



IMA

For the Citizens'
Rights Agreements



Annual Reports and Accounts 2021/22

Independent Monitoring Authority

Annual Reports and Accounts 2021/22

For the period 22 January 21 to 31 March 2022

Presented to Parliament pursuant to the European Union (Withdrawal Agreement)
Act 2020

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IMA@ima-citizensrights.org.uk.

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1. Introduction

Chairman's Introduction

The Independent Monitoring Authority for the Citizens' Rights Agreements (IMA) has two primary duties.

Those duties are to monitor the application of European Union (EU), European Economic Area (EEA) and European Free Trade Agreement (EFTA) citizens' rights and to promote the effective implementation of those rights.

As Chairman of the IMA I, therefore, have the privilege to play a role in protecting the rights of EU and EEA EFTA citizens and their family members living in the UK and Gibraltar before we left the EU. Those rights are that eligible citizens should be able to continue to live, work and raise families as they did before the UK left the EU.

During our first year in operation we have used our powers to challenge when the rights of citizens are not being upheld. We have worked with public bodies to resolve issues as soon as possible.

We have been pleased that generally bodies are working hard to ensure that eligible citizens can exercise their rights.

We have intervened in legal proceedings in front of the Supreme Court and have initiated our own Judicial Review against the Home Office in respect of arrangements for transition from pre-settled to settled status.

Together, we have successfully established an organisation to ensure the rights of EU and EEA EFTA citizens and their family members are upheld by public bodies.

While we are funded by the UK Government and sit as an arm's length body of the Ministry of Justice, we are entirely independent and impartial. Our independence is something that we guard keenly as to properly scrutinise government we must be allowed to operate unfettered.

There have been times we have challenged government when we felt that controls and procedures were making it difficult for us to deliver our functions in the way we felt necessary. We will continue to do this to ensure the important intent of the Agreements is enacted and that our ability to use our powers is not constrained.

Establishing any new organisation is an ambitious endeavour but especially against the backdrop of the second full year of a global pandemic. I am, therefore, grateful to my fellow Board Members and all my colleagues at the IMA for their work throughout this period.

We know, however, there is a lot more to be done and we look forward to meeting that challenge.

Sir Ashley Fox Chairman

Message from the Chief Executive

In our first full year in operation I am pleased to report the IMA has made a positive impact to ensure the rights of EU and EEA EFTA citizens and their family members are being upheld by public bodies.

As an organisation we are able to investigate and, if necessary, take legal action where there is evidence of a breach of rights in one of a number of areas.

These rights are: the right to live in the UK, which includes the right to enter and exit the UK; the right to work; the right to have professional qualifications mutually recognised; the right to continue to be able to access pensions, benefits and other forms of social security and the right to be treated equally.

One of our first priorities was, to ensure the citizens we protect, know about us and what we can do, so that they can raise issues with us. A programme of stakeholder engagement has been undertaken. We have met with EU Embassies, liaised with advocacy groups, held briefings for the press and put in place mechanisms for listening to citizens so we can understand their concerns.

Throughout the year we have received and investigated complaints, monitored legislation, and implemented resolutions with public bodies where we have been able to reach agreement. We have also intervened in several pieces of litigation. Details of all of these are covered in this report.

We have established Memoranda of Understanding with public bodies. We have been keen, where we can, to work in partnership to get results which have a meaningful impact on people's lives as quickly as possible.

It is this spirit of partnership, which has been instrumental in establishing a new organisation during a global pandemic, I am both proud and humbled by the work of the team at the IMA and grateful for the support of the Board throughout our first year.

Together we have started to make a difference. This work must now continue to ensure we keep delivering for the citizens of the EU and EEA EFTA countries and their families who call the UK and Gibraltar home.

Dr Kathryn Chamberlain
Chief Executive



2. Performance Report

This report covers the period from when the IMA was formally constituted during our first board meeting on 22 January 2021 to the end of the financial year on 31 March 2022.

Over the following pages we outline the purpose of our organisation, our main roles and responsibilities, the key risks and issues we face, as well as explaining how we have managed delivery of our objectives this year.

2.1 Who We Are and What We Do

Our Role

The IMA was established in 2020 and became operational as at 11pm on 31 December 2020. We are an independent body that makes sure the rights of EU and EEA EFTA citizens and their family members living in the UK and Gibraltar as at the 31 December 2020 are upheld following the departure of the UK from the EU.

The IMA has two broad duties – to monitor and to promote.

We monitor UK public bodies¹ to make sure they adequately and effectively implement the rights provided for by the Citizens' Rights Agreements. We promote the adequate and effective implementation and application of the Agreements by holding public bodies to account where there is not full compliance.

As to the scope of the IMA's powers, these are framed by the rights set out in the Agreements. These rights are extensive and were designed to broadly provide EU and EEA EFTA citizens and their family members the same entitlements to work, study and access public services and benefits as they enjoyed before the UK left the EU.

The citizens covered by Part 2 of the Withdrawal Agreement and Part 2 of the EEA EFTA Separation Agreement (“the Citizens’ Rights’ Agreements”) are those from the 27 EU Member states as well as Iceland, Liechtenstein and Norway, along with their family members.

1. Public bodies include all parts of government and any body which exercises functions of a public nature. It would therefore include UK Government departments, the Northern Ireland Executive, the Scottish Government, the Welsh Government and the Government of Gibraltar. It also includes local government.

These citizens' rights include:

- | | |
|---|---|
| <ul style="list-style-type: none"> • residency: this means the right to live in the UK or Gibraltar. It also includes the right to enter and exit the UK. • the right to work: this means the right to work, including self-employed work and also the right to continue to be a frontier worker. • mutual recognition of professional qualifications: this means the right for qualifications which have already been recognised before 31 December 2020 (or in the process of being recognised at that time) to continue to be recognised in the UK. | <ul style="list-style-type: none"> • co-ordination of social security system: this means that individuals who have lived in both the UK and the EU before the end of the transition period can continue to be able to access pensions, benefits and other forms of social security. • equal treatment and non-discrimination: within scope of the rights set out above, EU and EEA EFTA citizens and their family members are entitled to be treated equally with UK citizens and not to be discriminated against on the grounds of their nationality. This includes ensuring access to certain public services such as education, healthcare and certain benefits. |
|---|---|

Detailed information on the IMA's powers can be found on our website including our Annual Plan for 2022/23 and operational guidance. In summary, the IMA's specific powers are as follows:

Our power to receive complaints

We can receive complaints from persons who claim to have a right under the Agreements². Complaints may report where the UK or Gibraltar has failed to comply with the Agreements, or a public body has acted or is proposing to act in a way that prevents the person exercising the right in question.

Although we do not resolve individual complaints, we assess every complaint to assess whether they indicate a potential breach of the Agreements, consider whether any potential breach may be a general or systemic failing and decide whether to carry out an inquiry. Individual complaints provide intelligence to help us build a wider picture of possible systemic issues.

While an individual complaint may not indicate a general or systemic failing and therefore would not of itself trigger the threshold for the carrying out an inquiry, we maintain the information as it may help form part of a wider set of intelligence gathered over time which could indicate a systemic failing.

Our power to conduct inquiries

Our powers to conduct inquiries are set out in paragraph 25 of Schedule 2 to the Act³.

We may decide to conduct an inquiry in one of three situations:

- (i) Following a request from the Secretary of State, the Northern Ireland Executive, the Scottish Government, the Welsh Government, or the Government of Gibraltar.
- (ii) As a result of a complaint or series of complaints received.
- (iii) Of our own initiative.

The purpose of an IMA inquiry is to:

- decide whether the United Kingdom has failed to comply with the Citizens' Rights Agreements; or
- decide whether a relevant public body has acted or is proposing to act in a way that prevents a person exercising a relevant right (see definition in paragraph 41 of Schedule 2 to the Act); and
- to identify any recommendations for relevant public bodies appropriate to promote the adequate and effective implementation of the Citizens' Rights Agreements.

2. The IMA may also receive a complaint from a person who claims to have a right provided under UK or Gibraltar law which corresponds to rights provided under the Agreements.

3. The corresponding power in relation to Gibraltar is found in regulation 8 of the Gibraltar Regulations.



When considering whether to carry out an inquiry we consider the importance of addressing general or systemic failings.

We may not carry out an inquiry in the situations in (ii) or (iii) above unless we have reasonable grounds to believe that the inquiry may conclude that a failure to comply with the Citizens' Rights Agreements has occurred or that a public body has acted or is proposing to act in a way that prevents a person from exercising their rights under the Agreements.

To inform this assessment we will carry out pre-inquiry investigations. In carrying out such investigations we may be able to resolve any issues in a more timely way than proceeding to full inquiry. We refer to this action as an Early Case Resolution.

We did not undertake any inquiries during the period covered by this report. Pre-inquiry investigations took place in regard to a number of issues with emerging themes of some of the complaints we have received to date.

The themes which have emerged are outlined below with a number of issues being resolved in what we refer to as Early Case Resolutions.

Several issues also resulted in no further action being taken at that stage. The issue is however logged and does not preclude the IMA from acting in future.

Complaint Themes

Theme: Access to Healthcare		
Inquiry Action		Outcomes
3 lines of enquiry (1 closed) addressing:		Early Case Resolution EHIC
1.	delays in issuance of European Health Insurance Cards (EHIC)	
2.	access to healthcare via Gibraltar Health Authority	
3.	proof of continuous residence for NHS purposes	

Theme: Access to Benefits		
Inquiry Action		Outcomes
4 lines of enquiry (2 closed) addressing:		Early Case Resolution HMRC National Insurance No Further Action National Insurance Numbers via DWP
1.	access to HMRC National Insurance documentation	
2.	suspension or refusal of benefits	
3.	obtaining National Insurance Numbers via Department for Work and Pensions	
4.	the use of share codes by a local authority	

Theme: Housing		
Inquiry Action		Outcomes
3 lines of enquiry (2 closed) addressing:		Early Case Resolution Pembrokeshire Council
1.	access to housing in Pembrokeshire	
2.	access to housing in Newham	Early Case Resolution with Newham Council
3.	access to housing in Gibraltar	

Theme: Living in the UK and Gibraltar	
Inquiry Action	Outcomes
5 lines of enquiry addressing:	
1. inaccurate guidance via the Employee Checking Service	Employer Checking Service
2. delays in processing DVLA applications linked to share codes	DVLA
3. access to civilian registrations cards in Gibraltar	Civil Status and Registration Office
4. the guidance for universities regarding student 'Home Fee' for EU Settlement Scheme (EUSS) applicants	UK Council for International Student Affairs (UKCISA)
5. fees charges in relation to Biometric Residence Cards	

Theme: Entry into the UK	
Inquiry Action	Outcomes
6 lines of enquiry addressing:	
1. difficulties experienced at the border	Appendix FM EU citizens reminded of rights when travelling to the UK
2. difficulties associated with Covid-19	
3. visa denial regarding immigration route Appendix FM which is the non EUSS route	
4. delivery issues relating to Biometric Residence Cards	
5. difficulties with EUSS Family Permits	
6. appropriate guidance regarding ID travel documents and digital status	

Theme: Living in the UK	
Inquiry Action	Outcomes
16 lines of enquiry addressing:	
1. citizens experiencing delays in EUSS application decisions	Pre-Settled Status to Settled Status subject to ongoing litigation National Insurance Number – share codes ECR with the Home Office
2. citizens experiencing issues with the Settlement Resolution Centre	
3. delays in the issuance of Certificates of Applications when applying to EUSS	
4. citizens disputing EUSS decisions	
5. difficulties with EEA Family Permits	
6. citizens experiencing difficulty with UKVI View and Prove	
7. the rights of late applicants to EUSS	
8. immigration enforcement for EU citizens	
9. the conversion of status from pre-settled to settled status	
10. interpretation of the EU Withdrawal Agreement	
11. access to EUSS for prisoners and immigration detainees	
12. EUSS access issues for dual nationals	
13. access to National Insurance Numbers (NINOs) using share codes	
14. retainment of citizen identity documents during EUSS processing	
15. experience of child applications to EUSS	
16. Employer Checking Services	

Our power to take legal action

Our powers to take legal action are contained in paragraph 30 of Schedule 2 to the European Union (Withdrawal Agreement) Act 2020⁴. It provides that the IMA may:

- take legal action, or
- intervene in any legal proceedings.

In both cases, the IMA must be satisfied that it is appropriate to do so in order to promote the adequate and effective implementation or application of the Agreements.

While we are only able to take legal action by way of judicial review proceedings, we are able to intervene in “any” legal proceedings. This includes not only public law actions brought against public bodies, but sometimes we may also feel it is appropriate to join private causes of action in order to ensure that we are effectively performing our duties.

Our approach on the exercise of our litigation powers is also detailed in our operational guidance.

