including development of more 'let's talk' sessions
- providing a range of wellbeing information, tools and support to help our people feel good, be their best, and thrive at work
- listening to the needs of our colleagues across the business and ensuring we work collaboratively

We have continued to focus on becoming a truly inclusive and diverse organisation at all levels, ensuring our workforce is representative of the communities we serve. Inclusion and fair treatment scores remain high at 77% in OPG's 2021 People Survey. This year we have:

- analysed People Survey results to develop organisational-wide actions focused on improving inclusion
- implemented diverse panels for recruitment
- delivered 'let's talk about race' sessions across the business
- increased OPG's workforce diversity through delivery of the Bridges and Reach programmes
- developed a diversity dashboard, which will provide an evidence base for diversity and inclusion conversations

We have a zero tolerance to bullying, harassment and discrimination – therefore we are pleased to see that these scores have reduced again by 1% in the 2021 People Survey.

2021

Inclusion
and fair
treatment
– **77%**

Bullying and
harassment
(number who
said they had
experienced)
– **8%**

Experienced
discrimination
– **10%**

Actions taken:

- full review of confide advisors and equality, diversity and inclusion advisors completed, with recommendations put to the People Committee to strengthen and promote support
- work is being done with the OPG Ability Network to review high levels of bullying, harassment and discrimination reported by people with disabilities in the MoJ Disability Action Group report, and a review of workplace adjustment processes has been embedded into OPG's People Promise
- OPG has started promoting and embedding a belonging approach to the way we engage with and empower staff
- manager conversation guides and a video toolkit have been released to support constructive and positive wellbeing conversations

<p>2020</p>	<p>Inclusion and fair treatment – 77%</p>	<p>Bullying and harassment (number who said they had experienced) – 9%</p>	<p>Experienced discrimination – 12%</p>
<ul style="list-style-type: none"> • OPG anti-bullying, harassment and discrimination video exploring unwanted behaviours • launch of the Confide Advisor Network • review and gap analysis of Civil Service inclusion expectations 			
<p>2019</p>	<p>Inclusion and fair treatment – 74%</p>	<p>Bullying and harassment (number who said they had experienced) – 17%</p>	<p>Experienced discrimination – 20%</p>
<ul style="list-style-type: none"> • OPG award-winning internal inclusion communication campaign • OPG inclusion video – exploring what inclusion means to our people • staff inclusion focus groups • delivery of mutual respect sessions • annual celebration of National Inclusion Week • internal communication campaign to increase staff diversity declaration 			

2018

Inclusion and fair treatment – **69%**

Bullying and harassment (number who said they had experienced) – **17%**

Experienced discrimination – **21%**

- monthly Deputy Director Inclusion summits 2018
- launch of Equality, Diversity and Inclusion Advisors
- development of mandatory bullying, harassment and discrimination awareness e-learning
- launch of centralised bullying, harassment and discrimination grievance investigation process
- annual celebration of National Inclusion Week

Workforce

Ensuring we have the right staffing levels is important to allow us to deliver our services. We have been working to recruit and onboard sufficient numbers of staff whilst trying to keep pace with turnover and mitigate retention challenges. The below figures show the new staff recruited to OPG, and the numbers of staff who have left. This demonstrates the challenges we are facing in ensuring we have enough staff to deliver our services.

Staff recruitment and leaver figures during 2021 to 2022

	New recruits	Leavers
Civil servants – OPG employees	226	212
Agency workers	270	183

Despite the challenges in recruitment, we have still been able to continue to deliver on our commitment to support social mobility. This year we have:

- run 77 recruitment campaigns resulting in 226 new hires – this is a significant success for the teams involved
- continued to deliver remote recruitment selection processes to support staff and candidates
- worked with MoJ colleagues and the Cabinet Office to recruit new staff through a variety of social mobility scheme routes into work including the Care Leavers scheme

- run OPG's own Sector-Based Work Academy and have developed a 'Rapid Recruitment' process with the Department for Work and Pensions to onboard fixed-term contract staff
- attended job fairs to promote OPG recruitment and continue to look for new and innovative ways to reach a wider candidate pool

Learning and development

Our learning and development teams have been working this year to increase the skills and knowledge across OPG. Successes in this area include:

- strengthening our core leadership knowledge, skills and confidence by providing extensive line management training and development
- providing support and delivery to change management and the Human Voice of Justice project
- providing access to learning and development resources 'as you need it' through our OPG learning hub
- providing induction training to over 300 people joining OPG
- providing opportunities for staff who have graduated from development programmes to enhance their exposure and continued professional development

Financial performance

Demand forecasting

Income forecasting

We have maintained our strong demand and income forecasting capabilities over the past year, through our continued collaborative partnership with MoJ Analytical Services, and central analytical teams within Finance Business Partnering. Due to ongoing considerations linked to the COVID-19 pandemic, income for the year varied more than would ordinarily be expected from initial projections, with income from power of attorney applications coming in 24% below forecast, and income from deputyship services 4% below, largely due to operational constraints. We review and update in-year demand and income forecasts as part of the monthly routines for financial and performance management, using the insight gained to model likely impact of internal and external environment changes.

Financial performance

This section provides commentary to support the financial statements and our performance during the past year. The financial statements are set out on pages 157 to 213. Note 2 to the financial statements on page 186 details the fees and charges for the income below, and Notes 3 to 5 provide further details on the expenditure across OPG. Below are the key balances for OPG in 2021 to 2022.

Cost recovery **88.7%**

12.0% increase

Power of attorney income

With the COVID-19 pandemic restrictions easing, power of attorney applications received and registered in 2021 to 2022 financial year has improved compared with 2020 to 2021 financial year.



£57.1 million
increase
11.1%

Supervision income

Supervision income has increased by 6.6% during 2021 to 2022, mainly driven by the increase in volumes supervised during the year.



£11.0 million
increase
3.3%

Staff costs

No material change in the overall staff costs between 2020 to 2021 and 2021 to 2022 financial years.



£51.7 million
increase
1.0%

Professional visitor reports

With the social distancing measures relaxed, the number of professional visits to clients increased throughout the year.



£2.1 million
increase
30%

Postage

Mainly driven by the increase in number of power of attorney volumes received and registered in 2021 to 2022 compared to 2020 to 2021.



£3.7 million
increase
28%

Sustainability report

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

Data collection and scope of reporting

We report on utilities used, travel, and waste generated. These are measured against previous years and against the Greening Government Commitment (GGC) targets.

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

We are only required to report on back office paper use, however LPA packs can be sent to customers, which is a significant use of paper. In the spirit of transparency we report on these as well. In 2020 off-site printing and direct posting was introduced, which has replaced a large part of in-office printing. Figures for this service are included in the paper use reporting.

In the year-end figures our data is collated into MoJ's departmental annual report and accounts.

COVID-19 impact on reporting and comparisons

Many of our frontline staff continued to work from our offices throughout the pandemic. To ensure frontline staff could

safely continue to carry out duties that required an office presence, other OPG staff worked in their own homes for a large part of the year in line with government guidelines. This has significantly changed the waste, water and travel figures, meaning that while OPG has officially met the targets for this year, no valid comparisons can be made with previous or subsequent years.

Our estates information




OPG occupies buildings in Birmingham and Nottingham. The figures for the year 2017 to 2018 set the baseline against which future years will be measured internally. At the end of the financial year 2021 to 2022 OPG moved out of the current building in Birmingham into a more modern, smaller site. In this office we use a hybrid working model of one desk for two staff members. This will make comparisons in future years difficult until a new baseline has been established in 2022 to 2023.

Our targets

The Greening Government Commitment targets and OPG's performance are set out in the tables below. As in previous years OPG has not met the paper target due to the ongoing increase in workload and headcount since the baseline years. These areas are discussed in detail below.




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

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




Greening Government Commitment	MoJ target to 2020	Our position 31 March 2022	Outcome
 <p>Greenhouse gas emissions</p>	<p>38% reduction from 09-10</p>	<p>60% reduction</p>	<p>Met</p>
 <p>Domestic flights</p>	<p>Reduce domestic flights by 30% vs 09-10</p>	<p>No domestic flights were made</p>	<p>N/A</p>
 <p>Waste</p>	<p>Total waste 31% reduction against 15-16</p>	<p>35% increase</p>	<p>Not met</p>
	<p><10% to landfill</p>	<p>0%</p>	<p>Met</p>
	<p>Increase recycling and exceed 2015-16 levels (59%)</p>	<p>100%</p>	<p>Met</p>

Greening Government Commitment	MoJ target to 2020	Our position 31 March 2022	Outcome
 <p>Water</p>	<p>4% reduction against 14-15</p>	<p>Water consumption not reported due to COVID-19: see discussion section</p>	
 <p>Paper</p>	<p>50% reduction against 09-10</p>	<p>190% increase in absolute terms, 70% fall in use per case</p>	<p>Not met</p>

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

CO₂ sources	Amounts	Tonnes CO₂	Expenditure
 Gas (scope 1)	878,000 kWhr	160.8	£17,600
 Electricity (scope 2)	1,099,541 kWhr	233.4	£172,600
 Travel (scope 3)	Rail (inc. London Underground) Grey fleet (cars) Air	2.66 2.15 N/A	£15,129 £5,547 N/A

Finite**resources****Amount****Expenditure**

	Waste	Total	57.2 tonnes	Unknown as part of service charge for buildings
		Recycled	70%	
		Energy from waste	30%	
	Water	Water consumption not reported due to COVID-19: see discussion section		Unknown as part of service charge for buildings
	Paper	10,450 reams (back office)	27,250 reams outsourced	£29,583
		8,022 as LPA packs		

Waste

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

Overall waste generated within the office fell by 50% on 2019 to 2020, and rose by 35% against the 2015 to 2016 baseline.

Water

The previous targets for water use were set on a 'per full-time equivalent' basis. The new targets are for an absolute reduction. Due to continuous expansion of headcount since 2014 to 2015 our water use increased by 60% to March 2020, missing the target. Due to staff working from home, water meter readings are not a meaningful recording of water use by OPG this financial year. This is partly because our buildings are shared with other organisations and have been occupied at different rates for differing periods but with only one main meter. It is also because the bulk of water use (toilet flushing, drinking, washing up) has been displaced to staff's home supply. This has made it impossible to accurately estimate OPG's water use.

Paper usage

As in previous years OPG has missed the target of 50% reduction in back office paper use, due to the huge growth of the business in the reporting and measuring period. 2021 to 2022 ended with use up by 200% on the 2009 to 2010 baseline. There was a 16% increase in paper use over 2021 to 2022, which was expected as LPA volumes increase significantly following a reduction in 2020 to 2021 due to COVID-19 lockdowns and disruptions. Paper use per LPA case remains at approximately 20 sheets each.

Travel

In 2021 to 2022 travel remained very low, mainly due to COVID-19 restrictions. It was previously expected that some additional travel would be recorded this financial year as restrictions eased. A total of 64,642 kilometres were travelled by rail and 12,762 kilometres by private car, 7% of 2019 to 2020's figures, and nearly seven times 2020 to 2021's amount.

CoP visitors, while increasing their in-person visits, continue to make extensive use of 'virtual visits'.

Even with the easing of restrictions the total amount travelled only increased slightly in absolute terms. OPG has taken on board many of the lessons learned in 2020 to 2021 and continues to make extensive use of the virtual meeting tools available. It is anticipated that a significant amount of travel will be permanently eliminated in future years.

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

Other utilities

Electricity usage rose by 36% this year as larger numbers of staff were able to work in the office again in the second half of the financial year, and gas usage rose by 22%, both figures relative to 2020 to 2021. Compared to 2019 to 2020 pre-COVID-19, the consumption is very similar. The figures are slightly higher, particularly for gas consumption, as we were running two sites in Birmingham for several months during the office move.

Overall CO₂ emissions fell by 60% compared to the baseline year. It is expected that some of these gains due to COVID-19 restrictions will disappear in future years but OPG will work to maintain them where possible.

Closing the Axis building and moving into a smaller, more modern office in Birmingham city centre should lead to further reductions in electricity use, and a complete stop to the use of gas for heating.

Embedding sustainability in our future

COVID-19 required us to make changes to the way some staff worked in order to comply with government guidance. The need to respond to the pandemic and enable staff to work from home strengthens business continuity. The inability to travel between offices has demonstrated the effectiveness of remote collaboration tools and virtual meetings for most cases. While there will always be some need for in-person meetings and cross-site visits, travel between offices should be reduced.

Following 2021's installation of LED panels at the Nottingham

office the building owner is installing solar panels. Upgrades to the building management system should see savings of 11% per year on electricity use. Half-hourly metering will assist in identifying and reducing wasted use.

There were no in-person sustainability events held this year, however messaging and communications continued. Lessons learned from external events mean that more future events will have a virtual aspect, allowing even more staff to join in or follow along after the event has ended.



Stuart Howard

Public Guardian and Accounting Officer

19 July 2022

Accountability report

Corporate governance report

Introduction

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

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

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

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

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

over OPG's resources and assets. It includes:

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

Directors' report

Introduction

The structure of the OPG Board, the Audit and Risk Committee and the executive team are given below. They are responsible for setting OPG's strategic direction and monitoring performance against agreed objectives.