To date we have used our litigation powers in respect of two cases and these are detailed in the performance analysis section of the report.

Key risks and issues summary

We established a risk management framework to ensure we identify, manage and appropriately review the risks to achieving our objectives. As outlined later in our Governance Statement, risks to delivering our objectives are identified, assessed, managed, reviewed and recorded through risk registers at various levels of the business. We have also undertaken an internal audit review of our processes.

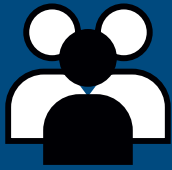


4. The corresponding power in relation to Gibraltar is found in regulation 13 of the Gibraltar Regulations.

The following key risks have been managed and regularly discussed when reviewing our corporate risk register during the year:

- Spend controls imposed on IMA preventing operation in an independent manner and fulfilling functions. This is a high risk for the IMA which has been mitigated through ensuring that IMA has strong governance structures where its operational independence from our sponsor department the Ministry of Justice is maintained, while remaining compliant with relevant government spending controls. Residual score remains high, with no significant trend change as conversations with the Ministry of Justice and Cabinet Office on how spending controls are applied to IMA are ongoing.
- Insufficient staff numbers and inappropriate organisational structures. We have scored this risk as high given our high vacancy rate and staff turnover during the early stages of IMA operations. This has been mitigated with a review of our operational work and structure to ensure we continue to deliver in line with purpose and respond to information from EU citizens in the right way. This has led to a residual medium score and a downward risk trend.
- Lack of awareness of future issues that could impact the work of the IMA. We have identified this as a high risk for IMA that could affect IMA delivery of its services. Mitigations in place include active legislative monitoring and stakeholder engagement. Identifying and building relationships with key stakeholders who help promote, support and challenge our work has resulted in a medium residual score. Risk trend is downwards.
- IMA out of time for bringing legal action against public authorities for failure to implement Part 2 of the Withdrawal Agreement and EEA EFTA Separation Agreement. This risk was rated as high during the year. Mitigations and controls were put in place including obtaining counsel advice where necessary and tracking new legislation to enable relevant actions being identified within 3-months time limits. This has led to a low residual risk score and a downward risk trend.

2.2 IMA in Numbers



60+

members of our
Citizens Panel



145

pieces of legislation
monitored



3,000

respondents to
our first survey

37

lines of enquiry across six key themes

- Access to Benefits
- Access to Healthcare
- Entry into the UK
- Living in the UK and Gibraltar
- Living in the UK
- Housing



400+

articles written
about the IMA



77%

Staff Engagement
Score



700+

Facebook
followers



2,000+

Twitter
followers



26,500

social media
posts reach

Financial Review

The IMA's net expenditure for the 14-month period ending 31 March 2022 was £4,980k. As this was the first period of operation the IMA faced numerous challenges including responding to actual demand, which differed from the assumptions made during the "setup" phase. There were also challenges recruiting staff as a number of posts were not fully occupied during the period as recruitment got under way; leading to reduced expenditure in year and pressures on existing staff. The IMA

has responded well to the challenges and is managing expenditure within MoJ controls.

Going Concern

The IMA's future costs are expected to be met by grant-in-aid from our sponsoring department, the Ministry of Justice (MoJ). The IMA has been included in the MoJ's main estimate for 2022/23. The IMA's accounts are therefore prepared on a going concern basis.

2.3 Delivering Against Our Annual Plan

2.3.1 Performance Overview

The IMA outlined five key priorities for its first year of operation which are detailed in our Annual Plan for 2021/22. These were to:

- A: Raise awareness of the IMA and our role in monitoring public bodies to ensure they are upholding the rights of EU, and EEA EFTA Citizens;
- B: Monitor the implementation and application of EU and EEA EFTA Citizens' rights;
- C: To receive and consider complaints and launch inquiries to ensure public bodies are upholding the rights of EU and EEA EFTA citizens;
- D: Review the adequacy and effectiveness of the legislative framework which implements or otherwise deals with rights arising from Part 2 of the Withdrawal Agreement and Part 2 of the EEA EFTA Separation Agreement; and
- E: Work to develop a modern workforce with a strong, transparent and open culture.

To meet these key priorities; 31 measures were set across a range of activities including:

- | | |
|---|---|
| <ul style="list-style-type: none"> • securing media coverage to amplify our voice; • undertaking an annual survey to test confidence of citizens living in the UK after we left the EU; • responding to all complaints received through our website; | <ul style="list-style-type: none"> • reviewing all key legislation in relation to Part 2 of the Withdrawal Agreement and Part 2 of the EEA EFTA Separation Agreement; • delivering to our budget; and • ensuring our IT is accessible 95% of the time. |
|---|---|

A summary of the final position of the 31 measures is illustrated below with more than half fully achieved, one not achieved and three not applicable:

	Not applicable	Not achieved	Partially achieved (>50% of target)	Mostly Achieved (>95% of target)	Achieved but later than planned	Achieved
No of measures	3	1	3	3	4	17

Full details of how we performed against our key priorities is outlined over the next few pages.

2.3.2 Performance Analysis

A. Raise awareness of the IMA and our role in monitoring public bodies to ensure they are upholding the rights of EU, and EEA EFTA Citizens.

As a new body a key focus for our first year in operation was to raise awareness of our existence and role among stakeholders as well as explain what we do and how we do it.

A comprehensive engagement programme was implemented from the middle of 2020. Meetings took place with organisations supporting and representing EU citizens such as Settled, the3million, and Citizens Advice Services. We also met with representatives of the Northern Ireland Executive, Scottish Government, Welsh Government and the Government of Gibraltar.

We wrote to every elected member of the legislatures of the UK, Gibraltar, Northern Ireland, Scotland and Wales. We met and continue to meet with EU Embassies as well as organisations that work with EU citizens.

We also launched our first communications campaign using social media and radio to raise awareness of the IMA. We also undertook a number of press interviews and held briefings for the Foreign Press Association.

We continue to attend many events and networks including an Institute for Government public event on our role and work.

Targets

Target	Measure	Result
<p>Develop and implement a programme of communication with all our stakeholders. Central to this will be putting in place plans for the creation of a consultative forum in which citizens can directly influence our thinking and share their experiences.</p>	<p>Issue first publicity to invite citizens to join a consultative forum by the end of April 2021. Effectiveness of the forum will be measured by an annual survey with a target score of 60% satisfaction.</p>	<p>Met – We established a Citizens’ Panel consisting of over 60 citizens from most of the EU and EEA EFTA countries. The first survey returned a satisfaction rating of 89%.</p>
<p>Grow our presence on social media in order to raise awareness of our role and communicate directly with citizens in the UK.</p>	<p>Twitter followers by end of: March 2021 – 2,000; March 2022 – 5,000</p> <p>Facebook followers by end of: March 2021: 300; March 2022: 1,000.</p>	<p>Not met – at the end of March 2022 there were 2,140 followers. However, the average reach of our posts is 26,500 per post which at 12% is considerably higher than the industry norm of 0.5-1%. This means that when we do post people are more likely to engage with what we do and follow our calls to action of visiting our website and sharing our content.</p> <p>Partially met – at the end of March 2021 we met our target of 300 followers but despite continual growth we did not meet our target by the end of March 2022 with 702 followers. This was a slower rate of increase than expected but as with Twitter have a high engagement rate with our posts.</p>

Target	Measure	Result
<p>Proactively engage with media outlets in order achieve coverage of our role, our findings and the outcomes of our work.</p>	<p>At least 12 stories/articles promoting the work of the IMA by end of March 2021.</p>	<p>Met – In excess of 400 articles or media pieces mentioning the IMA have been published since our launch on 31 December 2020.</p>
<p>Develop strong partnerships with key organisations that support citizens so they provide us with valuable early indications of where problems may be arising and signpost people to our website.</p>	<p>Signposted on 10 websites by end of March 2021.</p>	<p>Met – We continue to reach out to stakeholders to signpost our website and social media. We are signposted by advocacy groups such as the3million, advice organisations such as Citizens’ Advice, many governments and relevant government departments and EU Embassies.</p>
<p>Ensure that clear information is available on our website which explains what we can, and cannot, do; how we work; and what we find about how public bodies are upholding the rights of citizens.</p>	<p>Publication of Annual Plan 2020/21 in April 2021. Publication of guidance on how we undertake our functions in April 2021.</p>	<p>Met – All key publications have been published in original and Easy Read format including our Annual Plan and Operational Guidance.</p>



Case Study – Joining the citizens’ panel – Birgit’s Story

I came to the UK from Sweden in the 1980s to be with my English husband, Keith. We met in Lincoln on a week-long teachers’ course run by the Department for Education when I was on a scholarship from the Council of Europe.

At that time Sweden wasn’t in the EU so there were some hurdles. I had to travel back and forth until we got married. Then I had to wait more than two years to get my teaching qualification accredited.

When the Windrush scandal came to light it really hit me. I thought back to my situation and knew that I’d had an easy ride.

When I saw a Facebook post about the IMA Citizens’ Panel I wanted to get involved – Windrush pointed to the fact that we are not completely secure here. It could be me next if I’m older and not able to speak up for myself, or a neighbour or friend.

There is a sense of security in an organisation being able to intervene on behalf of EU citizens. By being on the IMA’s citizens’ panel I can tell the organisation about potential problems and make sure that things are done properly.

I’m very interested in fairness. EU citizens are part of the rich tapestry of life in the UK. We didn’t come to take the best bits of the place – we came here to work and study or for love. I spent years teaching and then, after retirement, volunteering in a school. It’s important that we as EU citizens feel that we can trust the authorities here. It’s good to be involved with an organisation like the IMA which can intervene on our behalf.

B. Monitor the implementation and application of EU and EEA EFTA Citizens' rights.

During this period, we established a number of networks and groups to ensure we understand how the rights of citizens and their family members are being upheld.

This proactive intelligence gathering involved developing relationships and meeting regularly with stakeholders including those from representative stakeholder networks such as the EU Delegation to the UK's Citizens' Rights Monitoring Network and organisations that provide employment and immigration advice to citizens, including EUSS advisers.

We engaged with government departments and the devolved nations and set up a number of groups consisting of representatives from these departments to discuss issues and raise questions. We have also agreed Memoranda of Understanding with various government departments and the devolved nations and are in the process of agreeing more. These are displayed on our website.

We undertook a survey to try to better understand the experience of EU and EEA EFTA citizens living in the UK and Gibraltar since the UK left the EU. This has provided valuable insight and helped to shape our work.

The survey also enabled us to develop our understanding of the impact or potential impact on citizens of reported issues, as well as to identify emerging issues.

Targets

Target	Measure	Result
Assess the feasibility and cost of an initial survey of citizens living in the UK to test their awareness of the Settlement Scheme and knowledge of the IMA. The resulting analysis would help to identify where things are going well, as well as potential emerging areas of concern.	Exercise to be conducted by April 2021.	Met – We conducted our first survey of citizen opinions in April 2021 and our final report was published in May 2021.
Undertake focused analysis of data and intelligence including incoming complaints to help identify and recommend to the IMA Inquiry Team areas where there might be potential breaches of citizens’ rights.	Initial areas of concern would be reported to the Inquiry Team by May 2021 with full analysis by June 2021.	Met – Our Intelligence Team gathered early insights to identify key areas of focus for our work and shared it internally with the Inquiry Team in June 2021.
Secure and implement formal training in techniques for collation, analysis and interpretation of intelligence for key staff within the Operational Delivery Directorate of the IMA.	Training to be completed by the end of July 2021.	Met Late – Intelligence training began in November 2021 and was completed by December 2021.

Target	Measure	Result
<p>Continue to develop the relationships and information flows with our stakeholders including public bodies, independent organisations and citizens to enhance our timely understanding of problems that may be encountered by citizens.</p>	<p>We will undertake a workshop with third sector organisations and key public authorities. This will consist of a table-top exercise underpinned by structured analytical techniques in order to identify possible future rights breaches and potential mitigation actions by December 2021.</p>	<p>Met Late – Workshop took place in March 2022.</p>



Case Study – IMA's first annual survey

Our first annual survey took place in April 2021.

The survey was the first of its kind to take place after the UK left the EU and saw almost 3,000 respondents from EU and EEA EFTA nations take part.

While the majority of respondents felt that they were treated equally the survey identified a range of concerns including mixed awareness about their rights and lack of confidence in them.

The survey identified that:

- 1 in 4 respondents did not feel they are treated equally to UK citizens;
- 1 in 2 were not aware of their citizens' rights; and
- 1 in 10 were considering leaving the UK after 30 June.

While a lack of confidence in their citizens' rights being upheld revealed that:

- 30% of respondents were not confident their citizens' rights will be upheld by public bodies;
- 1 in 2 were not confident in at least one of their rights;
- 1 in 25 believed their rights have been breached: and
- 1 in 10 wouldn't complain about a breach of their rights.

The reasons for the lack of confidence were cited as being a lack of trust in the government (31%); the impact and negativity associated with UK leaving the EU (11%); a hostile environment (9%) and fears over another Windrush-type scandal (7%). While 10% said the physical nature of their status under the EUSS was already leading to a discrimination of EU citizens.

The results were used to inform our work including many of the issues being investigated in our issues log.

C. To receive and consider complaints and launch inquiries to ensure public bodies are upholding the rights of EU and EEA EFTA citizens.

The IMA receives complaints about any of the rights which are protected by the Citizens' Rights Agreements. We are also able to receive complaints which 'correspond' to rights in the Agreements but are established in domestic legislation.

For example, where the EUSS is extended to EU or EEA nationals not strictly in scope of the Agreements; complaints must be about a relevant public body which is defined as bodies carrying out public functions excluding courts and tribunals, parliament, and the devolved legislatures.

We accept complaints from third parties as well as individuals who are affected and we encourage complaints to be made via our complaints' portal on our website.

We received a steady flow of complaints with 301 received from 22 January, 2021 to the end of March 2022.

Complaints were received from the majority of EU and EEA EFTA countries with only citizens from Estonia, Iceland and Liechtenstein not registering an issue from April 2021-March 2022.

The majority of complainants (61%) came from the 14 countries that were members of the EU before 2004 which are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden.

We received complaints involving a range of public bodies and relating to every citizens' right within the Withdrawal and Separation Agreements. The majority of complaints related to the Home Office, including UK Visas and Immigration, Border Force and Immigration Enforcement (70%).

We have undertaken a range of pre-inquiry work during the timeframe of this report and where possible we tried to resolve issues we uncovered quickly to ensure that citizens were not disadvantaged or denied their rights for very long.

We did this by undertaking early case resolutions which are agreed interventions with public bodies to make improvements or changes to overcome potential issues.

We also categorised the result of some of our pre-inquiry work as a No Further Action. This is when we had contacted public bodies about certain issues and were satisfied the information provided did not show evidence of a breach.

We concluded that no intervention was needed at that time. This, however; does not prevent the IMA from intervening or taking action at a later date. In the interests of transparency and openness our NFAs are published.

The approach outlined above which seeks to resolve things as quickly as possible has meant that we did not start a formal inquiry in the timeframe covered by this report.

Targets

Target	Measure	Result
Consider and respond to all complaints received through our website.	Confirm to the complainant whether their complaint meets the criteria for consideration by the IMA within 10 working days.	Mostly Achieved – 99% achieved. 1 complainant received a response to their submission within 11 working days due to the complexities of the information involved.
To progress potential systemic issues about the way citizens' rights have been upheld to pre-inquiry where appropriate.	Within 10 working days of responding to complainants.	Mostly Achieved – 96% achieved. 8 of 193 in scope complaints did not meet the 10-working day' time-frame.
To conclude pre-inquiry investigations into potential issues concerning the upholding of citizens' rights.	Within 12 weeks of being referred from the Assessment Team.	Partially Achieved – Determining appropriate action and engagement with public authorities has gone beyond estimated timescales. Year-end Performance = (10/23 within KPI) 43% or (15/28 within KPI) 54% when also including early case resolution (ECR) action.

Target	Measure	Result
<p>Identify opportunities for early case resolution to address systemic failings in public bodies to uphold the rights of citizens.</p>	<p>Within four weeks of concluding the pre-inquiry investigation.</p>	<p>Partially achieved – We have entered into five early case resolutions this year with Pembrokeshire County Council, Newham Council, Department of Health and Social Care, HMRC and Home Office (regarding the Employer Checking Service). When this objective was set, little information was known about how early case resolutions (ECR) would be agreed with a public authority or closed (achieved). In some cases, the IMA has needed to monitor the actions of public authorities before being able to formally communicate an ECR outcome.</p>
<p>Conduct high quality, independent and timely inquiries to identify systemic failings from information gathered and or/complaints received</p>	<p>While it's difficult to predict when we will begin an inquiry, we anticipate we will have commenced our first inquiry by June 21. We also anticipate starting another four during the year. We aim to complete each inquiry within 12 months of it starting.</p>	<p>Not applicable – We have not yet started a formal inquiry as our pre-inquiry work has not yet led us to do so. Successful early case resolutions and informal actions have been implemented before a full inquiry was required.</p>



Case study – Early Case Resolutions

Where possible we try to resolve matters as quickly as possible with public bodies to ensure citizens have access to their rights. Below are some we concluded in the timeframe covered by this report.

- We received a number of complaints about the length of time it was taking for citizens to receive their European Health Insurance Cards. This could prevent them being able to access medical care when travelling in the EU. We explained to NHS Business Services Authority and the Department for Health and Social Care that this was unacceptable. We requested that their systems be improved, including employing more staff to deal with applications more promptly. Wait times have now been substantially reduced.
- We were made aware of delays for EU and EEA EFTA citizens trying to get National Insurance documentation which meant they were having difficulty proving they had made contributions. If they could not prove these contributions it was leading to problems in claiming benefits in a host country. We spoke to HMRC who put a plan in place to reduce the waiting time for applications.

D. Review the adequacy and effectiveness of the legislative framework which implements or otherwise deals with rights arising from Part 2 of the Withdrawal Agreement and Part 2 of the EEA EFTA Separation Agreement.

The IMA must keep under review the adequacy and effectiveness of the legislative framework which implements or otherwise deals with matters arising out of or related to the Agreements⁵.

During this period, we identified 145 pieces of legislation for review. The legislation identified covered the period from 2018 to the end of 2021.

The legislation reviewed relates to all of the rights covered by the Citizens' Rights Agreements. Many of the pieces of legislation cover areas already being looked at by the IMA such as late applications to the EUSS, student finance, eligibility for benefits and assistance and ID cards in Gibraltar.

Where we spot an issue with legislation, our preference is to seek to resolve this, where possible, with the relevant government.

5. See paragraph 22(2)(a) of Schedule 2 to the Act and regulation 5(2) of the Gibraltar Regulations.

The IMA also used its litigation powers on two occasions during 2021.

In May 2021 we intervened in the case of Fratila and another (AP) (Respondents) v Secretary of State for Work and Pensions (Appellant) UKSC 2021/0008⁶ which related to the rights of certain groups of citizens with pre-settled status to social security payments.

While the case was concerned with the law as it applied before the UK left the EU, we intervened because the case was concerned with the interpretation of Article 18 of the Treaty on the Functioning of the European Union which is referred to in the Citizens' Rights Agreements. There was therefore potential for the case to have relevance to the interpretation of the Agreements.

In December 2021, we issued a claim for judicial review against the Home Office regarding a specific element of the EUSS.

We believe that the current legal framework, whereby citizens granted Pre-Settled Status (of which there are currently more than two million) will automatically lose their rights if they fail to apply for Settled Status before the expiry of their Pre-Settled Status is not compatible with the Agreements.

The Home Office does not agree with the IMA's interpretation of the Agreements.

We hope taking legal action will provide clarity to all those citizens impacted.

6. Fratila and another (AP) (Respondents) v Secretary of State for Work and Pensions (Appellant) - The Supreme Court

Targets

Target	Measure	Result
<p>Conduct a prioritisation exercise to inform the approach to monitoring the adequacy and effectiveness of the legislative framework in terms of how citizens' rights are upheld.</p>	<p>Analyse key pieces of legislation by the end of December 2021.</p>	<p>Met – 145 pieces of legislation analysed. This was all identified relevant legislation from 2018 until the end of 2021.</p>
<p>Work with key stakeholders to develop an intelligence-led process for identifying and analysing future developments in the relevant legislative framework.</p>	<p>Develop relationships with key stakeholders to share relevant intelligence regarding legislation by June 21.</p>	<p>Met – Relationships established with Equality and Human Rights Commission, Equality Commission Northern Ireland, Human Rights Commission of Northern Ireland, Senedd, Scottish Parliament, Public Law Project, Law Society of England and Wales. The Memorandum of Understanding with UK Government departments and devolved governments also offer a route of early identification of problematic legislation. Work continues to identify further relationships.</p>
<p>Keep under review the approach to prioritisation of legislation by reference to intelligence gathered on the impact of particular pieces of legislation.</p>	<p>Ensure all key relevant new legislation is identified and analysed to understand its impact on citizens' rights.</p>	<p>Met – Processes are in place to identify and monitor new legislation as it is made. Contingency plans are in place whereby new legislation can be outsourced in the event it is not possible to review internally.</p>

Target	Measure	Result
<p>Report on the findings of the monitoring of legislation and how it impacts on public bodies upholding citizens' rights.</p>	<p>Ensure the Annual Report submitted to the Specialised Committee on Citizens' Rights (Withdrawal Agreement) and the Joint Committee (EEA EFTA Separation Agreement) reflects the findings.</p>	<p>Met – A summary of our legislation monitoring activities is included in the Annual Report submitted to the Specialised Committee on Citizens' Rights (Withdrawal Agreement) and the Joint Committee (EEA EFTA Separation Agreement) in 2022.</p>

Case Study – Childcare Legislation

An example of our approach to seek to resolve issues with relevant government is outlined below.

We contacted the UK Government's Department for Education ("DfE") to amend legislation which appeared to exclude some EU and EEA EFTA families living and working in England from receiving 30 hours of free childcare.

While looking at the relevant legislation we identified that some citizens who did not yet have a decision on their EUSS applications were unable to apply for the free childcare. We wrote to the DfE to say we believed they were breaking the terms of the Agreements and we were considering taking legal action.

The DfE quickly responded to say they were already aware of the issue and that a solution had been put in place to ensure no eligible citizens would be disadvantaged. The DfE also agreed to amend the legislation at the earliest opportunity.

The amending legislation was made on 20 October and was laid before the UK Parliament on 22 October, 2021.

E. Work to develop a modern workforce with a strong, transparent and open culture.

In our first year of operation, we have established our internal processes and ways of working to ensure we can deliver what is needed for the business and the citizens we represent.

This has meant embedding our ways of working, culture and developing systems to create a modern, inclusive and responsive workplace which has enabled us to meet our priorities as an organisation.

We were pleased to score highly in terms of our People Survey with a engagement index rating of 77% against a target of 70% and we were also below our target for staff sickness with an average of 3.86 full time days lost per staff member against a target of 5.

As a new organisation, learning and development has been a key focus with an emphasis on mandatory training to equip colleagues to undertake their new roles.

For a large proportion of this time, we were working against the backdrop of restrictions imposed by Covid-19 and therefore it was important that our IT was always accessible both for internal and external stakeholders.

Targets

Target	Measure	Result
Manage our resources efficiently to making sure the IMA is an effective and resilient organisation that delivers for our customers.	We will deliver within our allocated budget; with IT accessible to our customers 95% of the time.	Met – Our IT systems were online and accessible to our customers more than 95% of the time.
Ensure that all correspondence is replied to and we meet the statutory requirements for responses to Freedom Of Information Requests (FOIs) and Subject Access Requests (SARs).	Correspondence is replied to within 10 working days.	Mostly Achieved – 99% of correspondence received a response within the expected 10 working days.
	FOIs are replied to within 20 days.	Met
	Subject Access Requests are replied to within one month.	Met
Foster a modern workplace where staff are supported to learn, can work remotely and enjoy a strong work life balance; and where our IMA identity continues to evolve.	Staff have completed 90% of their mandatory training by the end of March 2021.	Met
	A People Survey is conducted by December 2021 with a target engagement score of at least 70% satisfaction.	Met – The December 2021 report shows an engagement index rating of over 77% compared to the target of 70%.
	IMA staff conferences are held biannually in June and December.	Achieved Late – We held our first all staff event online in June 2021. A second event, originally planned for December 2021 was rescheduled to March due to Covid-19.

Target	Measure	Result
<p>Ensure our sickness absence is managed in a consistent, supportive and effective way so that operational and service levels are maintained.</p>	<p>We have a target that the average number of working days lost due to sickness absence is no more than five working days per full time employee per year.</p>	<p>Met – we lost an average of 3.86 full time working days per member of staff against a target of losing less than five days per person.</p>





Case Study – Fostering a modern workplace

To help foster a modern workplace with its own sense of identity, a broad range of internal communications channels were set up at the IMA's launch.

They ensured that staff gained valuable knowledge about policies and training but also facilitated opportunities for staff to collaborate and work closely together.

All channels were done at a low cost in-house, with the exception of an intranet which was sourced following a cost-effective tender process.

Examples of communications channels include:

- Regular open door sessions with the Chief Executive: these optional sessions give staff the chance to speak to senior leadership in an informal setting.
- Legal training webinars: using expertise from our in-house legal team, these webinars have given staff the legal background they need.
- An intranet acts as a central place for all the information staff need to know. Information on training and HR policies are easy to find, with a news page keeping staff up-to-date on IMA matters.
- All staff events: two all staff events were held virtually with one in person after the pandemic. Team updates were shared at the events with a focus on team building and motivation.