Statement of interests

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

There were two declarations of interest from 1 April 2021 to 31 March 2022.

- Alison Sansome: made a declaration at the OPG Board on 3 August 2021 – new appointment as a lay board member, Office for Legal Complaints, commencing from July 2021.
- Karin Woodley: made a declaration at the OPG Board on 7 December 2021 – Trustee of the Felix Project from 16 December 2021. The Felix Project does not present any conflict of interest as it is a food poverty and sustainability charity.

Personal data incidents

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

been no incidents.

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



Health and safety

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

Board membership

The membership of the OPG Board consists of:

Public Guardian (chair)

Stuart Howard – acting Public Guardian from 14 March 2022

Nick Goodwin (until 13 March 2022)

OPG senior civil servants

Julie Lindsay – Chief Operating Officer

Chris Jones – acting Deputy Director until November 2021

Stuart Howard – Deputy Director

Ruth Duffin – Deputy Director from January 2022

Non-executive directors

Alison Sansome

Shirnivas Honap – until May 2021

Karin Woodley

Dr Jackie Craissati

Martyn Burke – from May 2021

MoJ representative

Abigail Plenty/Laura Beaumont (job share)

MoJ finance representative

Georgia Bottomley

Statement of Accounting Officer's responsibilities

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

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

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgments and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis
- confirm that the annual report and accounts as a whole is fair, balanced and understandable, and take personal

responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

The Principal Accounting Officer of MoJ has designated the Public Guardian as Accounting Officer of OPG. The responsibilities of an accounting officer, including responsibility for the propriety and regularity of the public finances for which the accounting officer is answerable, for keeping proper records and for safeguarding OPG's assets, are set out in *Managing Public Money* published by HM Treasury. As the Accounting Officer of OPG, I confirm that:

- There is no relevant information of which the OPG's auditors are unaware, and I have taken all the steps I ought to make myself aware of relevant audit information and to establish that the OPG's auditors are aware of that information
- The Annual Report and Accounts as a whole is fair, balanced and understandable and I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that they are fair, balanced and understandable



Stuart Howard

Public Guardian and Accounting Officer

19 July 2022

Governance statement

This statement explains how I, as Accounting Officer of OPG, have discharged my responsibility to manage and control OPG's resources during the year. Up until 14 March 2022, Nick Goodwin was the Chief Executive, Public Guardian and Accounting Officer. I took over from Nick Goodwin as Public Guardian and Accounting Officer from 14 March and I will remain in place until a permanent replacement is recruited. Nick Goodwin has provided me with assurances that his accounting officer responsibilities were appropriately discharged during 2021 to 2022, and governance arrangements have been in place throughout the period as described below. This statement describes OPG's governance arrangements and provides an assessment of how both Nick Goodwin and I have balanced risk, assurance and control throughout 2021 to 2022.

Introduction

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

The Public Guardian is a statutory office holder appointed by the Lord Chancellor and Secretary of State for Justice under Section 57 of the Mental Capacity Act 2005. This statutory

role is combined with the role of accounting officer, and usually with the administrative role of Chief Executive Officer. However, the role of Chief Executive has effectively been split between the Deputy Director leadership team since 14 March 2022, and pending the appointment of a permanent Public Guardian and Chief Executive. This is set out in the MoJ/OPG framework document.

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

Governance framework

The effectiveness of OPG's governance arrangements, risk management and the system of internal control are set out within this governance statement. This governance framework has been reviewed during the year against the relevant codes such as Corporate Governance in Central Government Departments: Code of Best Practice to ensure it is fit for purpose.

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

OPG governance framework

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

Executive Committee:

Reporting to the chief executive. Ensures effective management and control of finance, performance, risk, workforce, HR, complaints, business delivery, leadership and celebrating success.

Transformation Committee:

Reporting to the Executive Committee and board: responsible for monitoring progress of the OPG 2025 transformation programme and projects within its remit, reviewing, resolving and/or escalating risks and issues that may compromise timely delivery and benefit realisation.

Audit and Risk

Committee: Giving an independent view to the chief executive of OPG's governance, risk management controls and assurance.

OPG Board:

Provides strategic leadership and direction supporting the delivery of objectives within the business plan.



Health and Safety

Committee: Supporting the chief executive in his overall responsibility for organisational compliance with the Health and Safety at Work Act 1974 and ensuring OPG is a safe and healthy place to work.

Policy, Practice and Guidance

Committee: To provide a coordinated decision-making forum for OPG in relation to policy, practice and guidance in OPG within the levels of decision making agreed by the Executive Committee.

People Committee:

Responsible for coordinating the people-related activity to support the OPG 2025 transformation programme and projects.

What the board does

In 2021 to 2022, the board led OPG both strategically and operationally. It also looked into and challenged issues affecting our performance and policies. The board has eight main areas of responsibility:

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

- to ensure that the planning, performance and financial management of OPG is carried out efficiently and effectively and with openness and transparency, and also to contribute to the development of, and approve, our annual business plan

Main successes and effectiveness

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

- regularly reviewed and held to account those in MoJ responsible for delivery of services to OPG via functional leadership arrangements to ensure all are working together to deliver OPG priorities
- was provided with financial, performance and risk information on a regular basis and was free to ask for additional information if required – the board finds the data acceptable as other forums such as the Audit and Risk Committee are in place to ensure the data that goes to the board is correct and a fair reflection of the situation within the agency
- continued to provide the strategic direction on OPG's principal change initiatives to ensure a clear understanding throughout the agency of the main priorities for delivery
- provided the strategic decisions necessary to ensure the agency finances remained within budget (especially fees)

- provided strategic direction on plans for how OPG operated during lockdowns, document management, building site move, and modernising LPA
- concluded an internal Board effectiveness review, with a series of improvements and actions to improve effectiveness implemented and on-going

Our sub-committees and independent advisory committee

The board has two sub-committees: the Executive Committee and the Transformation Committee. The Audit and Risk Committee is an independent advisory committee to the board. The board delegates work to the committees/executives so small groups can examine issues in more detail. These committees then present their findings to the board for discussion and conclusion (following Corporate Governance in Central Government Departments: Code of Good Practice).

The Executive Committee

This is a refocused committee, emerging from a general review of governance arrangements in OPG and replaces the executive management team meetings.

It focuses primarily on the day-to-day operational delivery of OPG's business, including finance, performance, risk, workforce, change and planning, complaints, HR (attendance management, recruitment), business delivery, leadership, employee engagement and celebrating success.

Chair: Until 11 March 2022: Nick Goodwin, Public Guardian
and Chief Executive From 14 March 2022: Stuart Howard, Public Guardian

Key issues considered

Successfully set up and embedded the committee in the OPG structure

Established terms of reference ensuring that the business of the committee is focused, and comprises only issues that need to come to this level

Empowered sub-committees to make all relevant decisions

More time to focus on issues that need deputy director attention – e.g. greater attention to risk

Transformation Committee

Brings together key stakeholders across OPG and its partners to ensure the portfolio of change programmes in OPG are delivered successfully. The Transformation Committee has a delegated governance structure below it to ensure delivery of the portfolio of projects.

Chairs: Until November 2021: Chris Jones, Interim Deputy Director, Strategy and Corporate Services
December 2021 to January 2022: Simon Tasker, Deputy Head of Programme
From January 2022: Ruth Duffin, Deputy Director, Strategy and Central Services

Key issues considered

Completed the Use an LPA project

Introduced horizon scanning, to build awareness of projects external to OPG that may have an impact on the business

Audit and Risk Committee

The committee manages risk, advises on how improvements can be facilitated and determines the progress made on management responses to any risks identified. It approves the work of both internal and external audits.

The committee must agree on correct accounting policies and see that they are applied appropriately to the transactions of the organisation. It provides recommendations to the accounting officer on all matters the committee consider necessary.

Chairs: Until May 2021: Shrinivas

Honap, Non-Executive Director

From June 2021: Martyn Burke, Non-Executive Director

Key issues considered

Continued provision of assurance to the Public Guardian in the management of the entire risk framework, specific individual risks and their resultant mitigating actions

Reviewed counter fraud risk policies and strategy

Signed off the OPG annual report and accounts 2020 to 2021

Established new deep dive risk review regime and reviewed whistleblowing arrangements

Championed adoption of functional standards, transparency of standards attained and ambitions for continuous improvement

Introduced continuous improvement regime for the committee driven by member training and effectiveness survey

OPG Board/Committee Attendance 2021 to 2022

	OPG Board		Executive management	
	No. of meetings attended	No. of eligible meetings	No. of meetings attended	No. of eligible meetings
Nick Goodwin – CEO and Public Guardian	11	12	10	11
Ruth Duffin – Deputy Director, Strategy and Corporate Services (January 2022)	3	3	3	3
Stuart Howard – Public Guardian/ Deputy Director of Legal and Information Assurance	11	12	10	12
Julie Lindsay – Deputy Director, Chief Operating Officer	12	12	12	12
Chris Jones – Interim Deputy Director, Strategy and Corporate Services	8	4	3	7
Georgia Bottomley – Deputy Director, Finance Business Partnering	12	12	-	-

OPG Board		Executive management		
	No. of meetings attended	No. of eligible meetings attended	No. of meetings attended	No. of eligible meetings
Abigail Plenty/Laura Beaumont – Deputy Director, Vulnerability Policy	8	12	-	-
Shrinivas Honap – Non-Executive Director	2	2	-	-
Alison Sansome – Non-Executive Director	12	12	-	-
Karin Woodley – Non-Executive Director	11	12	-	-
Martyn Burke – Non-Executive Director	10	9	-	-
Jackie Craissati, Independent Member	-	-	-	-
Jill Twigger – Head, Supervision and Investigation Services	-	-	2	3
Marie Owen – Head, Power of Attorney Service	-	-	1	3

OPG Board		Executive management		
	No. of meetings attended	No. of eligible meetings attended	No. of meetings attended	No. of eligible meetings
Marie Lane – Head, People Development	-	-	-	3
Angela Hall – Deputy Head, Legal Information Assurance	-	-	2	3
Helen Journeaux – Interim Head, Performance, Planning and Bus Development	-	-	1	3
May Smith – Senior Finance Business Partner	-	-	1	3
Lucy Denton – Head of Communications	-	-	2	2
Navdeep Hear – Head of Corporate Services and Interim Head of Governance and Assurance	-	-	-	-
Su Morgan – Head, Digital, MoJ	-	-	1	3

OPG Board		Executive management		
	No. of meetings attended	No. of eligible meetings attended	No. of meetings attended	No. of eligible meetings
Meera Bhalla/Ray Morrison – Senior HR Business Partner	-	-	2	3
Louisa Harrison – Senior Finance Business Partner	-	-	3	4
Fraser Clubbe – Head of Corporate Services	--	-	-	
Gary Morrison – Deputy Head, Development, Change Management		-	-	
Fraser Clubbe – Head of Corporate Services	-	-	-	

	Audit and Risk Committee	Transformation Committee
	No. of meetings attended	No. of eligible meetings
Nick Goodwin – CEO and Public Guardian	5	5
Ruth Duffin – Deputy Director, Strategy and Corporate Services (January 2022)	1	1
Stuart Howard – Public Guardian/ Deputy Director of Legal and Information Assurance	5	5
Julie Lindsay – Deputy Director, Chief Operating Officer	-	-
Chris Jones – Interim Deputy Director, Strategy and Corporate Services	2	4
Georgia Bottomley – Deputy Director, Finance Business Partnering	5	5

	Audit and Risk Committee	Transformation Committee
	No. of meetings attended	No. of meetings attended
	No. of eligible meetings attended	No. of eligible meetings
	No. of eligible meetings attended	No. of eligible meetings
Abigail Plenty/Laura Beaumont – Deputy Director, Vulnerability Policy	-	-
Shrinivas Honap – Non-Executive Director	1	-
Alison Sansome – Non-Executive Director	4	12
Karin Woodley – Non-Executive Director	4	-
Martyn Burke – Non-Executive Director	3	-
Jackie Craissati, Independent Member	5	-
Jill Twigger – Head, Supervision and Investigation Services	-	-
Marie Owen – Head, Power of Attorney Service	-	-

	Audit and Risk Committee	Transformation Committee
	No. of meetings eligible attended	No. of meetings eligible attended
	No. of meetings eligible attended	No. of meetings eligible attended
Marie Lane – Head, People Development	-	8
Angela Hall – Deputy Head, Legal Information Assurance	-	-
Helen Journeaux – Interim Head, Performance, Planning and Bus Development	2	10
May Smith – Senior Finance Business Partner	-	7
Lucy Denton – Head of Communications	-	1
Navdeep Hear – Head of Corporate Services and Interim Head of Governance and Assurance	1	1
Su Morgan – Head, Digital, MoJ	-	11

	Audit and Risk Committee	Transformation Committee
	No. of meetings attended	No. of meetings attended
	No. of eligible meetings attended	No. of eligible meetings
	eligible meetings attended	eligible meetings
Meera Bhalla/Ray Morrison – Senior HR Business Partner	-	1
Louisa Harrison – Senior Finance Business Partner	-	3
Fraser Clubbe – Head of Corporate Services	1	4
Gary Morrison – Deputy Head, Development, Change Management	-	12
Fraser Clubbe – Head of Corporate Services	-	4

Terms of reference

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

Last year saw the finalisation of the work on the OPG internal governance framework that documents all the formal governance meetings in OPG and their terms of reference, and this work is now complete. This document also outlines the links between the board and its committees, tolerances and a clear review framework for all.