2.3.3 Sustainability Statement

The IMA has been given an exemption from providing a sustainability statement for the period covered by this report by the Department for Environment, Food and Rural Affairs.

The exemption has been granted as the IMA leases offices from Swansea City Council so as a sub-tenant there are challenges of collecting sustainability data.

The IMA also does not meet the requirement in terms of staffing number or size of office premises in order to produce a report.

However, in line with its landlord the IMA does encourage its staff to operate sustainably where we can.

This means we ensure there are recycling initiatives in place including the placement of bins to allow staff to sort any rubbish into separate areas so they can be easily collected and processed for recycling by Swansea City Council.

All paper used in the office is 100% recycled as are toners and we also recycle IT equipment where appropriate.

We regularly promote sustainable topics on our intranet, including encouraging staff to share blogs about topics of interest. Recent posts have included benefits of using electric cars.

There is information in our offices about the energy efficient use of heating and lighting with staff encouraged to only switch on lights when needed.

We also promote sustainable transport with staff able to benefit from a cycle to work scheme with showers and facilities to store bikes all present at our office buildings. Any necessary business trips should always be undertaken on public transport where possible.

Hybrid working has also been adopted by the IMA which enables people to work from home some days of the week thereby cutting down on unnecessary car journeys.

Finally, sustainability is a regular topic at our People Forum with activities to promote and protect our natural environment regularly promoted with beach cleans and volunteering activity in local parks and beauty spots.



Dr Kathryn Chamberlain
Chief Executive and Accounting Officer

3 November 2022



3. Accountability Report

Our Accountability Report outlines key features of how we manage our organisation. It has three sections.

Over the following pages our Corporate Governance report explains who our Board and senior management team are, how they work and the governance arrangements in place to ensure effective management and oversight of our resources to achieve our objectives.

Our Remuneration and Staff Report describes how we address Board and Senior Management pay as well as providing an overview of the make-up of our staff numbers.

Our Parliamentary Accountability and Audit Report brings together additional requirements requested to demonstrate our accountability to the UK and devolved Governments, regularity of expenditure and the opinion from our Auditor.

3.1. Corporate Governance Report

3.1.1 Directors' Report

The Chief Executive is supported by a team of two Directors and a General Counsel who together form our Executive Team (ET).

Post	Post Holder	Effective date
Chief Executive	Dr Kathryn Chamberlain	3 March 2020 – present
Director of Governance and Corporate Services	Andrew Bagley	21 September 2020 – present
Director of Operational Delivery	Pam Everett	1 October 2020 – present
General Counsel	Rhys Davies	19 October 2020 – present



Our Executive Team Register of Interests as at March 2022 is included here:

Name	Position	Interest	Individual	Role
Dr Kathryn Chamberlain	Chief Executive	Executive or Non-Executive Board, Committee or Trust Membership	Personal	Joint Audit Committee for South Wales Police and the South Wales Police and Crime Commissioner
Dr Kathryn Chamberlain	Chief Executive	Any other interest	Personal	Glas Cymru Holdings Ltd, Member
Andrew Bagley	Director of Governance and Corporate Services	No interest to declare	No interest to declare	No interest to declare
Pam Everett	Director of Operational Delivery	No interest to declare	No interest to declare	No interest to declare
Rhys Davies	General Counsel	No interest to declare	No interest to declare	No interest to declare

An up-to-date register of interest is available on our website:
<https://ima-citizensrights.org.uk/about-us/who-we-are/>



Dr Kathryn Chamberlain
 Chief Executive and Accounting Officer

3 November 2022

3.1.2. Statement of Accounting Officer's responsibilities

Under the European Union (Withdrawal Agreement) Act 2020, Schedule 2, Part 1, paragraph 14, the Secretary of State has directed the Independent Monitoring Authority for the Citizens' Rights Agreements 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 Independent Monitoring Authority for the Citizens' Rights Agreements 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 judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- 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 Permanent Secretary of the Ministry of Justice has designated the Chief Executive as Accounting Officer of the Independent Monitoring Authority for the Citizens' Rights Agreements. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Independent Monitoring Authority for the Citizens' Rights Agreements' assets, are set out in Managing Public Money published by the HM Treasury.

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

3.1.3. Governance Statement

This Statement sets out the governance structures, internal control and assurance frameworks that have operated within the IMA during the financial year 2021/22 and accords with HM Treasury and Managing Public Money guidance.

As the designated Accounting Officer for the Independent Monitoring Authority for the Citizens' Rights Agreements, my role is also to safeguard public funds and organisational assets by putting in place arrangements for the governance of our affairs and effective exercise of our functions. I can confirm that the information in our Annual Report and Accounts is a true and fair account of how the organisation has delivered its functions this year. I also confirm that there is no outstanding information that has been brought to my attention or that I am aware of that has not been brought to the attention of National Audit Office.

Our governance structure

Our organisational structure shows how we are set up to work and deliver our objectives.

Our Board Members are appointed by the Secretary of State for Justice in accordance with the Code of Practice for Ministerial Appointments in Public Bodies, and as such our Chair is accountable to our sponsor minister at the Ministry of Justice.

The Board is led by our Chair, Sir Ashley Fox; and consists of the remaining five non-executive members, Chief Executive and two IMA executive Directors. We currently have a total of six remunerated non-executive Board Members.

Leo O'Reilly is the appointed Vice Chair of the IMA and holds the role of Senior Independent Director (SID). The role of SID was introduced to support the Chair in his role; to act as an intermediary for other non-executive directors when necessary; to lead the non-executive directors in the oversight of the Chair and to ensure there is a clear division of responsibility between the Chair and Chief Executive.

Non-Executive Member	Term	Start Date	Current Term End Date
Sir Ashley Fox (Chair)	1	8 December 2020	7 December 2024
Leo O'Reilly (Vice Chair)	1	8 December 2020	7 December 2023
Punam Birly	2	8 December 2020	7 December 2025
Marcus Killick	1	8 December 2020	7 December 2023
Joyce Cullen	1	10 February 2021	9 February 2024
Ronnie Alexander	1	17 March 2021	16 March 2024

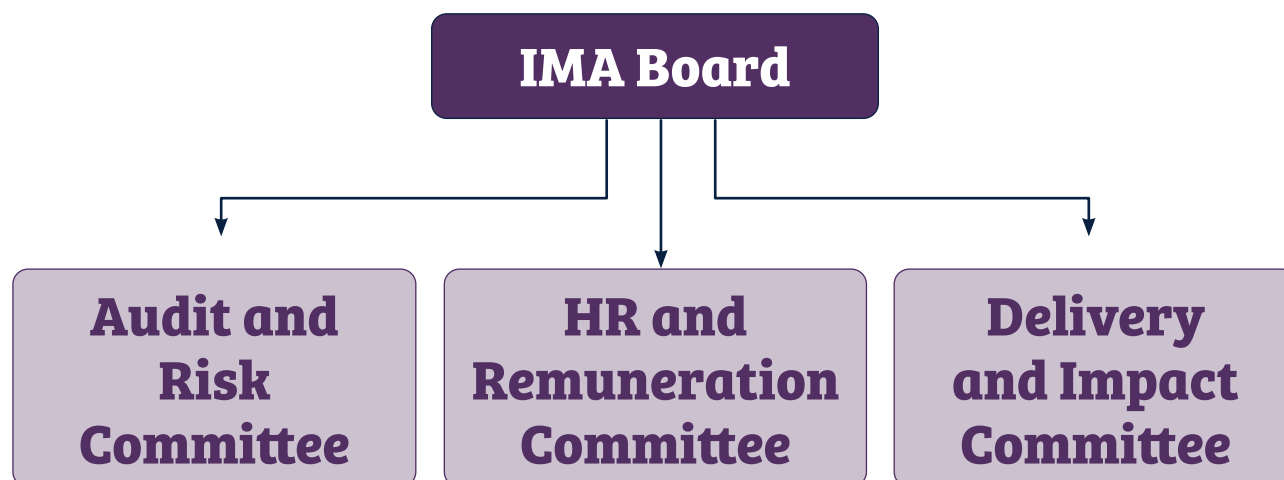
To carry out our duties, we meet as a full Board quarterly with additional scrutiny being undertaken by three committees. In our first year; our Board met monthly during the first quarter of the calendar year (January 2021 – March 2021) and quarterly from then on. Our Executive Team (ET) provides strategic and operational updates to our Board and committees for scrutiny and decision as required.

Agenda, minutes and the terms of reference for the Board meetings and terms of reference for our Committees can be found here on our website <https://ima-citizensrights.org.uk/about-us/who-we-are/>

We do not have a Nominations Committee, as our non-executive members are appointed by the Secretary of State.

The following sections outline the work focus areas and attendance of our Board and committees.

Board Committee Structure



Committee Profiles

Each committee is chaired by a non-executive member and includes two other non-executive members. Their terms of reference are agreed annually by the Board. Our Chair has a standing invitation to attend committee meetings in a non-voting capacity.

Audit and Risk Committee

The Audit and Risk Committee reviews the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements within the IMA. This year the Committee has reviewed plans and progress of internal audit, key policies including cyber security, data protection, declaration of interests and risk management as well as reviewed work by the National Audit Office as part of the final external audit in preparation for this annual report and accounts 2021/22. This Committee is chaired by Leo O'Reilly.

Delivery and Impact Committee

This Committee provides advice, oversight and scrutiny on IMA strategic direction and development; business planning and performance against plans to ensure the IMA is achieving the desired outcomes. This year the Committee has scrutinised performance dashboards and risks to operational delivery. This Committee is chaired by Marcus Killick.

HR & Remuneration Committee

This Committee provides strategic advice, support and challenge to officers and assurance to the Board on people matters. This year the Committee has reviewed all HR policies within the IMA including absence management, learning and development, performance management, reward and recognition; and overseen discussions regarding the IMA pay remit with the Ministry of Justice. This Committee is chaired by Punam Birly.

Board and Committee Member Attendance

Board Member attendance business year ending 31/3/2022	IMA Board	Audit and Risk	HR and Remuneration	Delivery and Impact
Sir Ashley Fox , Non-Executive Member (Chair)	7/7	5/5	4/4	3/4
Leo O'Reilly , Non-Executive Member* (Vice Chair)	7/7	5/5*	n/a	n/a
Punam Birly , Non-Executive Member*	7/7	n/a	4/4*	3/4
Marcus Killick , Non-Executive Member*	7/7	5/5	n/a	4/4*
Joyce Cullen , Non-Executive Member ⁷	6/6	5/5	4/4	n/a
Ronnie Alexander , Non-Executive Member ⁸	4/5	n/a	4/4	4/4
Dr Kathryn Chamberlain , Executive Member (CEO)	7/7	5/5	4/4	4/4
Andrew Bagley , Executive Member	7/7	4/5	4/4	4/4
Pam Everett , Executive Member	7/7	n/a	n/a	3/4

7. Appointed February 2021

8. Appointed March 2021

*Committee Chair

Board effectiveness

As well as bringing their own personal skills and experience, Board Members have undertaken a series of learning and development actions to support their knowledge and understanding of this new organisation including: an IMA corporate induction, the Cabinet Office Non-Executive Director induction, bespoke operational delivery training relating to complaints and inquiries, attending IMA all staff events and observing IMA Citizen Panel meetings.

The board has undertaken its first full self-assessment of its own effectiveness via an anonymous online survey. Results were positive although recognised this was the first year of operation and significant work was required to get the organisation up and running. To date the Board is content with the developing skills and knowledge around the board table, the information that it receives, the processes and procedures to support its work and the relationships that have developed among non-executives as well as with the Executive Team.

Some areas identified for further work, notably: maintaining balance between strategic and operational work; seek benchmarking to allow comparison with other organisations; and seek further guidance on information assurance will be included in the 2022/23 Board Development plan with actions implemented by March 2023.

Data Quality

Meeting agendas and papers were circulated electronically a week in advance and provided sufficient evidence for sound decision making. Agendas were planned to ensure that all areas of IMA responsibilities were examined during the year. Data presented to the Board was regularly checked to ensure it was up-to-date and consistent across reports generated.

Compliance with corporate governance code

We have completed a basic review and established that our organisational structure, policies and procedures are set in line with Corporate governance in central government departments: Code of Good Practice.

Our leadership is consistent with expected senior management roles and responsibilities. Supporting procedures are in place to ensure Board roles can operate effectively and that our reporting routes are clear to ensure accountability and appropriate division of duties and key internal controls are in place. An annual evaluation of Board Membership has been undertaken; remuneration of senior staff is considered by non-executives to ensure independence and we have regular meetings with our key stakeholders to maintain constructive working relationships.