A review of this framework will take place in 2022 to 2023 due to COVID-19 delays and in order to allow meetings to return to normality as well as digitally.

Internal audit

One of the Public Guardian's roles is to establish and maintain arrangements for the provision of internal audit services from the Government Internal Audit Agency within OPG in accordance with the objectives and standards for internal audit set out in the Public Sector Internal Audit Standards (published by HM Treasury). This enables an independent and objective evaluation on management performance in the delivery of effective arrangements for governance, risk management and internal controls.

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

The Government Internal Audit Agency undertook five audits on behalf of OPG during 2021 to 2022. Those results of the internal audit assignments completed were rated over three ranges as either substantial, moderate or limited.

Rating	Audit title
Substantial	Communications strategy
Moderate	Strategic planning
Limited	Recruitment
Moderate	Supervision investigations
Limited	Performance measurement

The head of internal audit in their annual report for 2021 to 2022 has given OPG a moderate annual opinion on the framework of risk management, governance and control.

A moderate opinion is defined as 'some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control'.

It was found that OPG has a good control framework in place, reflected in mostly moderate and substantial rated opinions. To improve, we need to strengthen controls, governance and assurance structures in some specific areas. Weaknesses in the maintenance of up-to-date documentation of policies and guidance, along with ensuring that assurance and reporting activities are scheduled, were relatively common findings and are areas of focus for next year.

Risk management, control and assurance

OPG maintains a consistent approach to the management of risk. Risk management is used to alert us to actual threats or emerging issues likely to impact the achievement of our objectives.

The risk appetite of OPG is shaped by the statutory duties of the Public Guardian to ensure that those we work with are given a voice. The main risks considered over the year were:

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
Public Guardian acting outside statutory remit	Operational teams lacking understanding of the Public Guardian's statutory functions and responsibilities.	<p>We delivered training on the Mental Capacity Act and its regulations.</p> <p>Legal and information assurance teams defined operational processes and routes for advisory support.</p>	The Public Guardian is satisfied with the underlying risk position. Further items are to be addressed by the supervision review and by the policy team.

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
<p>OPG is unable to recruit and retain staff to manage demand</p>	<p>Our service delivery is badly affected which means we fail to meet our strategic and statutory aims. Key skills are lost from OPG and are very difficult to replace given that our pay is uncompetitive.</p>	<p>The MoJ pay deal has been introduced, which will bring us in line with other government departments. The new People Promise and development strategy was launched, which aims to improve staff morale and wellbeing. Our new recruitment and retention strategy is being launched, subject to board review.</p>	<p>There is a negative effect on finances, as the long-term costs of locums and agency staff are higher than permanent staff. The failure to improve recruitment and retention will negatively impact staff wellbeing and retention levels, which will mean operational targets will not be met.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
<p>Damage to OPG products and reputation with current LPA process</p>	<p>Weaknesses in the LPA registration process could lead to LPAs being fraudulently created. This would damage the reputation of OPG.</p>	<p>This has been raised with MoJ and submitted for briefing to government ministers. Stakeholders have agreed the options for reducing fraud risk.</p>	<p>The registration process has been more robust, and staff now feel more able to raise any concerns at early interventions to resolve.</p>
<p>The Mental Capacity Act does not refer to permissions for OPG to perform checks that would prevent registering of fraudulent LPAs.</p>	<p>The Mental Capacity Act does not refer to permissions for OPG to perform checks that would prevent registering of fraudulent LPAs.</p>	<p>A standard operating procedure (SOP) has been created to handle cases of potential or actual LPA fraud. Specific points of contact have been appointed to advise, and an awareness campaign run for staff.</p>	<p>A recent campaign highlighted to all staff what they can do to tackle fraud.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
Failure to deliver OPG 2025 transformation	<p>The strategy cannot be delivered within budget. It has not been possible to get the legislation needed to make LPA registrations fully digital. There is a lack of staff with the specialist skills needed.</p> <p>The programme has not been made a priority within OPG.</p>	<p>A five-year forecast that is based on several key scenarios and is reflected in the Strategic Outline Business Case. Working with teams across the organisation to ensure specialist skills are available. The 'fully digital LPA' steering group has been set up, to stay in regular contact with MoJ Legal, Policy, Ditech and the Permanent Secretary and other ministers.</p>	<p>The workstreams to take place in 2022 have been planned and structured as the first tranche of OPG 2025. This includes recruitment. The benefit cases are being developed in parallel and monitored against critical path.</p> <p>Programme resources will be assigned as each new piece of work begins.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
<p>OPG business model fails to provide the revenue to support delivery of objectives</p>	<p>Fewer LPA registrations will affect revenue and cost recovery, which could lead to OPG requiring MoJ and HM Treasury support.</p> <p>Poor debt recovery could lead to increased charges as well as cashflow issues.</p>	<p>Regular updates on OPG’s finances are given to the board, Executive Committee and deputy directors.</p> <p>Financial risks are escalated to seek agreement on mitigation strategies.</p> <p>A review of supervision fees is underway as they subsidise LPA fees. The review aims to reduce that.</p>	<p>We aim to streamline processes for greater efficiency to allow costs to be reduced without affecting the quality of safeguarding.</p> <p>OPG’s current COVID-19 impacted financial situation is not sustainable. There is a concern that support will be required.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
Resilience – Lack of preparedness to manage additional business continuity disruptions during pandemic	A lack of understanding of business continuity risks resulting in failure to mitigate. Poor engagement with suppliers and stakeholders, meaning little insight into issues that could disrupt OPG.	Checks with suppliers and stakeholders that proved to be adequate. This was de-escalated as a business area risk. The process highlighted new risks regarding document scanners. Cyber resilience will be tested in 2022 to 2023.	Risk was closed after checks proved adequate and risk was found to be at a satisfactory level. It has been de-escalated but continues to be monitored.

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
<p>Non-compliance and reputational damage if OPG does not have effective information management processes</p>	<p>Tight controls should apply when posting information containing personal customer data to keep data accurate.</p> <p>Processes for collecting and maintaining accurate customer data are not efficient.</p> <p>Limitations on the deletion of customer data.</p>	<p>Reduced breaches as all reasonable avenues have been explored.</p> <p>All OPG staff have been required to complete ‘Responsible for Information’ e-learning.</p> <p>Information assurance officers compile monthly reports and have a set process they must follow.</p>	<p>Claims for compensation have been reduced, as has possible regulatory action from the Information Commissioner’s Office.</p> <p>The accuracy of data has improved.</p> <p>There are several mitigating actions to complete locally.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
Loss of confidence in the OPG brand products and services resulting in reputational damage	<p>Adverse publicity as a result of fraud committed against vulnerable persons.</p> <p>A lack of statutory power to verify identity as part of LPA registrations.</p> <p>Administrative errors.</p>	<p>Analysing trends to assess the impact of agreed improvements.</p> <p>Monitoring the effectiveness of the recruitment campaign to improve resource gaps.</p> <p>Examined by OPG Risk Advisory Group for issues caused by cross cutting.</p> <p>Ensuring the Executive Committee is briefed on any emerging or escalating risks to OPG.</p>	<p>The possibility of a legal challenge has reduced, with a decrease in customer complaints and a better performance by the organisation.</p> <p>Improved staff morale and engagement.</p> <p>Better understanding of risks, including escalation processes.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
<p>Lack of adequate contingency to accommodate OPG scanners failure beyond 24 hours</p>	<p>Technical failure of longer than 24 hours is possible due to the allocated site being inaccessible. The existing increased volumes mean this would lead to operational delivery back logs and complaints.</p>	<p>Recognition of single point of failure requiring a solution to maintain operational delivery. Floor loading tests have been conducted to find possible solutions.</p>	<p>Establish further options, including a business case and project management. Next move to be agreed by OPG Executive Committee / Board.</p>

Key risk	Impact	Key mitigating activities	Impact on risk of mitigating activities
<p>Loss of supervision billing capability due to delays of implementation of Sirius for supervision build</p>	<p>Unexpected and unforeseen delays to Sirius readiness for data migration. Sirius minimum viable product lacks safety nets and does not allow data entry errors to be corrected.</p>	<p>Regular meetings between supervision leadership, Sirius implementation and development teams. Workflow training on Sirius management is underway and mock quality checks have been introduced.</p>	<p>Work by the developers, the implementation team and supervision team is ongoing, and Sirius migration began in April 2022.</p>
<p>Failure to deliver the office relocation before the legal dates</p>	<p>There are multiple factors and causes to the delays in the building move.</p>	<p>The lease commitments were expedited, and necessary preparatory works completed with occupation staged over various phases extending into 2022.</p>	<p>OPG staff began to move in during February 2022. Information for staff has been created. This risk will be closed.</p>

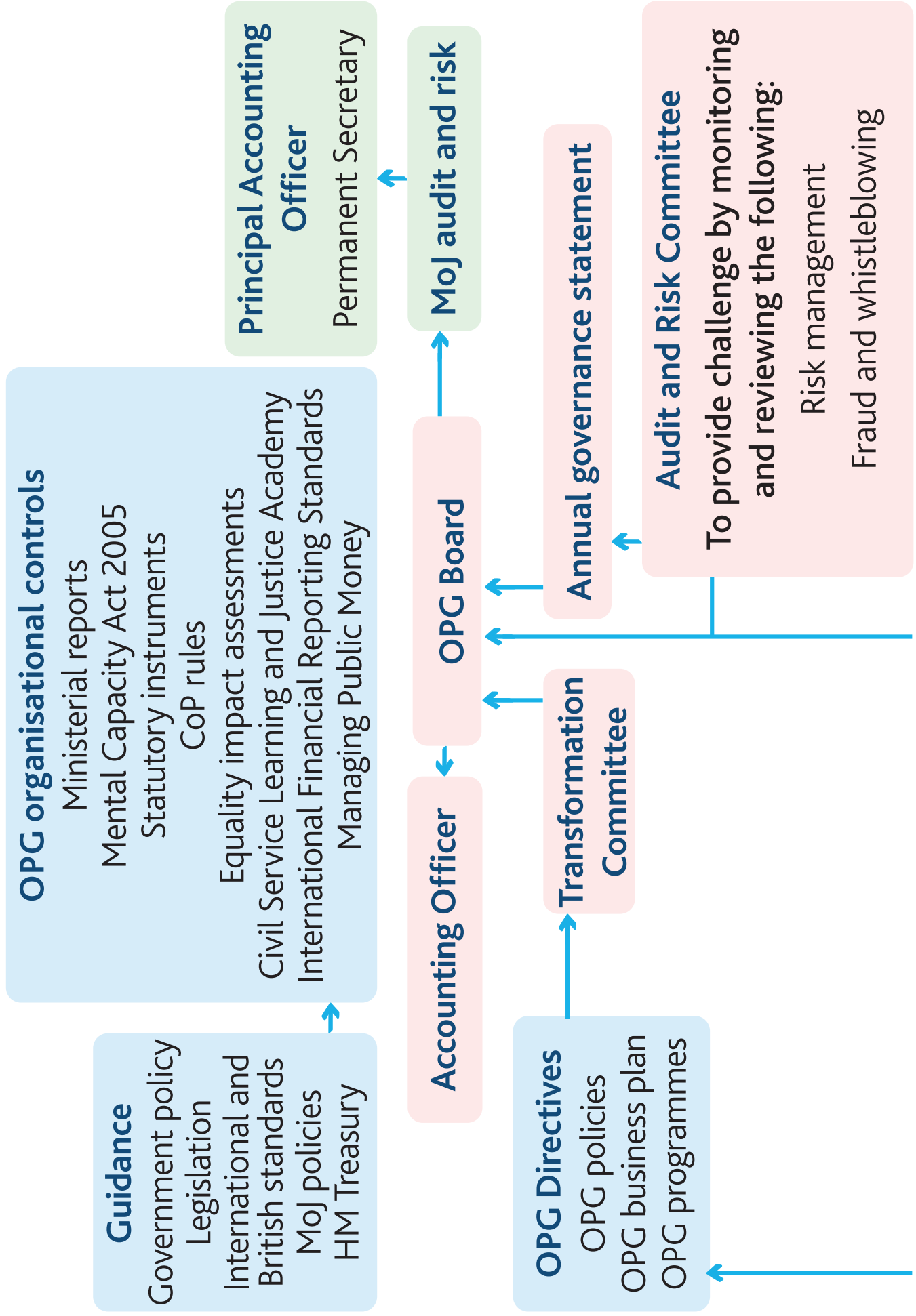
Risks below corporate level are managed by directorates and if necessary, risks are escalated to the corporate register. The governance team liaises monthly with business areas as part of a Risk Advisory Group which was set up in 2021. The Risk Advisory Group is attended by risk owners who each discuss the management and control of the risks identified and any planned action to close them. Corporate risk and programme risk are looked at together in regular review meetings, including Audit and Risk Committee scrutiny, ensuring there is understanding of the total risk environment.