Ministerial Directions

We have not received any ministerial directions this year.

Government Functional Standards

In our first year we have focused on building the foundations of our organisation. We have done a light touch review of the Government Functional Standards to familiarise ourselves with them. A detailed piece of work has been undertaken to assess and ensure compliance with Standard 013 on Counter Fraud. During 2022/23 we will go through each in detail to consider which applies to us and ensure our policies, procedures and controls align appropriately.

Our Internal Control Framework

Risk Management

Our robust risk management framework is an essential component in managing our business, protecting our resources and reputation and is facilitated by our Governance Team.

The Board approved our first risk management policy including a risk appetite statement in March 2021 and since then we have developed our risks and issues reporting framework. We have three directorate risk registers that escalate risks or issues as required to the Corporate Risk Register and Issues Log. Directorate risks are reviewed on a monthly basis by each Directorate management team, before any high or very high risks or issues are collated and reviewed each month by the Executive Team. The Corporate Risk Register is also scrutinised quarterly by both the Audit and Risk Committee and the IMA Board by reviewing and challenging actions taken by management to manage identified risks and issues.

The key risks that have been scrutinised and managed include financial controls imposed on IMA preventing it operating in an independent manner and to be able to fulfil our functions; insufficient staff numbers and inappropriate organisational structures; lack of awareness of future issues that could impact the work of the IMA.

In year one risk management was included in our first internal audit plan where we received a moderate audit opinion for our work completed to September 2021. The resulting six management actions were completed over the winter to strengthen our first policy and improvements were made to clarity of roles and responsibilities, creation of a risk manual to provide more detail to those involved in the process as well as specific inclusion in the new starter induction and a specific risk training plan identifying the risk management training needs of different groups of staff at the IMA. An updated risk management policy was approved by the Board in December 2021.

Data and Information Security

We are committed to ensuring data and information is well governed and managed, and that we continue to achieve a balance between openness and security, making sure that staff and customers are assured of suitable levels of protection.

We have delivered a cyber security programme of work to improve staff awareness, including cyber security online training. We have mandatory annual online learning courses for staff on General Data Protection Regulation (GDPR) and Information Security to ensure everyone is aware and up-to-date on how we manage the information we receive and hold. There have been no information breaches which were reportable to the Information Commissioner's Office (ICO).

Declaration of Interest

Our Conflict of Interest policy supports all staff and Board Members with our continuous process to declare relevant personal interests to help us manage any potential or perceived conflicts with their professional roles. All staff and Board Members made an annual declaration and continue to update the register in line with any changes to their personal circumstances.

Whistleblowing

We are committed to the highest standards of openness, probity and accountability. Therefore, we have established measures in place to raise serious concerns about malpractice or impropriety. We have had no whistleblowing reports this year.

Fraud

Our Counter Fraud Policy is in place to ensure appropriate arrangements to handle any reports of fraud within the organisation or related to our activities. Our arrangements are in line with the HM Government's Functional Standard on Counter Fraud (013) and include an organisational fraud risk assessment, response plan and action plan. Joyce Cullen is also our nominated non-executive accountable for Fraud and Whistleblowing arrangements within the organisation. If formal investigations are required, we will seek support from the Ministry of Justice's Counter Fraud team who employ qualified fraud investigators.

All staff completed the Counter Fraud, Bribery and Corruption mandatory training during the year. We have had no reports of fraud this year.

Our Assurance Framework

Internal Audit

Our internal audit function is undertaken by the Government Internal Audit Agency (GIAA). Our first internal audit plan 2021/22 was agreed at the Audit and Risk Committee in June 2021 and the team has delivered the audit plan with regular progress updates and feedback to the Audit and Risk Assurance Committee throughout the year. Four audits were undertaken looking at: Complaints Handling, Data Protection, Performance Monitoring and Risk Management. An advisory piece of work was also undertaken to consider our fraud and whistleblowing arrangements which is a desk based exercise with feedback provided to management, but no formal opinion given. The following audit results were achieved:

Total Number of Audits 2021/22	Substantial Assurance Rating	Moderate Assurance Rating	Limited Assurance Rating	Unsatisfactory Assurance Rating
4	2	2	0	0

The opinion ratings are described as follows:

Opinion Rating	Description
Substantial	The framework of governance, risk management and control is adequate and effective.
Moderate	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

Head of Internal Audit Opinion

On the basis of evidence obtained during 2021/22, the Head of Internal Audit was able to provide a moderate level of assurance that the framework of governance, risk management and control is appropriately defined and working effectively.

The Head of Internal Audit opinion reported that reviews were scoped to capture the organisation's position and maturity with many policies and procedures implemented at pace given set up of the organisation.

The Head of Internal Audit concluded that effective and proportionate processes are in place to manage data protection and provided a Substantial assurance rating.

The operational review of complaints, to capture the risk surrounding changes to process, identified the good development of processes to ensure that complaints are dealt with in an appropriate manner and on a timely basis. This included successfully implementing improvements from lessons learnt exercises, and upskilling of staff to meet the more complex complaints profile. This review also received a Substantial assurance rating.

Other key control reviews included Risk Management and Performance Monitoring which received Moderate assurance ratings. Both these processes were reported as having strong foundations and improvement opportunities were already recognised by management as part of requesting GIAA review these areas. In addition, the advisory review of Counter Fraud and Whistleblowing Policies was regarded as very good by the assessor and rated as satisfactory based on the NAO criteria. Recommendations to strengthen process and policies were implemented promptly.

The Head of Internal Audit reported the Independent Monitoring Authority has shown it is responsive and how it can adapt its delivery during this early period. The opinion 'recognises how the organisation was set up at pace and how during the first full year there was always going to be improvement opportunities to be addressed'.

The Head of Internal Audit reported an overall Moderate opinion on the Independent Monitoring Authority framework of governance, risk management and control; and that as GIAA coverage of key controls increases and wider assurance surrounding their activity grows, that the organisation is confidently heading towards a future Substantial overall assurance opinion.



Dr Kathryn Chamberlain
Chief Executive and Accounting Officer

3 November 2022

3.2. Remuneration and Staff Report

Remuneration and Staff Report

Staff in the IMA, whether on permanent or temporary contracts are classed as public servants and not civil servants.

We operate the Civil Service Compensation Scheme and the Civil Service Pension Scheme.

This report discloses the remuneration of those serving on our Board comprising the Chair, IMA non-executive members and Executive Team, including the Chief Executive Officer. This disclosure is made to comply with HM Treasury requirements to show the remuneration of those who influence the direction of the entity as a whole.

Remuneration Policy

Salary covers both pensionable and non-pensionable amounts and includes, but may not necessarily be confined to:

- gross salaries
- overtime

The IMA does not currently offer any non-consolidated and non-pensionable recruitment and retention or specialist allowances.

Delegated Grades Administrative Officer – Grade 6

Remuneration for staff at delegated grades is subject to the requirements of the Cabinet Office Pay Remit Guidance.

As a new non-departmental public body, the IMA has been incorporated into years 2 (2021/22) and 3 (2022/23) of the MoJ 3-year pay offer. As a result of this, staff are subject to the terms and conditions of our sponsoring body, the Ministry of Justice.

Performance-related pay

The Independent Monitoring Authority (IMA) believes in the importance of recognising and rewarding staff (individuals or teams) who make an exceptional contribution.

The key principle of the policy is that high individual performance and teamwork should be rewarded throughout the year.

The scheme enables staff to be nominated by managers, colleagues, stakeholders and Board Members for outstanding work and behaviours. The scheme is monitored by the Executive Team; and scrutinised by the HR and Remuneration Committee to ensure fairness, consistency, and the principles of diversity and inclusion.

Awards can be given in the form of vouchers (up to £100) or with individuals' salary as one-off lump sum payments, which are not consolidated into basic pay. These financial awards may be of any value up to an annual maximum of £2,500 for an individual in total across the financial year.

There is no requirement that the size of an award should be related directly to salary or grade.

Where a team award is made, there is no specific financial limit for the team, though the award to any individual in the team should not cause an individual to receive in excess of £2,500 gross in non-consolidated awards in any one financial year.

The Executive Team terms of appointment and remuneration

The Executive Team, including the Chief Executive Officer are permanent employees of the IMA.

When conducting recruitment campaigns, we follow the Civil Service Commissioner's recruitment principles to ensure open and fair recruitment with appointments based on merit. We offer a guaranteed interview scheme for people with disabilities who meet the role criteria.

Remuneration for the Executive Team is subject to the principles outlined in the Senior Civil Service Practitioner Guidance.

Performance-related pay: Chief Executive Officer and the Executive Team

Performance related pay for the Chief Executive Officer and the Executive Team are based on performance levels and are awarded following the formal review process.

The performance framework set by the Cabinet Office for the Senior Civil Service (SCS) Practitioner Guidance is used as a guide on distribution and out-turn with the HR and Remuneration Committee giving approval of any bonuses.

Any bonuses for SCS level staff are on a cash basis. Amounts disclosed for each year represent those paid in that year but relate to performance in the previous year.

Non-Executive Members

The Chair is paid £500 per day and works two days per week. All other non-executives are paid £300 per day for up to 25 days per year. There is no additional pay for chairing committees or taking on any additional roles e.g. Senior Independent Director. No pension benefits are paid to the Chair or non-executive members.

The Chair can be appointed for a period of up to five years while all other non-executive members can be appointed for a period of up to four years.

The appointment of all non-executive members, and the extension of their appointments is subject to the approval of the Secretary of State for Justice. Reappointments are subject to a satisfactory appraisal process undertaken by the Chair.

The early termination of a non-executive member's appointment is at the discretion of the Secretary of State for Justice. The notice period for the Chair and non-executive members is three months.

Current appointments

Non-Executive Member	Start Date	Current End Date	Term	Current Term Length
Sir Ashley Fox	8 December 2020	7 December 2024	1	4 years
Punam Birly	8 December 2020	7 December 2025	2	3 years
Marcus Killick (Gibraltar)	8 December 2020	7 December 2023	1	3 years
Leo O'Reilly (Northern Ireland)	8 December 2020	7 December 2023	1	3 years
Joyce Cullen (Scotland)	10 February 2021	9 February 2024	1	3 years
Ronnie Alexander (Wales)	17 March 2021	16 March 2024	1	3 years

Benefits in Kind

The monetary value of any benefits in kind covers any benefits we provided, and reimbursements of costs treated by HM Revenue and Customs (HMRC) as a taxable emolument.

Board Members are reimbursed for their travel and subsistence costs incurred in attending Board meetings at our Swansea headquarters and elsewhere as required to undertake their duties on behalf of the IMA.

Board and Executive Team Remuneration (audited information)

For the period ended 31 March 2022, IMA members and Executive Directors received remuneration as follows. Given the fourteen month and ten day accounting period, all individuals were in post for more than a year. An annualised figure is shown for comparative purposes.

Board Members and Executive Team	Period 22 Jan 2021 to 31 Mar 22				
	Salary £'000	Bonuses £'000	Benefits in kind (to nearest 100) £'000	Pension benefits (to nearest £1,000) ⁹ £'000	Total £'000
Chamberlain, Doctor Kathryn Executive member (CEO)	130-135 (annualised 110-115)	10-15	0.2	21	160-165
Everett, Mrs. Pam Executive member	100-105 (annualised 85-90)	0-5	0.2	76	180-185
Davies, Mr. Rhys Tomos General Counsel (Legal Director)	90-95 (annualised 75-80)	0-5	0	38	130-135
Bagley, Mr. Andrew Executive member	90-95 (annualised 75-80)	0-5	0.3	39	130-135
Fox, Sir Ashley Non-executive member (Chair)	60-65 (annualised 50-55)	0	4.8	0	65-70

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

O'Reilly, Mr. Leo Non-executive member	5-10 (annualised 5-10)	0	1.7	0	10-15
Killick, Mr. Marcus Non-executive member	5-10 (annualised 5-10)	0	1.3	0	5-10
Birly Jaspal, Ms. Punam Non-executive member	5-10 (annualised 5-10)	0	0.4	0	5-10
Cullen, Mrs. Joyce Non-executive member	5-10 (annualised 5-10)	0	1.3	0	5-10
Alexander, Mr. Ronald Joseph Non-executive member	5-10 (annualised 5-10)	0	0.2	0	5-10

HR and Remuneration Committee

This Committee oversees the annual appraisal of the Chief Executive and any changes to the remuneration of the Executive Team, including the Chief Executive Officer. This included the arrangements for and conditions of any remuneration or benefits in kind over and above their basic salary.

The Committee is made up of three non-executive members with the Chair having a standing invitation. The Chief Executive and Director of Governance and Corporate Services also attend each meeting.

Fair Pay Disclosure (audited information)

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.

Ratio between the highest paid director’s total remuneration and the pay and benefits of employees in the lower quartile, median and upper quartile.

	Lower quartile	Median	Upper quartile
2021/22	4.9:1	3.4:1	2.4:1

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

	Lower quartile	Median	Upper quartile
	2021/22		
Salary component of total pay and benefits	25,118	36,049	50,427
Total Pay and Benefits	25,118	36,049	50,427

The banded remuneration of the highest paid director in the IMA in 2021/22 was £120,000-£125,000 (includes salary, non-consolidated performance-related pay and benefits-in-kind). This was 3.4 times the median remuneration of the workforce, which was £36,049.

No employees received remuneration in excess of the highest paid director. Remuneration ranged from £20,000-£25,000 to £95,000-£100,000.

Pension entitlements (audited information)

Board Members and Senior Leadership Group	Period 22 Jan 2021 to 31 Mar 22				
	Accrued pension at pension age as at 31 Mar, 2022 £'000	Real increase in pension at pension age £'000	Cash Equivalent Transfer Value (CETV) at 31 Mar, 2022 £'000	CETV at 31 Mar, 2022 £'000	Real increase in CETV £'000
Chamberlain, Doctor Kathryn Executive member (CEO)	60-65	0-2.5	1,229	1,158	0
Everett, Mrs. Pam Executive member	40-45 plus a lump sum 80-85	2.5-5 plus a lump sum 2.5-5	793	710	43
Davies, Mr. Rhys Tomos General Counsel (Legal Director)	10-15	0-2.5	110	93	9
Bagley, Mr. Andrew Executive member	20-25	0-2.5	243	217	14

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 1 April 2015 all newly appointed staff and the majority of those with prior civil service records joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS).

The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65. These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation.

Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into alpha at some time between 1 June 2015 and 1 February 2022.

All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.

Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account). Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha.

Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) their pension for a lump sum up to the limits set by the Finance Act 2004.

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

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

Further details about the civil service pension arrangements can be found at 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 because 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 because 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.

Compensation for loss of office (audited information)

The IMA made no compensation payments for loss of office during the period to 31 March 2022.

Reporting of civil service and other compensation schemes – exit packages are subject to audit

The IMA had no early departure costs in the period to 31 March 2022.

Expenditure on consultancy

The IMA had no expenditure on consultancy in the period to 31 March 2022.

Off-payroll engagements

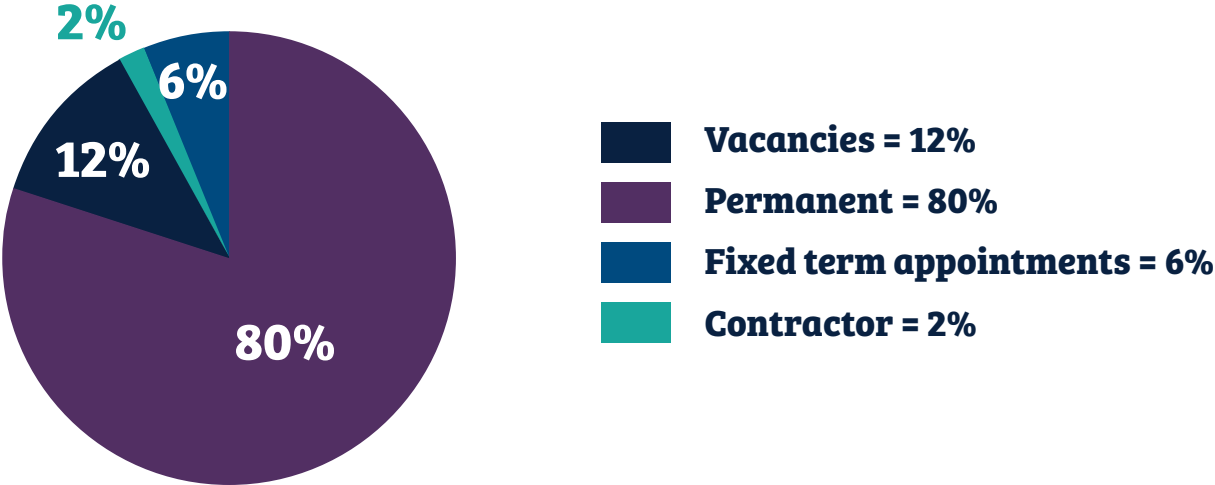
The IMA had no off-payroll engagements in the period to 31 March 2022.

Our staff numbers

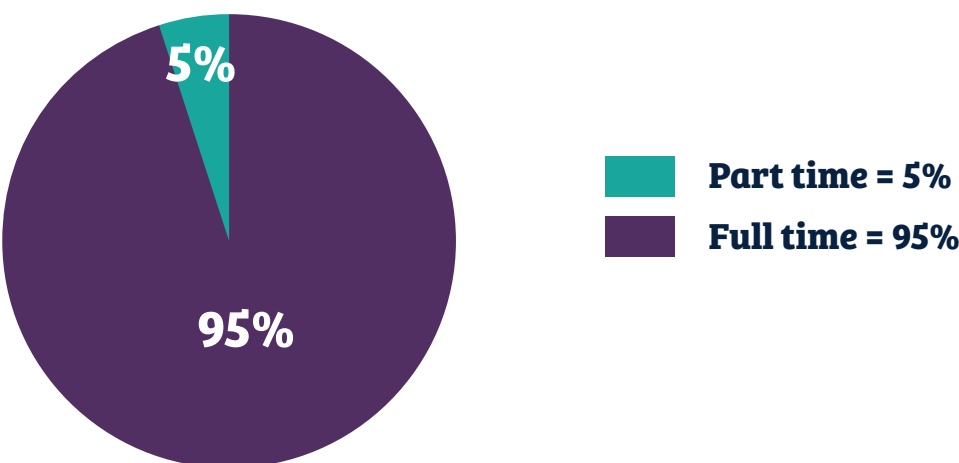
Staff numbers and staff composition.

The charts below summarises our staff composition as at 31 March 2022.

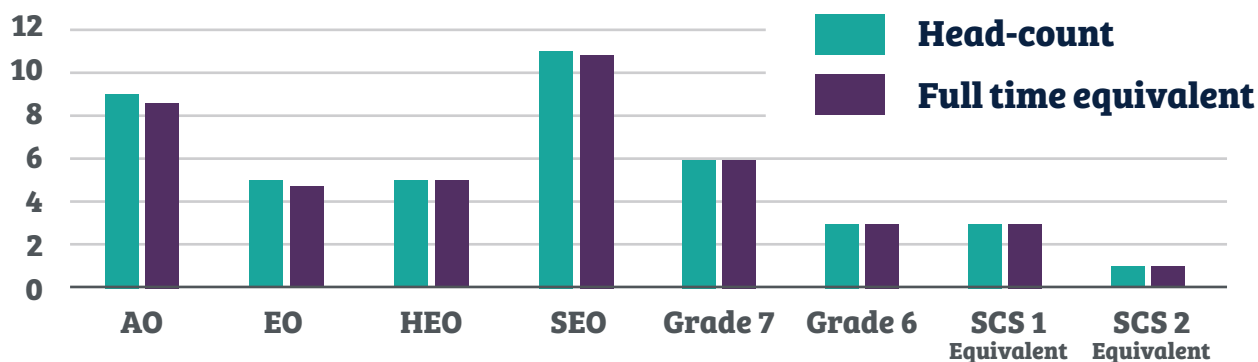
Staff by contract type



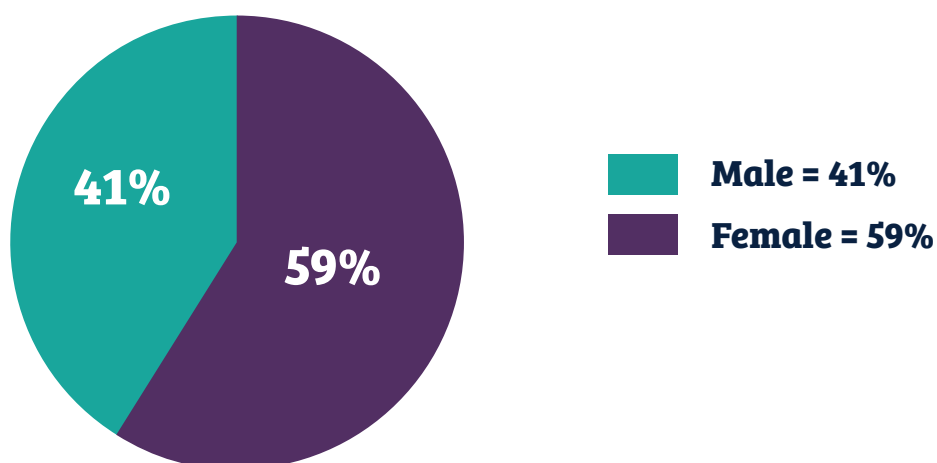
All staff by full time equivalent



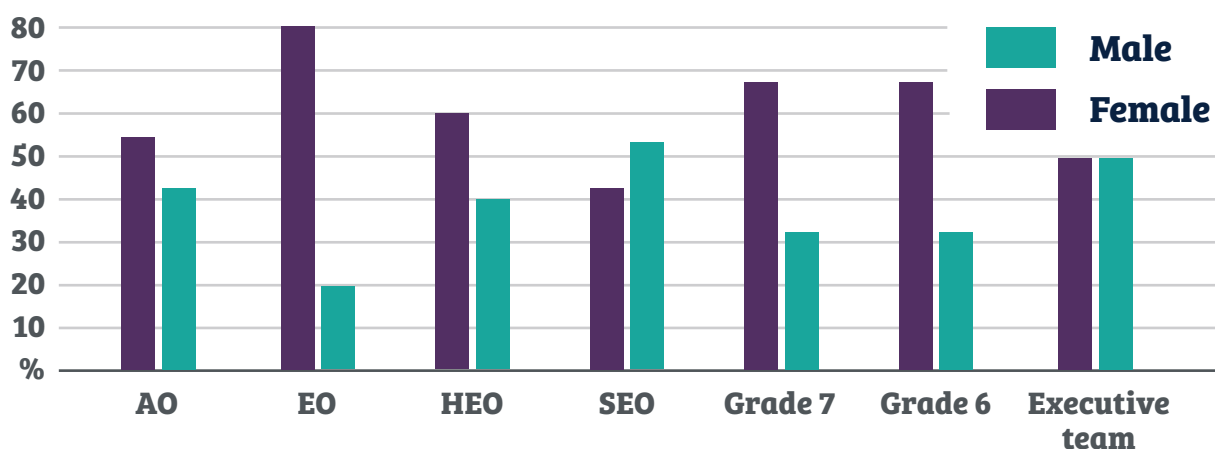
Headcount and full time equivalent by grade



All staff by gender



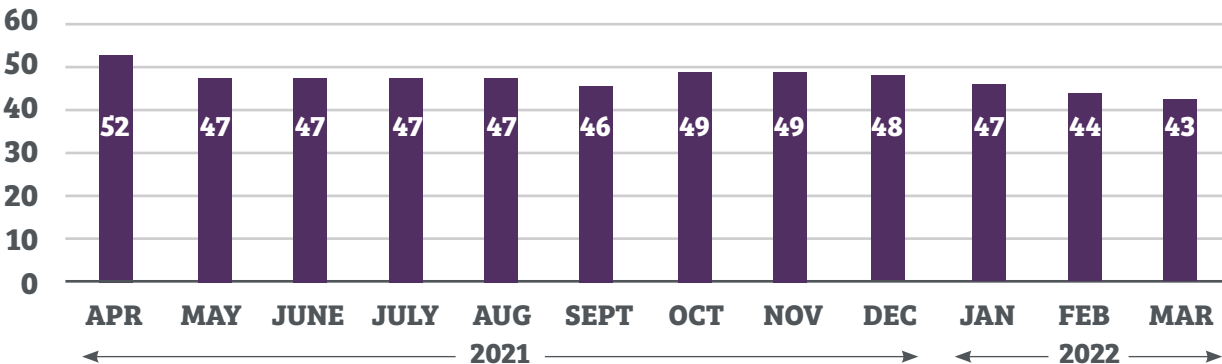
All staff gender by grade



Staff composition

The graph below shows the headcount of full-time equivalent staff employed by the IMA by month from 1 April 2021 to 31 March 2022 was as follows:

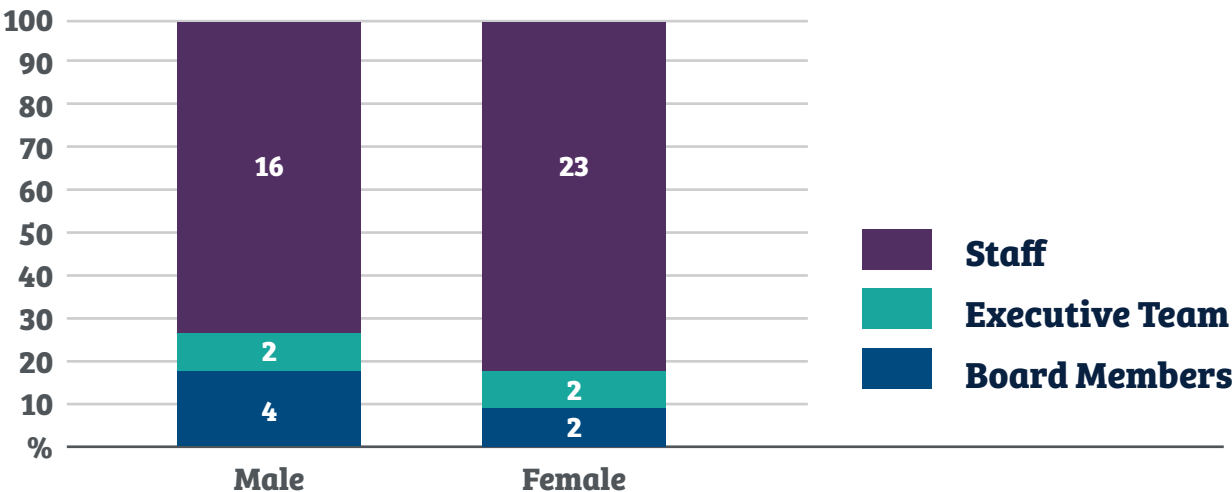
Headcount (audited information)



In April 2021 the total number of staff was 52 with a full-time equivalent of 51.5, which included three agency staff. This decreased to 43 people, full-time equivalent 42.4, at 31 March 2022 with one agency worker.