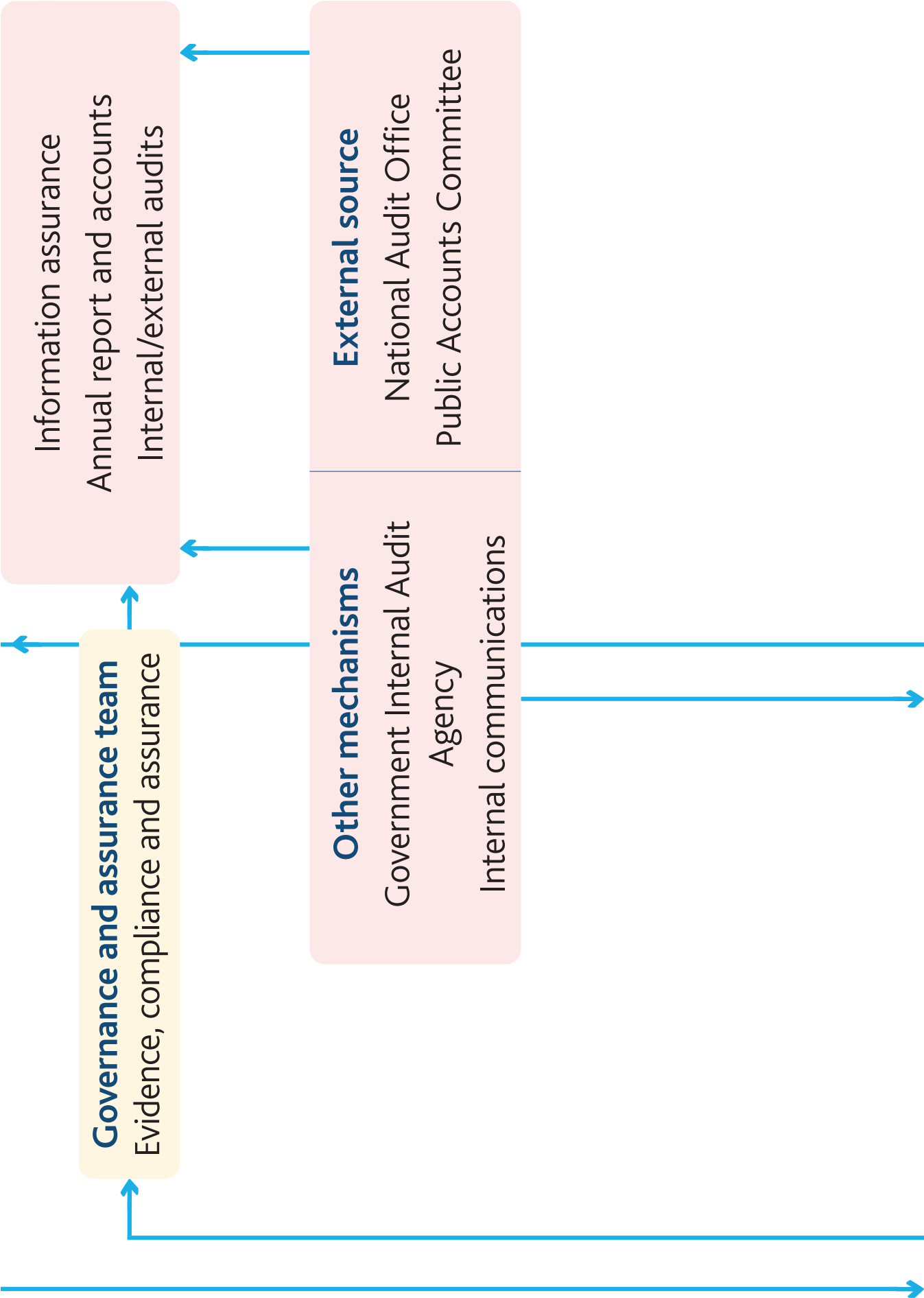
We continue to report into the MoJ Executive Committee on a quarterly basis as part of the wider risk management framework of the department. Executive Committee support for the longer term change programme is important in mitigating these risks. The key risks that have been reported during the year are:

- the need for a sustainable OPG business model, and the work being done on modernising lasting powers of attorney and supervision fees to ensure that is the case
- reputation risk to OPG from fraudulently made LPAs
- the impact of COVID-19 on OPG, its performance, finances and staffing
- OPG assurance structure

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

OPG governance/assurance framework





Primary assurance – Risk assurance procedures

- a) Operational delivery
- b) Business area requirements
- c) Performance and data quality



Significant supporting mechanisms

1. Risk

2. Finance

3. Performance

4. People



Health and Safety Committee

Finance SOP

Impact indicators

My Services SOP

Risk registers

Annual and quarterly reports

Balanced scorecard

Engagement forum

Information assurance

Fraud response plan

Complaints

Workforce change

Security

Demand forecasts

Reward and recognition

HR dashboard

Business continuity

Purchase orders

Continuous improvement/Team Information Boards

Staff Engagement Survey

Performance management record

People Plan

Learning and development

Functional standards

Corporate and professional functions are provided to the OPG by the MoJ and include Analytical Services, Commercial, Communications, Digital and Technology, Property, Finance, HR, Project Delivery, Security and Counter Fraud. On 1 October 2021, functional standards became mandatory across central government. All MoJ Functions except Security have self-assessed as meeting the mandatory elements of their relevant standard. A small number of OPG staff outside of the functional leadership model for Commercial and Project Delivery also work alongside MoJ colleagues to the relevant mandatory elements of the functional standards.

Functions are developing action plans to ensure they fully embed standards across MoJ. Some specific areas remain a challenge, for example Cyber Security, and MoJ are taking action to address this.

Counter fraud, bribery and corruption

OPG has continued to implement the Government Functional Standard for Counter Fraud (GovS 013) which sets out the expectation for the management of fraud, bribery and corruption risk across all government organisations.

OPG has a separate counter fraud bribery and corruption policy and response plan, which has been agreed by OPG Executive and Audit and Risk Committees. OPG will now progress fraud risk assessment activity to review assessments undertaken and include any new processes. Virtual fraud awareness sessions have been delivered as part of the induction process for new staff and all staff are required to

complete fraud awareness training. OPG will liaise with the Centre of Excellence to define measurements for our counter fraud initiatives. We hope to improve our counter fraud standards beyond the current 'partially compliant' rating.

Whistleblowing reports

There were no cases in this financial year.

Business continuity

OPG has maintained a good level of resilience to support the recovery and delivery of services which once again have been adversely impacted by COVID-19. We have responded well to all commissions requested and represented or provided all information.

This year we:

- continued work on the introduction of the MoJ business continuity tool by initially creating all plans and producing the vast majority of business impact analysis required for inclusion
- completed work on collating all COVID-19 decisions and related business continuity including actions and reactions in readiness for any government enquiry requirements for 2020 and 2021
- updated localised COVID-19 reporting processes and provided the necessary guidance to managers and staff – this also established a baseline to analyse and report on cases and frequencies of necessary requirements i.e. wing closure and deep cleans

OPG also lead the regional MoJ business continuity group, which meets bi-annually. The group share best practice, discuss ideas and invite guest speakers. The meeting in May included a guest speaker from MoJ's Departmental Operation Centre, and the November meeting discussed lessons learned from the pandemic for business continuity.

OPG information security and assurance

The Head of the Legal and Information Directorate performs the role of senior information risk owner for OPG and a senior individual from each business directorate takes on the role of information asset owner for their area. The information asset owners and senior information risk owner meet regularly to manage information risks, and the information assurance team works to support them throughout the year.

OPG received 63 Freedom of Information requests in 2021 to 2022 and completed 92% of these within 20 working days against a target of 90%. OPG received 78 subject access requests and completed 99% of these within one calendar month against a target of 90%.

The assessment of privacy risks in OPG is managed by the information assurance team, which includes supporting the business to complete data protection impact assessments where required. The team actively promotes privacy by design and is routinely consulted about privacy at the inception of a proposal.

A notable data protection impact assessment completed during the year was to support secure access to the Life Events Verification system operated by the General Register Office. This enables OPG to obtain proof of death to enable OPG to close cases when a customer passes away.

Information (loss/compromise) incidents

OPG was responsible for 830 information losses and/or breaches of information security in 2021 to 2022, of which 15 were deemed to be 'high harm'. The majority of information losses were because of misdirected post. OPG processed around 5.26 million pieces of post in 2021 to 2022, meaning that information losses occurred in only 0.02% of cases (compared to 0.01% in 2020 to 2021 and 0.02% in 2019 to 2020).

No information losses were deemed high enough to warrant notification by OPG to the Information Commissioner.

To ensure we are taking steps to reduce information losses, OPG's information assurance team continues to work with the business to deliver training, education and awareness to staff in data protection and information security.

These activities include the delivery of awareness sessions across the organisation to supplement mandatory Civil Service e-learning.

Records management

As part of a MoJ project to continuously improve the management of information assets and records in the department, we conducted a comprehensive review and update of our information asset register this year.

This work will inform follow-up records management compliance activities planned for the next financial year, including delivery of a programme of records audits across OPG and a further iteration of the Records Retention and Disposal Schedule.

Supplier compliance

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

Health and safety

OPG acknowledges its legal responsibilities in relation to the health, safety and welfare of its employees and for all people using its premises. We comply with the Health and Safety at Work Act 1974 and all other relevant regulations and legislation as appropriate.

This past year we have continued to support staff during the COVID-19 pandemic.

We have provided staff with display screen equipment to enable them to work from home and in the office, supporting the organisation with hybrid working as COVID-19 regulations change and staff begin to return to the office. During this reporting period we have completed 906 display screen equipment assessments for staff. This is a significantly high number due to a high number of three-yearly reviews being completed during this time period. Many of these were carried out virtually due to home working and the move to a new building.

OPG recognises that to have effective health and safety management, key elements need to be in place as outlined within 'HSG65 Plan Do Check Act' (Health and Safety Executive's guidance on managing for health and safety). These elements are policy, organising, planning, measuring performance, auditing and reviewing. A total of 192 health and safety inductions for staff have been conducted this year contributing to the overall figure of 1,813 of staff in post.

OPG health and safety policies are reviewed annually or when changes occur. A health and safety strategy is in place that is aligned to business objectives and developed to enhance occupational health and safety and fire safety. A health and safety risk register is approved by the OPG duty holder and is informed by local risk assessment. This is maintained and reviewed at the quarterly Health and Safety Committee,

shared with the MoJ Corporate Fire Health and Safety Committee and is publicised on our intranet pages. The accident, incident and near miss figures for financial year 2021 to 2022 have decreased in comparison to the previous year: 7 accidents, 21 incidents and 3 near misses have been reported.

OPG is committed to continuous improvement of health and safety.

Throughout 2021 to 2022 we have regularly monitored and reviewed the number of emergency responders we have in place to ensure sufficient cover in all OPG sites. We have planned and organised training for fire wardens, incident control officers, evacuation chair operating and first aid training. Due to the pandemic, delivering this training has been more challenging.

With hybrid working more staff are required to cover these roles. Internal training has been developed to train new volunteers to support the need to deliver value for money training.

All OPG sites are managed by one health and safety team, and all sites present their own challenges. Through effective training, communication, adherence to legislation and pro-active engagement, the team are able to manage and resolve issues as they arise.

Accounting Officer's conclusion

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



Stuart Howard

Public Guardian and Accounting Officer

19 July 2022

Remuneration and staff report

This report summarises OPG's policy on remuneration of Executive Board members and non-executive directors. It also provides details of actual costs and contractual arrangements.

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

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

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

Further information about the work of the Civil Service Commission can be found at

<https://civilservicecommission.org.uk/>.

Remuneration policy

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

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

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

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

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

Total amount of salary and fees

Salary and allowances cover both pensionable and non-pensionable amounts and include gross salaries, overtime, reserved rights to geographical weighting or geographical allowances, recruitment and retention allowances, private

office allowances, or other allowances to the extent that they are subject to UK taxation. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures on the following page.

All taxable benefits

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument.

Bonus payments

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

All pension related benefits

Section 229 of the Finance Act 2004 determines the maximum annual level of pension savings that can be accrued under a defined benefit arrangement before any taxation is charged. The amount of savings shown in Table A is the increase in the value of the individual's promised benefits over the pension input period (which is the financial year for OPG). Any increase is the difference between the value of the individual's benefits at the start of the pension input period (1 April 2021) and the value of the individual's benefits at the end of the pension input period (31 March 2022). This also incorporates any increase to pensionable pay.

Regulations specify a modification to the HM Revenue and Customs rules for this purpose. In order to value the benefits HM Treasury has advised pension schemes to use a multiplier of 20.

Table A: Senior employees remuneration – Employment costs (subject to audit)**2021 to 2022**

	Salary	Bonus payments	All taxable benefits (to nearest £100)	Pension related benefits¹	Total
	£000	£000	£000	£000	£000
Executive Members					
Nick Goodwin Chief Executive and Public Guardian (to 13 March 2022)	100-105	15-20	-	26	145-150
Stuart Howard Deputy Director of Legal and Information and Public Guardian (from 14 March 2022)	80-85	0-5	-	2	85-90
Julie Lindsay Chief Operating Officer	75-80	10-15	-	72	155-160

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

2021 to 2022

	Salary	Bonus payments	All taxable benefits (to nearest £100)	Pension related benefits¹	Total
	£000	£000	£000	£000	£000
Chris Jones					
Interim Deputy Director of Strategy and Corporate Services (to 5 November 2021)	40-45 FYE 70-75	-	-	19	85-90
Ruth Duffin					
Deputy Director of Strategy and Corporate Services (from 4 January 2022)	15-20 FYE 75-80	-	-	2	20-25
Moj Finance representative					
Georgia Bottomley²					
Deputy Director, Chief Finance Officer Group	80-85	0-5	-	16	95-100

² Georgia Bottomley is an MoJ employee. Georgia's salary is paid by the MoJ.

2021 to 2022

	Salary	Bonus payments	All taxable benefits (to nearest £100)	Pension related benefits ¹	Total
	£000	£000	£000	£000	£000
Non-Executive Members					
Karin Woodley	5-10	-	-	-	5-10
Alison Sansome	5-10	-	0.3	-	5-10
Jackie Craisatti Independent member of Audit and Risk Committee	0-5	-	-	-	0-5
Shrinivas Honap To 31 May 2021	0-5	-	-	-	0-5
Martyn Burke From 1 June 2021	5-10	-	-	-	5-10

2020 to 2021

	Salary	Bonus payments	All taxable benefits (to nearest £100)	Pension related benefits	Total
	£000	£000	£000	£000	£000
Executive Members					
Nick Goodwin Chief Executive and Public Guardian (to 13 March 2022)	100-105	10-15	-	56	165-170
Stuart Howard Deputy Director of Legal and Information and Public Guardian (from 14 March 2022)	55-60 FYE 80-85	-	-	49	100-105
Julie Lindsay Chief Operating Officer	80-85	0-5	-	136	215-220
Chris Jones Interim Deputy Director of Strategy and Corporate Services (to 5 November 2021)	70-75	0-5	-	30	100-105

2020 to 2021

	Salary	Bonus payments	All taxable benefits (to nearest £100)	Pension related benefits	Total
	£000	£000	£000	£000	£000
Ruth Duffin Deputy Director of Strategy and Corporate Services (from 4 January 2022)	-	-	-	-	-
Moj Finance representative Georgia Bottomley ³ Deputy Director, Chief Finance Officer Group	35-40 FYE 80-85	0-5	-	17	55-60
Non-Executive Members					
Karin Woodley	5-10	-	-	-	5-10
Alison Sansome	5-10	-	0.1	-	5-10

³ Georgia Bottomley is an Moj employee. Georgia's salary is paid by the Moj.

2020 to 2021

	Salary	Bonus payments	All taxable benefits (to nearest £100)	Pension related benefits	Total
	£000	£000	£000	£000	£000
Jackie Craisatti Independent member of Audit and Risk Committee	0-5	-	-	-	0-5
Shrinivas Honap To 31 May 2021	0-5	-	-	-	0-5
Martyn Burke From 1 June 2021	-	-	-	-	-

(subject to audit)

Pension benefits (subject to audit)

Table B: Executive Board members – Pension costs for the year ended 31 March 2022

	Accrued at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age 31/3/22	CETV at 31/3/22	CETV at 31/3/21	Real increase in CETV
	£000	£000	£000	£000	£000
Executive Board members					
Nick Goodwin	30 – 35 plus a lump sum of 55-60	0 – 2.5 plus a lump sum of 0	504	468	8
Stuart Howard	40 – 45 plus a lump sum of 105 – 110	0 – 2.5 plus a lump sum of 0	921	877	(5)

	Accrued at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age	Real increase in pension and related lump sum at CETV at 31/3/21	Real increase in pension and related lump sum at CETV at 31/3/22	Real increase in pension and related lump sum at CETV at 31/3/21 in CETV
	£000	£000	£000	£000	£000
Julie Lindsay	45 – 50 plus a lump sum of 100 – 105	2.5 – 5 plus a lump sum of 5 – 7.5	806	907	60
Chris Jones	20 – 25	0 – 2.5	265	285	7
Ruth Duffin	10 – 15	0 – 2.5	101	102	1
Georgia Bottomley	30 – 35 plus a lump sum of 5 – 10	0 – 2.5 plus a lump sum of 0	424	452	4

Civil Service pensions

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

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show

pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a ‘money purchase’ stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of one-eightieth 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 one-sixtieth of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

Partnership pension account

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

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

Further details about the Civil Service pension arrangements can be found at the website

www.civilservicepensionscheme.org.uk.

Cash equivalent transfer values

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

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

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including

the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Fair Pay Disclosure (subject to audit)

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

Table C: Percentage change from previous year in total salary and bonuses for the highest paid director and the staff average.

	2021 to 2022		2020 to 2021	
	Total salary	Bonus Payments	Total salary	Bonus Payments
Staff average	6.0%	-16.2%	1.3%	15.0%
Highest paid director	0%	60%	2.7%	-1.0%

Table D: Ratio between the highest paid directors' total remuneration and the pay and benefits of employees in the lower quartile, median and upper quartile

	Lower quartile	Median	Upper quartile
2021 to 2022	5.6:1	5.5:1	4.7:1
2020 to 2021	5.6:1	5.2:1	4.8:1

Table E: Lower quartile, median and upper quartile for staff pay for salaries and total pay and benefits.

	Lower quartile		Median		Upper quartile	
	2021	2020	2021	2020	2021	2020
	2021	2020	2021	2020	2021	2020
	to 2022	to 2021	to 2022	to 2021	to 2022	to 2021
Salary component of total pay and benefits (£)	20,965	19,926	20,975	19,926	25,118	22,566
Total Pay and Benefits (£)	20,965	19,926	21,488	21,488	25,118	23,516

The banded remuneration of the highest-paid director in OPG in 2021 to 2022 was £100,000-105,000 (2020 to 2021, £100,000-105,000). This was 5.5 times (2020 to 2021, 5.2) the median remuneration of the workforce, which was £21,488 (2020 to 2021, £21,488).

In 2021 to 2022, no (2020 to 2021, none) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £15,000-£20,000 to £80,000-£85,000 (2020 to 2021 £15,000-£20,000 to £75,000 to £80,000).

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

In 2020 to 2021, following approval from Cabinet Office and HM Treasury, a three year pay deal was implemented for MoJ including OPG employees. The three year pay deal runs from 1 August 2020 until 31 July 2023, years one and two were implemented in September and October 2021 respectively (and backdated), year three is due to be implemented in August 2022. The implementation of the pay award in 2021 to 2022 increased average staff remuneration. The reason for the increase in ratio between the highest paid directors' remuneration and the staff lower quartile and upper quartile is a low staff retention rate within OPG. However, the staff median pay increased compared with the previous year's median.

The banded remuneration of the highest paid director did not change in the last two years.

Staff report

Staff costs (subject to audit)

	2021 to 2022		2020 to 2021
	Permanently employed staff	Others	Total
Staff costs	£000	£000	£000
Wages and salaries	33,604	7,365	40,969
Social security costs	2,898	-	2,898
Other pension costs	7,895	-	7,895
Total gross costs	44,397	7,365	51,762
Less recoveries in respect of outward secondments	(65)	-	(65)
	44,332	7,365	51,697
			51,214

	2021 to 2022			2020 to 2021
	Permanently employed staff	Others	Total	Total
Non-executive members (fees and benefits)	26	-	26	25
Total net costs	44,358	7,365	51,723	51,239

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

Staff numbers (subject to audit)

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

	2021 to 2022		2020 to 2021	
	Total	Permanently employed staff	Others	Total
Directly employed	1,291	1,291	-	1,366
Other	232	-	232	122
Total	1,523	1,291	232	1,488

Staff composition

The staff composition table shows the number of staff in post at 31 March 2022.

	Male	Female
OPG employees (excluding senior civil servants)	639	797

Senior civil servants

The board members include the following directly paid OPG staff – 2 female and 1 male at SCS1.

Sickness absence

Average working days lost this year was 10.8 days (2020 to 2021 9.5 days).

Staff turnover

In 2021 to 2022, staff turnover is 14.7% (2020 to 2021 was 10.5%). OPG continues to monitor turnover rates and support initiatives to maintain a healthy level of turnover. The annual Civil Service People Survey, coupled with other research, helps us to understand our people's experience of working in OPG and take appropriate action to improve effectiveness, including where turnover becomes problematic.

Staff engagement

Our 71% response rate to the People Survey gives a good representation of everyone's experiences at OPG. In a year when clear communication and staying connected through the pandemic has never been more important, our engagement index score has improved to 65%, up from 64% last year and 5% higher than the average score across MoJ.

We have increased our scores in three out of the nine core engagement themes. These are:

- my work
- my manager
- pay and benefits

Our score stayed the same in a further three themes. These are:

- learning and development
- inclusion and resources
- workload

Staff policies applied in year

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

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

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

Off-payroll engagements

During the financial year 2021 to 2022, OPG has reviewed off-payroll engagements where we are required to consider intermediaries (IR35) legislation using HMRC's guidance and online status indicator. We have advised our contracting body of the outcome of the status determinations so that, where appropriate, tax deductions are made at source from payments made in respect of the engagement with OPG. Further details of off-payroll engagements are shown in the off-payroll tables in the MoJ Group ARA 2021 to 2022.

An MoJ-wide review of contracted-out service contracts was carried out in the current financial year and a small number of these were identified as including elements resource. Contracted out service arrangements operating with resource elements may lead to a liability for employment taxes and VAT where this has been recovered in error. No OPG contracts including elements of resource were identified as a result of this review.

Reporting of Civil Service and other compensation schemes – exit packages (subject to audit)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year the exit package is confirmed.

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

No exit packages were paid in 2021 to 2022 (2020 to 2021: no exit packages paid).

Trade union facility time

Number of employees who were relevant union officials during 2021 to 2022	9
How many employees who were relevant union officials during the relevant period spent a) 0%, b) 1-50%, c) 51-99% or d) 100% of their working hours on facility time	b) 9
Percentage of the total pay bill spent on facility time	0.050%
Time spent on paid trade union activities as a percentage of total paid facility time hours	0

Expenditure on consultancy

OPG did not employ any consultants during 2021 to 2022 (2020 to 2021: nil).

Compensation for loss of office (subject to audit)

No compensation payments were made in 2021 to 2022 for early retirement or loss of office. (In 2020 to 2021, this figure was £6,000).



Stuart Howard

Public Guardian and Accounting Officer

19 July 2022

Parliamentary accountability and audit report

Statement of parliamentary supply

OPG is funded by income derived from fees and charges from external customers, and if necessary, by funding from MoJ from its Parliamentary Supply.

In common with other government agencies future funding has to be approved by our sponsor department, MoJ, and by Parliament. Approval has already been given for 2022 to 2023 and there is no reason to question OPG's future funding. Financial statements have therefore been prepared on a going concern basis for financial reporting and asset valuation purposes.

Regularity of expenditure (subject to audit)

The Principal Accounting Officer for MoJ has designated the Public Guardian of OPG as the Accounting Officer for the agency. The responsibilities of an accounting officer, including responsibility for the propriety and regularity of the public finances for which the accounting officer is answerable, for keeping proper records and for safeguarding OPG's assets, are set out in Managing Public Money published by HM Treasury. There are no regularity issues to report. The Comptroller and Auditor General confirms this in his opinion on regularity on page 144.

Fees and charges (subject to audit)

The fee for registering a power of attorney is £82. This is an enhanced fee under Section 180 of the Anti-Social Behavior, Crime and Policing Act 2014, which permits the Lord Chancellor, with the consent of HM Treasury, to prescribe a fee that exceeds the cost of providing that service. In previous years, we have used this power to charge an enhanced fee for power of attorney registration to cover the costs of exemption and remission of fees and to subsidise the operating costs of delivering the supervision service.

Although the PoA volumes has increased as compared with the previous financial year, the applications registered for PoA still remains to be limited due to lack of processing capacity caused by the COVID-19 pandemic. PoA service recorded a surplus of £387,000 in 2021 to 2022. The full cost of providing the agency's services and the fees charged in relation to this is given in the table below.

	Total income	Full cost	Unit cost	Over charge/cross subsidy
	£000	£000	£	£000
LPA's	56,501	56,115	79	386
EPAs	568	567	79	1
Appointment of deputy	725	2,844	303	(2,119)
Supervision	10,231	17,472	306	(7,241)
Office copies	323	321	33	2

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

Fees remitted

97,112 cases were remitted or exempted. The total value was £6,609,000 (2020 to 2021: 82,439 cases – £6,568,000 as described in Note 2). Fee waivers are not included in these numbers.

Cost recovery

We have not met our objective of full cost recovery, OPG recovered 88.7% of its costs, recording a deficit of £8,743,000. This was primarily driven by a COVID-19 related restrictions, leading increase operational challenges. POA volumes received increased as compared with the previous financial year by 40%. However, limitation around resourcing coupled with social distancing measures in place for the most part of the year has increased deferred income balance at the end of the March 2022. It is expected to see an improved cost recovery position for the 2022 to 2023 financial year as the business works through the backlog in POA applications received during the year (see note 6 in financial statements).