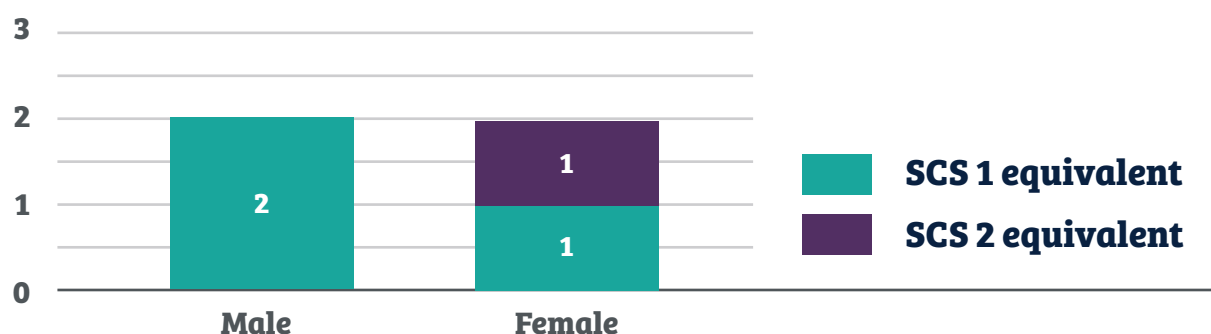
Staff and Board composition

The graph below shows staff and board member composition between male and female as at 31 March 2022:



The graph below shows the Executive Team member composition between male and female as at 31 March 2022:

Executive Team by gender



Staff costs (audited information)

For the year ended 31 March 2022:

2021/22 14 months £'000			
	Permanently employed staff	Other	Total
Wages and salaries, including overtime	2,426	115	2,541
Social security costs	242	0	242
Other pension contributions	599	0	599
Total costs	3,267	115	3,382

Note that for the purposes of this table, executive directors are included as employed staff and they are shown alongside non-executive Board Members in the remuneration report.

No staff costs were capitalised during the period ending 31 March 2022.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha”, are an unfunded multi-employer defined benefit scheme, in which we are unable to identify its share of the underlying assets and liabilities.

A full actuarial valuation was carried out as at 31 March 2017. For 2021/22, employers' contributions of £560,000 were payable to the PCSPS at one of four rates in the range of 26.6% to 30.3% of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions approximately four years following a full scheme valuation. Employees can opt to open a partnership pension account (a stakeholder pension with an employer contribution). In 2021/22 no employees were members of the partnership scheme.

No employees retired early on ill-health grounds. The total additional accrued pension liabilities in the year amounted to nil.

Average sickness/absence

The average number of working days lost by our staff due to sickness was 3.86 days per staff member during 2021/22 against a target of 5 days.

Staff turnover

In 2021/22, organisational staff turnover was 1.64%. As a new organisation, the low level of turnover is to be expected with a focus on recruitment and onboarding of staff to fulfil our statutory function.

We will continue to monitor turnover rates and support initiatives to maintain a healthy level of turnover and take appropriate action to improve effectiveness, including where turnover becomes problematic.

Recruitment

The IMA is an equal opportunities employer and welcomes applications from all qualified persons regardless of their protected characteristics, identity, circumstances or background.

The IMA is an accredited Non Departmental Public Body (NDPB) and our recruitment processes are based on the principle of selection on merit through fair and open competition, as described in the Civil Service Commission recruitment principles, available at Recruitment – Civil Service Commission (independent.gov.uk)

The Civil Service Success Profiles framework is used in recruitment across the organisation to assess candidates, and our assessment methods ensure that we recruit the right people, with the right skills.

Employment of people with disabilities

In March 2022, the IMA was registered as a Level 1 Disability Confident employer, making commitments to making our recruitment inclusive and accessible, communicating vacancies, offering interviews to disabled people, providing reasonable adjustments, and supporting existing employees.

We automatically offer an interview to applicants with disabilities who have met the essential criteria for a post. In accordance with the principles set out in our recruitment, selection and induction policies and procedures, we acknowledge our duty under the Equality Act 2010 to make reasonable adjustments to the working environment or conditions of appointment that would enable a disabled person to compete for, and carry out, a job on an equal basis.

If an existing member of staff becomes disabled during their employment, the support given is determined on a case-by-case basis following consultation with HR Casework Service and Occupational Health.

We have raised awareness of the benefits and support services available to all staff as a part of their induction, at all staff events and through our intranet. Staff were reminded of our employee assistance programme (PAM Assist) and Occupational Health Services through our regular communication channels.

Employee Benefits

Employees at the IMA have access to benefits including a cycle to work scheme, employee discounts on products, including holidays, food, groceries, electrical items and entertainment through our suppliers Xexec and MyLifestyle.

We also have provision for a give as you earn scheme where staff can donate to charities, schools, hospitals, places of worship and sports clubs. They are able to donate straight from their salary, with no limitation on the amount and they don't pay tax on their donation.

Employee relations

We aim to be an exemplary public sector organisation and employer in the management of staff.

The IMA does not currently recognise a Trade Union and does not have a collective bargaining agreement.

We engage with staff through the People Forum, which consists of representatives from each IMA directorate who meet on a monthly basis. The People Forum acts as a communication platform to allow all IMA staff to voice their ideas, comments or concerns as well as a conduit for engagement with staff on organisational policy review and development in lieu of a trade union.

Its role in review of policies is part of a wider set of reviews including the Executive Team and legal counsel. The outcomes of any communication or consultation is reported to the Organisational Development Group for review, with final approval of any new policies being considered by the Executive Team.

Employee engagement

The IMA participated in the annual Civil Service People Survey in 2021 for the first time, achieving an engagement score of 77% against a target of 70%.

The IMA received positive survey results overall, however, there were some areas which received lower scores specifically on communications and progression. The Executive Team requested the People Forum to lead on an action plan to address these by gathering feedback from staff across the IMA with a view to making improvements to scores in the 2022 survey.

Specific actions have been taken to improve communication through a variety of channels including a weekly all staff 'Huddle', and the creation of an organisational intranet site facilitating news and articles, blogs and staff polls.

Diversity, inclusion, and wellbeing

The IMA induction process for all new starters outlines mandatory e-learning facilitated through the Civil Service Learning website including Becoming Disability Confident, Inclusion in the Civil Service and a Display Screen Equipment (DSE) Assessment. Completion of this training is tracked and reported to the Executive Team.

We will continue to establish robust mechanisms to report on diversity data for staff and conduct; along with Equality Impact Assessments for the introductions of new policies and processes underpinned by a new Diversity and Inclusion policy in 2022/23.

Section 75 of the Northern Ireland Act 1998 (the Act) requires public authorities, in carrying out their functions relating to Northern Ireland, to have due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Act. In this equality scheme the IMA set out our proposals to fulfil the Section 75 statutory duties, which was approved by the Equality Commission for Northern Ireland in November 2021.

Our Disability Action Plan was submitted in February 2022 and comments from the Equality Commission for Northern Ireland incorporated into the final version in March 2022. Both the Equality Scheme and Disability Action Plan have been published on our website with good progress made against commitments.

We appointed an Equality and Diversity champion as a member to the People Forum who has led on staff engagement on monthly sessions from yoga to raising awareness of domestic violence.

Health and Safety at work

All IMA employees are subject to the protection set within the Health and Safety at Work Act 1974.

All work processes are subject to the required risk assessment process. Risk assessments and guidance were developed for our office at the Swansea Civic Centre.

The guidance is available to all staff and includes working from home support, personal risk assessments and Driving on Official Business assessments.

Following the requirement to work from home during Covid-19, we provided staff with a £200 grant towards suitable office equipment. A DSE checklist was provided. DSE assessments are now done through the Cardinus system (via Moj).

3.3. Parliamentary Accountability and Audit Report (audited)

The Government Financial Reporting Manual (FRM) also requires us to report on losses, special payments and remote contingent liabilities. Further detail in Managing Public Money states that any losses should be declared by category, type and value where they exceed £300,000 in total and for any individual items of £300,000 or more. These notes and disclosures are subject to audit.

Losses and special payments

Losses statement

There were no losses during the year and no irregular spend.

Special payments

There were no special payments made between 22 January 2021 and 31 March 2022.

Gifts

We neither received nor were given any gifts above a trivial value during 2021/22 or 2020/21. This has been subject to audit.

Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS 37, we are also required to disclose details for Parliamentary reporting and accountability purposes any liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability.

As at 31 March 2022, we had no remote contingent liabilities.



Dr Kathryn Chamberlain
Chief Executive and Accounting Officer

3 November 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 Independent Monitoring Authority for the Citizens' Rights Agreements (IMA) for the period ended 31 March 2022 under the European Union (Withdrawal Agreement) Act 2020.

The financial statements comprise the IMA'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 period 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 UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the IMA's affairs as at 31 March 2022 and its net expenditure for the period then ended; and
- have been properly prepared in accordance with the European Union (Withdrawal Agreement) Act 2020 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (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 IMA 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 IMA'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 IMA'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 IMA 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 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 Secretary of State directions issued under the European Union (Withdrawal Agreement) Act 2020.

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 Secretary of State directions made under the European Union (Withdrawal Agreement) Act 2020; 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 IMA 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 IMA 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 IMA'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 IMA 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 European Union (Withdrawal Agreement) Act 2020.

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 IMA's accounting policies, performance against key priorities and performance incentives.

- Inquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the IMA's policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - o the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the IMA's controls relating to the IMA's compliance with the European Union (Withdrawal Agreement) Act 2020 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 IMA for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex or unusual transactions, and bias in management estimates. 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 IMA's framework of authority as well as other legal and regulatory frameworks in which the IMA 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 IMA. The key laws and regulations I considered in this context included European Union (Withdrawal Agreement) Act 2020, Managing Public Money, employment law and pensions legislation.

In addition, I considered the application of the transfer by absorption accounting required to both transfer assets and liabilities and allocate costs between the Ministry of Justice to IMA as at the date of IMA's constitution.

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, the Audit and Risk Committee and legal counsel 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;
- 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; and
- performing substantive procedures to ensure that the operational costs recognised by IMA are only those costs incurred after the date of constitution.

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

Comptroller and Auditor General

4 November 2022

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



4. Financial Statements

For the period 22 January 2021 to 31 March 2022

**Statement of Comprehensive Net Expenditure
for the period 22 January 2021 to 31 March 2022**

	Notes	2021/22 14 Months £'000
Expenditure		
Staff costs	2	3,382
Other operating costs	3	1,742
Other gains	4	(144)
Net expenditure for the period		4,980
Other comprehensive net expenditure		
		-
Total comprehensive net expenditure		4,980

The notes on pages 90 to 102 form part of these accounts.

Statement of Financial Position as at 31 March 2022

	Notes	2021/22 31 March £'000
Non-Current Assets		
Right-of-use assets	5	218
Intangible assets	6	150
Total non-current assets		368
Current Assets		
Trade and other receivables	7	6
Total current assets		6
Total Assets		374
Current Liabilities		
Trade and other payables	9	(532)
Lease liabilities	9	(67)
Cash at bank (overdraft)	8	(35)
Total current liabilities		(634)
Total assets less current liabilities		(260)
Non-Current Liabilities		
Lease liabilities	9	(154)
Total non-current liabilities		(154)
Total assets less total liabilities		(414)
Taxpayers' Equity		
General Fund		(414)
Revaluation Reserve		-
Total Taxpayers' Equity		(414)

The notes on pages 90 to 102 form part of these accounts.