Losses and special payments (subject to audit)

	2021 to 2022		2020 to 2021	
	Volume	£000	Volume	£000
Special payments	4	16	7	29
Cash losses	-	-	113	10
Fee waivers	4,898	608	6,478	513

	2021 to 2022		2020 to 2021	
	Volume	£000	Volume	£000
Non-fee write offs	-	-	28	4
Ex gratia	256	17	118	46
Fruitless payments	-	-	1	1,965
Total	5,158	641	6,745	2,567

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

Discretionary fee waivers

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

Remote contingent liabilities (subject to audit)

There are no remote contingent liabilities (2020 to 2021: nil).

Gifts made (subject to audit)

Gifts made by OPG in 2021 to 2022 and 2020 to 2021 did not exceed the reporting threshold of £0.3 million.



Stuart Howard

Public Guardian and Accounting Officer

19 July 2022

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

Opinion on financial statements

I certify that I have audited the financial statements of the Office of the Public Guardian for the year ended 31 March 2022 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Office of the Public Guardian's

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Office of the Public Guardian's affairs as at 31 March 2022 and its net operating deficit for the year then ended; and

- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Office of the Public Guardian in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

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

The going concern basis of accounting for the Office of the Public Guardian is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it 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 nor my auditor's certificate and report. 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 the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and

- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Office of the Public Guardian and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

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

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Office of the Public Guardian 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 subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or

- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Office of the Public Guardian's accounting policies.
- inquiring of management, the Office of the Public Guardian's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Office of the Public Guardian's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Office of the Public Guardian's controls relating to the Office of the Public Guardian's compliance with Government Resources and Accounts Act 2000 and Managing Public Money;

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Office of the Public Guardian for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, accounting estimates and in particular the calculation of the receivables impairment allowance. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Office of the Public Guardian's framework of authority as well as other legal and regulatory frameworks in which the Office of the Public Guardian operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Office of the Public Guardian. The key laws and regulations I considered in this context included the 2021-22 Government Financial Reporting Manual (FReM) issued by HM Treasury under the Government Resources and Accounts Act 2000 and Secretary of State directions issued there under, Managing Public Money, Employment Law, Pension and Taxation regulations, data protection laws and the Mental Capacity Act.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports; 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 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.

Other auditor's responsibilities

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

19 July 2022

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Financial statements

Office of the Public Guardian

Statement of comprehensive net expenditure for the year ended 31 March 2022

		2021 to 2022	2020 to 2021
	Note	£000	£000
Staff costs	3	51,723	51,239
Other operating costs	4	11,513	10,688
Other non-cash expenditure	5	14,083	19,203
Revenue from contracts with customers	2	(68,576)	(62,262)
Net operating deficit		8,743	18,868
Other comprehensive net expenditure for the year ended 31 March 2022			
Items which will not be reclassified to net operating deficit			
Net (gain)/loss on revaluation of property, plant and equipment	7	(28)	6
Net loss/(gain) on revaluation of intangibles	8	8	(20)
Total comprehensive income and expenditure		8,723	18,854

The notes on pages 164 to 213 form part of these accounts.

Statement of financial position as at 31 March 2022

		31 March 2022	31 March 2021
	Note	£000	£000
Non-current assets			
Property, plant and equipment	7	2,049	822
Intangible assets	8	7,544	674
Right-of-use assets	9	9,150	-
Total non-current assets		18,743	1,496
Current assets			
Trade and other receivables	10	10,328	9,310
Cash and cash equivalents	11	8,490	6,429
Total current assets		18,818	15,739
Total assets		37,561	17,235
Current liabilities			
Trade and other payables	12	(36,218)	(28,497)
Lease liabilities	13	(2,828)	-
Provisions	14	(235)	(683)
Total current liabilities		(39,281)	(29,180)
Total assets less current liabilities		(1,720)	(11,945)
Non-current liabilities			
Trade and other payables	12	-	(153)
Lease liabilities	13	(6,553)	-
Provisions	14	(2,051)	(829)
Total non-current liabilities		(8,604)	(982)

	Note	31 March 2022 £000	31 March 2021 £000
Total assets less total liabilities		(10,324)	(12,927)
Taxpayers' equity			
General fund		10,405	13,014
Revaluation reserve		(81)	(87)
Total taxpayers' equity		10,324	12,927

The notes on pages 164 to 213 form part of these accounts.



Stuart Howard

Public Guardian and Accounting Officer

19 July 2022

Statement of cash flows for the year ended 31 March 2022

		2021 to 2022	2020 to 2021
	Note	£000	£000
Cash flows from operating activities			
Net operating deficit	SoCNE	(8,743)	(18,868)
Non-cash expenditure	5	14,083	19,203
		5,340	335
(Increase)/decrease in trade and other receivables	5 & 10	(1,437)	916
Increase in trade and other payables	12	6,356	7,466
Less lease payables not passing through the operating cost statement	12	302	-
Increase in lease liabilities	13	9,381	-
Less balances recognised on implementation of IFRS16	9	(2,441)	-
Less movements in lease liabilities not passing through the SoCNE	9	(6,940)	-
Lease interest expense		46	-
Utilisation of provisions	14	-	(6)
Net cash inflows from operating activities		10,607	8,711

		2021 to 2022	2020 to 2021
	Note	£000	£000
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(1,401)	(99)
Increase in capital accruals	12	1,212	-
Net cash outflows from investing activities		(189)	(99)
Cash flows from financing activities			
MoJ transfer		(8,357)	(7,599)
Net cash outflow from financing activities		(8,357)	(7,599)
Net increase in cash and cash equivalents	11	2,061	1,013
Cash and cash equivalents at the beginning of the year	11	6,429	5,416
Cash and cash equivalents at the end of the year	11	8,490	6,429

The notes on pages 164 to 213 form part of these accounts.

Statement of changes in taxpayers' equity for the year ended 31 March 2022

		General fund	Revaluation reserve
	Note	£000	£000
Balance at 1 April 2021		13,014	(87)
Net operating deficit for the year	SoCNE	8,743	-
Auditor's remuneration	5	(67)	-
Reserves movement MoJ*		65	-
Net (gain)/loss on revaluation of:			
Property, plant and equipment	7	-	(28)
Intangible assets	8	-	8
Revaluation transfer		(26)	26
Notional element of departmental recharge**	5	(11,324)	-
Balance at 31 March 2022		10,405	(81)

* Reserves movement of £65,000 represents a transfer of surplus cash balances from OPG to MoJ HQ and settlement of intercompany balances and transfer of digital assets from MoJ.

** £11,324,000 is the notional charge to OPG from MoJ HQ for corporate support services.

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

* Reserves movement of £7,599,000 represents a transfer of surplus cash balances from OPG to MoJ HQ, settlement of intercompany balances and transfer of intangible assets under construction to MoJ.

** £12,977,000 is the notional charge to OPG from MoJ HQ for corporate support services.

The notes on pages 164 to 213 form part of these accounts.

Notes to the financial statements for the year ended 31 March 2022

1. Statement of accounting policies

1.1. Basis of preparation

These accounts have been prepared in accordance with the 2021 to 2022 Government Financial Reporting Manual (FReM) issued by HM Treasury under the Government Resources and Accounts Act 2000 and Secretary of State directions issued there under. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

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

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

1.2. Changes in accounting policy and disclosures

As permitted by the FReM, OPG is adopting IFRS 16 Leases with effect from 1 April 2021 (Note 1.7).

New and amended standards adopted

Other than IFRS 16 Leases, there have been no new or amended standards adopted in the financial year beginning 1 April 2021.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2021 and not early adopted.

IFRS 17 Insurance Contracts requires a discounted cash flow approach to accounting for insurance contracts. The EU adopted the standard in November 2021, but the Financial Reporting Advisory Board has agreed to delay the mandatory adoption of the standard until 2025-26 and should be included in the 2025-26 FReM at the earliest. Early adoption of IFRS 17 may be permitted on a case-by-case basis as agreed with HM Treasury. To assess the impact of the standard, OPG will review contracts which meet the definition of insurance contracts.

OPG does not consider that any other new or revised standard or interpretation will have a material impact.

1.3. Accounting convention

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

1.4. Going concern

OPG is primarily funded from fees and charges from external customers, but also receives funding for capital investment from MoJ, from its parliamentary supply. In common with other government agencies, future funding has to be approved by the sponsor department and by Parliament. Approval has already been given for 2022 to 2023 and these accounts have been prepared on a going-concern basis for financial reporting and asset valuation.

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

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

1.5. Revenue from contracts with customers

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

Application fees for registering lasting and enduring powers of attorney

Power of attorney fees are payable upon receipt of the application but, in accordance with IFRS 15, income

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

Supervision of deputyship fees

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

Exemptions and remissions

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

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

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

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

1.6. Employee benefits

Employee leave and performance bonus accrual

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

Pensions

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

1.7. Leases

Scope and exclusions – OPG as lessee

In accordance with IFRS 16 Leases, contracts, or parts of contracts, that convey the right to control the use of an asset for a period of time are accounted for as leases.

Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, incorporating both the right to obtain substantially all the economic benefits from the asset and to direct its use. If so, the relevant part of the contract is treated as a lease.

As adapted by the FReM, IFRS 16 has been applied to leases with nil or nominal (that is, significantly below market value) consideration and arrangements for accommodation between government departments.

When making the above assessments, OPG excludes two types of leases. Firstly, it excludes those relating to low value items, which it considers as those where the underlying asset would have a cost of less than £10,000 when new, provided those items are not highly dependent on or integrated with other items. Secondly, it excludes contracts whose term (comprising the non-cancellable period together with any extension options OPG is reasonably certain to exercise and any termination options OPG is reasonably certain not to exercise) is less than 12 months.

Initial recognition – OPG as lessee

At the commencement of a lease (or on the date of transition to IFRS 16, if later), OPG recognises a right-of-use asset and a lease liability.

The lease liability is measured at the value of the remaining lease payments, discounted either by the interest rate implicit in the lease, or where this is not readily determinable, OPG's incremental rate of borrowing. This rate is advised annually by HM Treasury (0.91 for leases recognised in 2021, 0.95 for those in 2022). Where the lease includes extension or termination options, the lease payments will be for the non-cancellable period together with any extension options OPG is reasonably certain to exercise and any termination options OPG is reasonably certain not to exercise.

The right-of-use asset is measured at the value of the lease liability, adjusted for: any lease payments made before the commencement date, any lease incentives received, any incremental costs of obtaining the lease, and any costs of removing the asset and restoring the site at the end of the lease. However, where the lease requires nil or nominal consideration (usually referred to as a 'peppercorn' lease), the asset will instead be measured at its existing use value, with the difference between the carrying amount of the right-of-use asset and lease liability treated as notional income (or on transition, a credit to the General Fund).

Subsequent measurement – OPG as lessee

The lease liability will be adjusted for the accrual of interest, repayments, reassessments and modifications. Reassessments are reappraisals of the probability of the options given by the existing lease contract, while modifications are changes to the lease contract. Reassessments and modifications are accounted for by discounting the revised cash flows: using a revised discount rate where OPG becomes or ceases to be reasonably certain to exercise or not exercise an extension or termination option, or the lease is modified to amend the non-cancellable period, change the term of the lease, change the consideration or the scope, or at the existing discount rate where there is a movement in an index or rate that will alter the cash flows, or the amount payable under a residual value guarantee changes.

After initial recognition, the right-of-use asset will be measured using the fair value model. OPG considers that the cost model (measurement by reference to the lease liability) is a reasonable proxy for fair value, in the case of non-property leases, and for property leases of less than five years or with regular rent reviews. For other leases, the asset will be carried at a revalued amount.

The value of the asset will be adjusted for subsequent depreciation and impairment, and for reassessments and modifications of the lease liability as described above. Where the amount of a reduction to the asset exceeds

the carrying value of the asset, the excess amount is recognised in expenditure.

Expenditure for each financial year includes interest on the lease liability and a straight-line depreciation charge on the right-of-use asset, together with any impairment of the right-of-use asset and any change in variable lease payments, that was not included in the measurement of the lease payments during the period in which the triggering event occurred. Rental payments in respect of leases of low value items, or with a term under 12 months, are also expensed.

Finance and operating leases – OPG as lessor

The OPG does not currently act as a lessor for any of its buildings.

Transitional arrangements

OPG has applied a number of options and practical expedients on initial adoption of IFRS 16, most of which were determined by the FReM.

IFRS 16 has been adopted retrospectively using the 'cumulative catch-up' approach, without restatement of comparative balances. Consequently, the financial statements for 2020 to 2021 were prepared in accordance with the previous standard, IAS 17 Leases.

There has been no reassessment of existing contracts that OPG had previously assessed as containing or not containing a lease. However, new contracts will be classified according to the criteria given in IFRS 16.

For leases previously treated as operating leases, the right-of-use assets have been measured at the present value of the remaining lease payments, adjusted for any prepayment or accrual balances in respect of the lease payments. OPG has used hindsight in determining the remaining term of leases and no adjustment has been made for leases whose term ends within 12 months of the date of first adoption.

The OPG does not have any onerous leases that were previously provided for.

Where OPG subleases a right-of-use asset, the classification of the sublease as a finance or operating lease has been reassessed. Where an arrangement previously treated as an operating lease is found to be a finance lease, it has been treated as a new lease, commencing on the date of first adoption.

Estimates and judgements

Where a lease is embedded in a contract for services, the amount to be recognised as the right-of-use asset and lease liability should be the stand-alone price of the lease component only. Where this is not readily observable, a determination will be made by reference for other observable data, such as the fair value of similar assets or price of contracts for similar non-lease components.

As discussed above, OPG has determined the lease term by assessing the level of certainty as to whether termination or extension options will be exercised. In making these judgments, reliance has been placed on

the professional judgement of estates staff, supported by information on corporate asset management plans, other business strategies, investment already made in the underlying asset, ongoing business needs and market conditions.

1.8. Notional charges

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

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

Intra-departmental activities

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

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

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

1.9. Property, plant and equipment

Initial recognition and capitalisation threshold

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

Subsequent valuation method

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

Revaluation

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

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

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

Depreciation

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

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

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

Estimated useful asset life is within the following ranges:

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

Disposal of non-current assets

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

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

Assets under construction

Assets under construction are valued at historical cost and are not depreciated until completed. On completion, the asset's carrying value is transferred to the respective asset category.

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

1.10. Intangible assets

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

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

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

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

OPG's capitalisation threshold for software projects is £10,000 (including irrecoverable VAT).

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

1.11. Impairment

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

1.12. Cash and cash equivalents

Cash and cash equivalents recorded in the statement of financial position and the statement of cash flows include deposits held in the Government Banking Service.

1.13. Value added tax

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

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

1.14. Segmental reporting

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

1.15. Critical accounting estimates and judgments

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

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

Impairment of contract assets

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

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

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

The revised estimation technique resulted in a significant increase in the receivables impairment, which is disclosed in Note 10, Trade and other receivables. The increase in provision is driven by a number of changes, key among which is that we are now impairing some invoices raised during the last 12 months at 100%, are impairing more categories of receivable at 100%, and have increased our impairment rates for others. The impairment approach used for 31 March 2021 has been retained for 31 March 2022.

As at 31 March 2022, debt is grouped and impaired as follows:

Live cases

- 1st unpaid debt more than three years old: 100%
- 1st unpaid debt between two to three years old: 50%
- 1st unpaid debt between one to two years: 37.5%
- 1st unpaid debt less than one year old: 10%

Terminated cases

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

The percentages applied are based on the data available and management's knowledge of the customer base.

Assessing future expected credit losses requires the application of estimation techniques and management judgment: actual credit losses in the future may not be the same as the provision made.

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

	-15%	-10%	-5%	+5%*
Reduction in provision	£m	£m	£m	£m
Live cases	(1.3)	(1.2)	(0.6)	0.5
Terminated cases	(0.4)	(0.3)	(0.1)	-
Total	(1.7)	(1.5)	(0.7)	0.5

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

There is no additional adjustment in the impairment of the OPG's receivables at 31 March 2022 to reflect the potential future impact of the macroeconomic effect of the recovery from COVID-19, this is based on the characteristics of the individuals owing the debt to OPG as we do not consider this will have a material impact on the expected recovery of the receivables recognised in these accounts.

Exemptions and remissions provision

The timing of the annual billing for supervision at the end of the financial year, or, for 2021 to 2022, at the beginning of the following financial year, means that applications for remissions and exemptions against those fees are usually received in the following year. Due to this, a provision is recognised within receivables based on a detailed assessment of the extent to which supervision fee exemption and remission have been granted in the year following recognition of the income. This represents the anticipated amount of exemption and remission that may be received in the following year. The provision assumes that the value of exemptions and remissions awarded historically are representative of the future value.

Provisions

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

1.16. Financial instruments

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

1.17. General reserve

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

1.18. Revaluation Reserve

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

2. Fees and other income breakdown

	2021 to 2022	2020 to 2021
	£000	£000
OPG fee revenue		
Lasting powers of attorney	(61,147)	(55,172)
Enduring powers of attorney	(577)	(677)
Supervision of deputies	(12,623)	(12,139)
Appointment of deputy	(893)	(1,054)
Other	(553)	(301)
	(75,793)	(69,343)
Exemptions and remissions		
Lasting powers of attorney	4,038	3,961
Enduring powers of attorney	10	16
Supervision of deputies	2,392	2,378
Appointment of deputy	169	213
Discretionary fee waivers	608	513
	7,217	7,081
Total revenue from contracts with customers	(68,576)	(62,262)

3. Staff costs

			2021	2020
			to 2022	to 2021
			£000	£000
	Permanently employed	Others	Total	Total
Wages and salaries	33,604	7,365	40,969	39,749
Social security costs	2,898	-	2,898	3,044
Other pension costs	7,895	-	7,895	8,461
Total gross costs	44,397	7,365	51,762	51,254
Less recoveries in respect of outward secondments	(65)	-	(65)	(40)
	44,332	7,365	51,697	51,214
Non-executive board members (fees and benefits)	26	-	26	25
Total net costs	44,358	7,365	51,723	51,239

The PCSPS and the Civil Servants and Others Pension Scheme, known as 'alpha', are unfunded multi-employer defined benefit schemes but OPG is unable to identify its share of the underlying assets and liabilities. In accordance with the FReM, OPG accounts for these as a defined contribution scheme.

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

For 2021 to 2022, employers' contributions of £7,836,000 were payable to the PCSPS (2020 to 2021: £8,393,000) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2021 to 2022 to be paid when the member retires and not the benefits paid during this period to existing pensioners. Future contribution rates are advised by the PCSPS and are available on their website:

<https://www.civilservicepensionscheme.org.uk/employers/employers-responsibilities/employer-contribution-rates/>

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £59,000 (2020 to 2021: £68,000) were paid to one appointed stakeholder pension provider. Employer contributions are age-related and range from 8% to 14.75% of pensionable earnings.

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

A further summary on staff costs is included within the accountability report.

4. Other operating costs

	2021 to 2022	2020 to 2021
	£000	£000
Accommodation, maintenance and utilities	2,630	2,147
Lease interest	46	-
Low value and short-term leases	1,107	765
Office consumables	258	181
Postage	3,698	2,899
Professional services	233	474
Shared services	391	1,674
Training and other staff related costs	182	191
Travel, subsistence and hospitality	57	63
Visitor services	2,143	1,654
Other running costs	768	640
Total	11,513	10,688

5. Other non-cash expenditure

	2021 to 2022	2020 to 2021
	£000	£000
MoJ recharges	11,324	12,977
Depreciation - property, plant and equipment	202	958
Depreciation - right-of-use assets	1,105	-
Amortisation - intangible assets	1,319	674
Impairment of intangibles	95	-
External auditor's remuneration*	67	63
Loss on disposal of property, plant and equipment and intangible assets	-	78
Provision for liabilities:		
Provided in year	-	657
Provisions written back	(448)	-
Movement in impairment of trade and other receivables	419	3,767
Uncollectable trade and other receivables	-	29
Total non-cash charges	14,083	19,203

* There were no non-audit services provided by the Comptroller and Auditor General during 2021 to 2022 (2020 to 2021: none).

6. Fees and charges

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

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

	2021 to 2022	2020 to 2021
	£000	£000
Total income	(68,576)	(62,262)
Total expenditure	77,319	81,130
Deficit	8,743	18,868
Cost recovery (%)	88.7%	76.7%

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

The financial objective for OPG to achieve within 5% of full cost recovery (as agreed with HM Treasury and in accordance with its budget delegation from MoJ) was not achieved as recovery this year was 88.7% (2020 to 2021: 76.7%). Further information is given in the parliamentary accountability and audit report on pages 140 to 143.

7. Property, plant and equipment

2021 to 2022	Leasehold Information	
	Improvements	technology
	£000	£000
Cost or valuation at 1 April 2021	386	1,214
Additions	-	-
Revaluation	(86)	(16)
Total cost or valuation at 31 March 2022	300	1,198
Depreciation at 1 April 2021	-	(1,168)
Charge in year	(104)	(10)
Revaluation	104	16
Total depreciation at 31 March 2022	-	(1,162)
Net carrying value at 1 April 2021	386	46
Net carrying value at 31 March 2022	300	36

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

Plant and machinery	Furniture and fittings	Assets under construction	Total
£000	£000	£000	£000
-	1,006	-	2,606
49	-	1,352	1,401
-	32	-	(70)
49	1,038	1,352	3,937
-	(616)	-	(1,784)
(7)	(81)	-	(202)
-	(22)	-	98
(7)	(719)	-	(1,888)
-	390	-	822
42	319	1,352	2,049

2020 to 2021	Leasehold Information	
	Improvements	technology
	£000	£000
Cost or valuation at 1 April 2020	884	2,234
Additions	31	-
Reclassifications	-	-
Disposals	(73)	(1,057)
Revaluation	(456)	37
Total cost or valuation at 31 March 2021	386	1,214
Depreciation at 1 April 2020	-	(1,851)
Charge in year	(448)	(333)
Disposals	-	1,052
Revaluation	448	(36)
Total depreciation at 31 March 2021	-	(1,168)
Net carrying value at 1 April 2020	884	383
Net carrying value at 31 March 2021	386	46

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

Plant and machinery	Furniture and fittings	Assets under construction	Total
£000	£000	£000	£000
68	905	99	4,190
-	-	-	31
-	99	(99)	-
(68)	-	-	(1,198)
-	2	-	(417)
-	1,006	-	2,606
(68)	(438)	-	(2,357)
-	(177)	-	(958)
68	-	-	1,120
-	(1)	-	411
-	(616)	-	(1,784)
-	467	99	1,833
-	390	-	822

8. Intangible assets

2021 to 2022	Software licences
	£000
Cost or valuation at 1 April 2021	-
Reclassifications	-
Transfer in from MoJ	-
Revaluation	-
Impairment	-
Total cost or valuation at 31 March 2022	-
Amortisation at 1 April 2021	-
Charge in year	-
Impairment	-
Total amortisation at 31 March 2022	-
Net carrying value at 1 April 2021	-
Net carrying value at 31 March 2022	-

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

Internally generated software	Assets under construction	Total
£000	£000	£000
10,586	-	10,586
8,292	(8,292)	-
-	8,292	8,292
(8)	-	(8)
(245)	-	(245)
18,625	-	18,625
(9,912)	-	(9,912)
(1,319)	-	(1,319)
150	-	150
(11,081)	-	(11,081)
674	-	674
7,544	-	7,544

2020 to 2021	Software licences
	£000
Cost or valuation at 1 April 2020	148
Disposals	(148)
Revaluation	-
Total cost or valuation at 31 March 2021	-
Amortisation at 1 April 2020	(148)
Charge in year	-
Disposals	148
Revaluation	-
Total amortisation at 31 March 2021	-
Net carrying value at 1 April 2020	-
Net carrying value at 31 March 2021	-

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

Internally generated software	Assets under construction	Total
£000	£000	£000
14,105	-	14,253
(3,840)	-	(3,988)
321	-	321
10,586	-	10,586
(12,777)	-	(12,925)
(674)	-	(674)
3,840	-	3,988
(301)	-	(301)
(9,912)	-	(9,912)
1,328	-	1,328
674	-	674

9. Right-of-use assets

2021 to 2022	Buildings	Total
	£000	£000
Cost or valuation at 1 April 2021	-	-
Initial recognition on implementation of IFRS 16	2,139	2,139
Additions	8,116	8,116
Revaluations	-	-
Total cost or valuation at 31 March 2022	10,255	10,255
Depreciation at 1 April 2021	-	-
Charged in year	(1,105)	(1,105)
Revaluations	-	-
Total depreciation at 31 March 2022	(1,105)	(1,105)
Net carrying value at 1 April 2021	-	-
Net carrying value at 31 March 2022	9,150	9,150

9.1. Lease creditors

A maturity analysis of contractual discounted cash flows relating to lease liabilities is presented below. The cash flows and balances are presented net of irrecoverable VAT.

	2021 to 2022
Obligations under leases	£000
Not later than one year	2,895
Later than one year and not later than five years	6,630
	9,525
Less interest element	(144)
Present value of obligations	9,381

	2021 to 2022
Present value of obligations under leases	£000
Not later than one year	2,828
Later than one year and not later than five years	6,553
Present value of obligations	9,381

Amounts recognised in the statement of comprehensive net expenditure	2021 to 2022
	£000
Depreciation	1,105
Interest expense	46
Low value and short-term leases	1,107
	2,258

Amounts recognised in the statement of cash flows **2021 to 2022**

	£000
Interest expense non-cash adjustment	46
	46

Reconciliation from IAS 17 to IFRS 16

	£000
Operating leases disclosed at 31 March 2021	3,851
Adjustments from IAS 17 to IFRS 16	
Impact of discounting	(47)
Non-recoverable VAT	(497)
Low value, short-term leases and intra-MoJ leases	(866)
IFRS 16 opening balance lease liabilities	2,441

10. Trade and other receivables

Amounts falling due within one year

	31 March 2022	31 March 2021
	£000	£000
Amount due from MoJ	282	180
VAT recoverable	77	71
Amount due from other government departments	280	69
Trade receivables	4,101	14,679
Contract assets	11,607	53
less: impairments*	(6,455)	(6,406)
Net trade receivables	9,253	8,326
Prepayments	21	78
Staff receivables	415	403
Other receivables	-	183
Total trade and other receivables	10,328	9,310

* The receivables impairment comprises: doubtful debts of £5.15 million (2020 to 2021: £4.76 million), fee cancellations of £0.09 million (2020 to 2021: £0.49 million), and remissions provision of £1.21 million (2020 to 2021: £1.16 million).

The remissions provision is charged against the remissions and exemptions section in Note 2.

11. Cash and cash equivalents

	2021 to 2022	2020 to 2021
	£000	£000
Balance at 1 April	6,429	5,416
Net cash inflow	2,061	1,013
Balance at 31 March	8,490	6,429

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

12. Trade and other payables

	31	31
Amounts falling due within one year	March	March
	2022	2021
	£000	£000
Amounts due to other central government bodies		
Amount due to MoJ	1,568	966
Amount due to other government departments	-	119
Taxation and social security	739	597
Accruals*	6,305	12,938
Contract liabilities	25,838	11,573
Trade payables	221	271
Other payables	1,547	2,033
	36,218	28,497
Amounts falling due after one year		
Other payables	-	153
	-	153
Total trade payables and other liabilities	36,218	28,650

* Accruals includes £1,243,000 capital accrual for tangible work in progress asset (2020 to 2021: £31,000 capital accrual for tangible assets).

Amounts falling due within one year	31 March 2022	31 March 2021
Deferred income reconciliation	2021 to 2022	2020 to 2021
	£000	£000
Opening balance	11,573	10,745
Power of attorney income deferred	71,941	52,700
Power of attorney income recognised in year	(57,676)	(51,872)
Deferred income closing balance	25,838	11,573

13. Lease liabilities

	31 March 2022	31 March 2021
	£000	£000
Current	2,828	-
Non-current	6,553	-
Total	9,381	-

14. Provisions for liabilities and charges

2021 to 2022	Dilapidations	Other	Total
	£000	£000	£000
Balance at 1 April 2021	1,249	263	1,512
Provided in the year	1,222	-	1,222
Provisions written back	(420)	(28)	(448)
Provisions utilised in the year	-	-	-
Balance at 31 March 2022	2,051	235	2,286
Analysis of expected timings of cash flow			
Not later than one year	-	235	235
Later than one year and not later than five years	2,051	-	2,051
Later than five years	-	-	-
	2,051	235	2,286

Dilapidations

OPG released dilapidation provision for Axis Building in Birmingham as the building is expected to be demolished and no costs are expected to be charged to OPG. Furthermore, a new dilapidations provision is created for the new office Victoria Square House for £1,222,000.

2020 to 2021	Dilapidations	Other	Total
	£000	£000	£000
Balance at 1 April 2020	620	241	861
Provided in the year	629	28	657
Provisions written back	-	-	-
Provisions utilised in the year	-	(6)	(6)
Balance at 31 March 2021	1,249	263	1,512
Analysis of expected timings of cash flow			
Not later than one year	420	263	683
Later than one year and not later than five years	829	-	829
Later than five years	-	-	-
	1,249	263	1,512

15. Related party transactions

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

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

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

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

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

16. Capital commitments

	2021 to 2022	2020 to 2021
	£000	£000
Contracted capital commitments not otherwise included in these financial statements		
Property, plant and equipment	1,567	-
	1,567	-

17. Contingent liabilities

At 31 March 2022, there were no contingent liabilities (31 March 2021: nil).

18. Financial instruments

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

19. Events after the reporting period

Events after the reporting period are considered up to and including the date on which the accounts are authorised for issue. This is interpreted as the date of the Comptroller and Auditor General's certificate and report. There are no subsequent events to report.

Annex

Performance targets

Impact indicator: Average actual clearance time for powers of attorney

Target average actual clearance time is 40 working days.

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>This indicator calculates the average number of working days taken to register and dispatch all powers of attorney in a given reporting period.</p>	<p>Of all powers of attorney, with a date of dispatch within a reporting period, the number of working days (excluding bank holidays and weekends) between the 'date of dispatch' and the 'date of receipt' are summed and then averaged between the number of applications.</p> <p>'Date of receipt' is the day the application is received by OPG supported by a valid payment received or, alternatively, the date of decision for a successful remission or exemption application. This is the point OPG begins processing the application.</p>	<p>OPG's internal case management systems.</p>	<p>Average actual clearance time of 69 working days against a target of 40 working days.</p>

Impact indicator: Average actual clearance time for powers of attorney

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>This is the time taken between the date of application and the date of dispatch.</p>	<p>'Date of dispatch' is the date the registered power of attorney is dispatched as the last part of the application process which then shows an application as registered within our internal case management systems.</p>		

Customer service indicator: customer contact centre

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>This indicator measures timely and accurate support and guidance for all of OPG's services, and signposting to CoP services where appropriate.</p>	<p>Number of calls answered within five minutes plus number of calls abandoned within five minutes divided by total number of calls answered plus total number of calls abandoned.</p> <p>*Calls that are re-directed out of scope are deducted from the total calls to avoid double counting as these are reported separately where required.</p>	<p>OPG's telephony data management system.</p>	<p>Percentage of calls answered within five minutes was 42% against target of 90%.</p>

Impact indicator: OPG digital customer satisfaction surveys

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
This impact indicator helps to ensure we are developing our digital services to meet our customer's needs.	Number of customers who are 'very' or 'fairly satisfied' with digital services divided by number of survey responses received answering this question.	LPA digital tool customer satisfaction survey.	Customer satisfaction survey score at year end was 91%.

Customer service indicator: OPG customer satisfaction survey – Power of attorney services

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
This indicator helps us to understand our customers' needs. It also helps us to identify trends so we can continually improve services.	Number responding 'very' or 'fairly satisfied' divided by number of survey responses.	LPA customer satisfaction surveys.	Customer satisfaction survey score at year end was 67%.

Customer service indicator: OPG customer satisfaction survey – Deputyship services

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
This indicator helps us to understand our customers' needs. It also helps us to identify trends so we can continually improve services.	Number responding 'very' or 'fairly satisfied' divided by number of survey responses.	Deputyship customer satisfaction surveys.	Customer satisfaction survey score at year end was 74%.

Impact indicator: supervising deputies

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>These indicators help us to ensure that we provide proportional and appropriate support for all deputies.</p>	<ul style="list-style-type: none"> a) The average number of working days between the 'due date' of the report (40 working days after the anniversary of the court order) and the date which the report was received in OPG b) The average number of working days between the date on which an annual report is received and the date it was reviewed c) The number of cases with at least one report outstanding for over 98 days / the number of cases that have had at least one report due* 	<p>OPG's internal case management systems.</p>	<ul style="list-style-type: none"> a) Average time to obtain annual reports was 31 working days b) All annual reports were reviewed within 15 days at an average of 10 working days c) 2.2% of annual reports were outstanding over 98 calendar days

Impact indicator: Investigations

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>These indicators centre on OPG's responsibility to safeguard vulnerable adults.</p> <p>(a) and (b) OPG will carry out a risk assessment process to determine:</p>	<p>a) Two working days start from the date that the concern is received by OPG.</p> <p>Day one is the working day the concern is received</p>	<p>All complaints and concerns are risk assessed and the Public Guardian's jurisdiction is considered.</p>	<p>a) 95% of concerns were risk assessed within two working days</p>

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>i) whether the Public Guardian has jurisdiction to investigate concerns and, if not, signpost the concern to the relevant agency</p> <p>ii) whether the vulnerable person is at immediate risk in terms of their personal welfare or finance/property and what immediate action is required</p> <p>iii) whether the concern can be investigated over a longer period</p>	<p>b) Five working days start from the date that the concern is received by OPG. Day one is the working day the concern is received</p> <p>c) The 70-working day period starts the date that the concern leading to an investigation is received by OPG</p>	<p>Referrals are recorded and include:</p> <ul style="list-style-type: none"> • date of concern received by OPG • date of concern received by investigations team • risk assessment date • risk assessment time • investigation completion date 	<p>b) 98% of concerns reached final outcome within five working days</p> <p>c) Average time to conclude investigations was 80 working days</p> <p>d) Average time to conclude all recommendations where court action has been deemed necessary was 78 working days</p>

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>c) An investigation is classed as concluded if:</p> <p>i) a formal written report is signed off by the Public Guardian</p> <p>ii) approval of a court application is agreed (where this pre-dates a Public Guardian report)</p>	<p>d) The 35-working day period starts from the date the Public Guardian approves the report. Day one will be the day the report is approved</p> <p>e) The 25-working day period starts from the date the Public Guardian approves the report. Day one will be the day the report is approved</p>	<ul style="list-style-type: none"> • outcome of application to the CoP period (working days) • investigation (pre-report) time period • investigation (post report) time period • recommendations closure approvals date 	<p>e) Average time to conclude all recommendations where court action has not been deemed necessary was 17 working days</p>

Impact indicator: Investigations continued

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<ul style="list-style-type: none"> iii) a compliance manager agrees to conclude an investigation as a report to the Public Guardian is deemed unnecessary iv) the client dies (where the compliance manager judges sufficient work had been done on the case to merit classification) 			

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>(d) and (e) A recommendation is classed as concluded if:</p> <ul style="list-style-type: none"> i) an application is made to the CoP, where this was as a result of a recommendation approved by the Public Guardian ii) a case is approved for closure where: <ul style="list-style-type: none"> • court action is not deemed necessary • the investigator shares the outcome of the investigation and any further requirements to the attorney/deputy – this will not include any subsequent monitoring of the case • the deputy makes an application to the CoP 			

Customer service indicator: complaints

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>This indicator plays an important part in helping OPG understand to what extent we are achieving our customers' expectations.</p>	<p>Every month the tier 2 complaints manager collates the number of complaints that were due in the month ('total with target in month') and the number of complaints that were completed in target ('total responded to in target').</p> <p>The indicator is calculated with the help of following formula: Complaints completed in target/ complaints due x 100</p>	<p>Management information from each individual business area.</p>	<p>38% of complaints were responded to within 10 working days of receipt.</p>

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>This indicator plays an important part in helping OPG to improve the digital tools to make it easier for users to access our online services.</p>	<p>Percentage of digital intake = $\frac{\text{Number of online LPAs received in the reporting period}}{\text{Total number of applications received in the reporting period}} \times 100$</p>	<p>OPG's internal case management systems.</p>	<p>31% of LPA applications were completed using online services.</p>

People indicator: Staff engagement

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>These indicators help us to create a great place to work and to support a zero-tolerance approach against bullying, harassment and discrimination in the workplace.</p>	<ul style="list-style-type: none"> a) Each of the five engagement questions in the survey are weighted with a score from 100-0 dependant on their response. The resulting scores are added together and divided by 5 (the number of questions) to create the engagement index score b) This indicator is calculated by dividing number of respondents declaring experience of bullying and/or harassment by total respondents c) This indicator is calculated by dividing number of respondents declaring experience of discrimination by total respondents 	<p>Annual Survey (staff engagement) and Smart Survey.</p>	<ul style="list-style-type: none"> a) Staff engagement score was 65% b) 9% of staff experienced bullying and harassment c) 10% of staff experienced discrimination

People indicator: workforce data

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

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>These indicators help to assist our decision makers to ensure that OPG is sufficiently resourced, which will enable OPG to achieve its business plan objectives, carry out its vision and strive to live up to the OPG values in everything we do.</p>	<ul style="list-style-type: none"> a) The indicator is calculated by dividing total number of leavers in 12 month rolling period by average total staff headcount over 12 month rolling period b) The indicator is calculated by dividing total working days lost in period by staff years in period 	<p>The data is provided by the MoJ Analytical Services team. The Analytical Services team download the data from SOP, MoJ's HR case management system.</p>	<ul style="list-style-type: none"> a) Staff turnover was 10% b) Average working days lost was 10.8 working days

People indicator: average time to recruit

Target is 52 working days.

Purpose	Calculation method	Data source	Achieved to 31 March 2022
<p>This indicator helps to assist our decision makers to ensure that OPG is sufficiently resourced, which will enable OPG to achieve its business plan objectives, carry out its vision and strive to live up to the OPG values in everything we do.</p>	<p>The total working days to hire are calculated by counting the number of working days between the 'vacancy advertised' date and the contract start date for each new starter in the reporting period and then added together. A mean average calculation will be run on the above figure. This will provide us with the average time to recruit (working days).</p>	<p>The MoJ recruitment case management system.</p>	<p>Average time to recruit is 51 working days from the last reported data available.</p>

Glossary

Donor

Someone who has created either an EPA or an LPA. They are referred to as donors because they have donated certain decision-making powers to someone else.

Attorney

The person chosen to act for someone else on an EPA or an LPA.

P

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

Deputy

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

Investigations

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

Lasting power of attorney (LPA)

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

- health and welfare
- property and financial affairs

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

Enduring power of attorney (EPA)

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

Mental capacity

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

Best interests

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

User

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