Dr Kathryn Chamberlain
Chief Executive and Accounting Officer

3 November 2022

**Statement of Cash Flows
for the period 22 January 2021 to 31 March 2022**

	Notes	2021/22 14 Months £'000
Cash flows from operating activities		
Net expenditure for the period		(4,980)
Adjustments for non-cash transactions:		
• MoJ overhead recharge	3	367
• Depreciation and amortisation	3	110
Movement in trade and other receivables	7	(6)
Movement in trade and other payables	9	532
Net cash outflow from operating activities		(3,977)
Cash flows from investing activities		
Intangible asset recognised through business combination	6	(144)
Purchase of intangible assets	6	(40)
Net cash outflow from investing activities		(184)
Cash flows from financing activities		
Grant-in-aid received from Ministry of Justice		4,199
Repayment of principal on lease	10	(73)
Net financing		4,126
Net decrease in cash and cash equivalents in the period		(35)
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	8	(35)

The notes on pages 90 to 102 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the period ended 31 March 2022

	General Fund £'000	Revaluation Reserve £'000	Total £'000
Changes in taxpayers' equity - 2021/22			
Net expenditure for the period	(4,980)	-	(4,980)
Grant-in-aid towards expenditure	4,199	-	4,199
Grant-in-aid received, being notional recharge of overheads	367	-	367
Balance at 31 March 2022	(414)	-	(414)

The notes on pages 90 to 102 form part of these accounts.

Notes to the Accounts

1. General Information

The IMA was set-up to ensure UK public bodies protect the rights of EU and EEA EFTA citizens in the UK and Gibraltar. All EU and EEA EFTA citizen have the right to be treated fairly; the IMA ensures this is achieved by monitoring UK public bodies to ensure they implement the rights of these citizens and by identifying any underlying issues.

2. Statement of Accounting Policies

Basis of preparation

The IMA is required to prepare a statement of accounts under the European Union (Withdrawal Agreement) Act 2020 (EUWAA), in the form and basis directed by the Secretary of State. In accordance with EUWAA, Schedule 2, paragraph 14(5)(a)(ii) the IMA's opening financial year commenced on 22 January 2021 being the day on which the membership of the IMA was first constituted and ended on 31 March 2022. The opening set of accounts covers a reporting period of 14 months and 10 days.

These financial statements have been prepared in accordance with the 2021/22 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the circumstances of the IMA for the purpose of giving a true and fair view has been selected. The accounting policies adopted by the IMA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The functional and presentational currency of the department is the British pound sterling (£).

Transition Accounting

IFRS 3 'Business Combinations' is the accounting standard governing business combination transactions. IFRS 3 excludes from its scope combinations of public sector entities as they are deemed to be under common control. The FReM interprets the standard for the public sector and requires that the transfer of functions within the MoJ departmental boundary be accounted for as a Transfer by Absorption.

The FReM states that where an entity is the recipient in the transfer of a function, it recognises the assets and liabilities received as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net asset/liability carrying value should be recorded as a non-operating gain/loss from the transfer of function, through net expenditure. In absorption transfer accounting for property, plant and equipment and intangible assets, the cost and accumulated depreciation and amortisation balances from the transferring entity's financial statements are preserved on recognition in the acquirer's financial statements.

Specific information on acquisition through business combination is presented in the intangible asset and right-of-use asset notes.

Accounting convention

These financial statements have been prepared on a historic cost convention, except for specific departure, including revaluation of non-current assets where material. Historical cost is a measure in which the value of an asset on the balance sheet is recorded at its original cost when acquired by IMA.

Going concern

These accounts are prepared on a going concern basis. The IMA is an independent non-departmental public body whose activities are funded by the Ministry of Justice (MoJ) but operates independently to ensure its work is objective and impartial. The EUWAA requires the Secretary of State to pay to the IMA such sums as the Secretary of State considers appropriate for the purpose of enabling the IMA to exercise its functions. The IMA's future costs are expected to be met by grant-in-aid from the MoJ, which has included the IMA's funding for 2022/23 in its estimates. The IMA will work with all EU and EEA EFTA citizens in the UK before and after the settlement schemes closes. There are currently no proposals that would change the IMA's status as a going concern.

New accounting standard adopted

International Financial Reporting Standard (IFRS) 16 Leases

IFRS 16 provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less, or the underlying asset is of low value. Under the FReM, the standard is effective from 1 April 2022, with the option to early adopt. The IMA has adopted the new standard in the financial year commencing 22 January 2021.

The IMA occupies office space on the third floor, Civic Centre, Swansea. This lease qualifies as a right-of-use asset under IFRS 16 as it confers the IMA's right to use the leased asset during the lease term. Therefore, IMA recognises a right-of-use asset and a corresponding lease liability.

Initial measurement – IMA as lessee

The IMA's initial recognition of the Civic Centre lease upon implementation of IFRS 16 occurred when it was constituted on 22 January 2021. IMA recognised this as a right-of-use asset which is presented as an acquisition through business combination in note 5. The right-of-use asset and lease liability are initially measured at the value of the remaining lease payments, discounted by IMA's incremental rate of borrowing. This rate is advised annually by HM Treasury (0.91 for leases recognised in 2021). IMA's lease includes a termination option but the IMA is reasonably certain this option will not be exercised. Therefore, the remaining payments included assume the option will not be exercised.

Subsequent measurement – IMA as lessee

After initial recognition, the lease liability has been adjusted for repayments and accruals of interest. The lease is also monitored for reassessments and modifications which could affect the carrying amount of the liability; to date there have been none.

The right-of-use asset is subsequently measured using the fair value model. IMA considers that the cost model (measurement by reference to the lease liability) is a reasonable proxy for fair value, given the lease length is five years and the rents payable are aligned with open market rates. The value of the asset will be adjusted for subsequent depreciation and impairment and for reassessments and modifications of the lease liability if they were to occur.

Expenditure for each financial year includes interest on the lease liability and a straight-line depreciation charge on the right-of-use asset over the life of the lease, together with any impairments of the right-of-use asset.

Grant-in-aid

The FReM requires Non-Departmental Public Bodies (NDPBs) to account for grants received for both revenue and capital as financing because they are regarded as contributions from a controlling party which give rise to a financial interest in the residual value of NDPBs. All grant-in-aid is therefore credited to the General Fund when received.

The IMA receives grant-in-aid funding from the MoJ to meet its operational expenditure. The IMA also receives corporate services from the MoJ such as digital, finance and HR services, the funding for which is recognised as grant-in-aid, a notional recharge of overheads in the Statement of Changes in Taxpayers' Equity. These services are recorded as other operating costs in the Statement of Comprehensive Net Expenditure and non-cash costs in note 3, to report the full cost of the IMA's operations. They are accounted for at full cost based on the services received.

Costs incurred by the IMA during the initial months of operation were funded by the MoJ. This was necessary prior to the IMA receiving access to banking facilities and was an exceptional situation that will not be repeated. A one-off amount for notional grant-in-aid towards expenditure was included in the total of £4,199k in the SoCTE for the period 22 January 2021 to 31 March 2021.

Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. The IMA initially capitalises expenditure on intangible assets at cost above a capitalisation threshold of £5,000. This threshold is applied on a grouped basis where the elements in substance form a single asset. Subsequent acquisitions with a value less than £5,000 which are of the same nature as existing grouped assets are capitalised. Otherwise, expenditure on intangible assets which falls below £5,000 is charged as an expense in the SoCNE.

The IMA has recognised its Case Management System (CMS) as an intangible asset. The CMS meets the recognition criteria under International Accounting Standard (IAS) 38 'Intangible Assets' as it is controlled by the IMA and the organisation is expected to receive all future economic benefits from its use. The CMS was complete and capable of operating from late December 2020. The asset was purchased by the MoJ during the on-boarding project and transferred to the IMA at cost less amortisation when the organisation was formally constituted on 22 January 2021.

Amortisation is charged on a straight-line basis to write off the value of the CMS over its estimated useful life of five years.

Subsequent to initial recognition, intangible assets are recognised at current value in existing use. As no active market exists for the CMS, current value in existing use is assessed as replacement cost less any accumulated amortisation and impairment losses. When material, intangible assets are revalued at each reporting date using the Producer Price Index produced by the Office for National Statistics; to date the effect of revaluation has not been material.

Intangible assets under construction are not amortised or revalued until the assets are ready for use.

Impairment

An impairment reflects a diminution in value of an asset as a result of a clear consumption of economic benefits or service potential. Each year, IMA performs an impairment review of its assets. If indicators of impairment exist, the asset in question is tested for impairment by comparing the carrying value of those assets with their recoverable amounts. There is no impairment of the IMA's case management system in the first financial year or the lease.

Cash and cash equivalents

For the purposes of the Statement of Cash Flows (SoCF), cash includes cash in hand and deposits on call with banks. The IMA does not currently hold any items that meet the definition of cash equivalents, such as short-term liquid investments or the bank overdraft with GBS which is not repayable on demand.

Financial liabilities

The IMA has financial liabilities, comprising accruals, finance lease liabilities, trade and other payables. All financial liabilities are recognised initially at fair value, net of any transaction costs incurred, and then measured at amortised cost using the effective interest rate method. Financial liabilities are derecognised when the liability has been discharged; that is, the liability has been paid or has expired.

Pension costs

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) which are contributory and unfunded. Although the schemes are defined benefit schemes, liability for payment of future benefits is a charge to the PCSPS and CSOPS. The IMA recognises contributions payable to the schemes as an expense in the year in which it is incurred. There is a separate scheme statement for the PCSPS and CSOPS.

Employee benefits

In compliance with International Accounting Standard (IAS) 19 'Employee Benefits', an accrual is made for holiday pay in respect of leave which has not been taken at the year end and this is included within payables.

Defined benefit pension schemes

The provisions of the Principal Civil Service Pension Scheme (PCSPS) cover most present employees. The PCSPS is an unfunded defined benefit scheme although, in accordance with the FReM, the IMA accounts for it as a defined contribution scheme. The IMA recognises contributions payable to the PCSPS as an expense in the year in which they are incurred, and the legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. The IMA is unable to recognise its share of the underlying assets and liabilities.

VAT

The IMA is not eligible to register for VAT and all costs are shown inclusive of VAT, all of which is irrecoverable. VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Non-current assets are capitalised inclusive of VAT.

2. Staff Costs

	2021/22 14 Months £'000
Permanent staff	
Salaries and wages, including overtime	2,426
Pension contributions	599
Social security costs	242
Total permanent staff	3,267
Seconded staff	23
Agency staff	92
Total	3,382

For further information see the Remuneration and Staff Report on page 56 to 74 of the Accountability Report.

3. Other Operating Costs

	2021/22 14 Months £'000
Legal costs	271
Travel and subsistence	14
Communications, office supplies and services	163
Information technology and telecommunications	300
Training and other staff related costs	117
Internal audit fee	51
External audit fee	45
Accommodation	137
Shared services	154
Depreciation and amortisation	110
Other costs	13
Costs met by the IMA	1,375
Costs incurred by the IMA but settled by the Ministry of Justice: (Non-cash costs)	
Digital, finance and other common services	367
Total other operating costs	1,742

Following the successful set up of the IMA within the MoJ Departmental boundary, the MoJ has agreed to pay IMA onboarding costs of £772k. This consisted of expenditure of £586k between January and March 2021 and a further £186k incurred after 1 April 2021.

4. Other Gains and Losses

	2021/22 14 Months £'000
Absorption gain through business combination	(144)
Total gain	(144)

The absorption gain on business combination is the net book value of the CMS intangible asset at the transfer date (the first date of IMA's accounting period when assets were transferred from MoJ). The gain is £147k at cost less £3k accumulated amortisation.

5. Right-of-Use Assets

Movements in 2021/22

	Buildings £'000	Total £'000
Cost or valuation		
Initial recognition on implementation of IFRS 16 At 22 January 2021	-	-
Acquired through business combination	294	294
Additions	-	-
Disposals	-	-
Revaluations	-	-
At 31 March 2022	294	294
Depreciation		
At 22 January 2021	-	-
Charged in period	76	76
Disposals	-	-
Revaluations	-	-
At 31 March 2022	76	76
Carrying value at 31 March 2022	218	218

6. Intangible Assets

Movements in 2021/22

	Case Management System £'000	Assets under construction £'000	Total £'000
Cost or valuation			
At 22 January 2021	-	-	-
Acquired through business combination	147	-	147
Additions	-	40	40
Disposals	-	-	-
Revaluations	-	-	-
At 31 March 2022	147	40	187
Amortisation			
At 22 January 2021	-	-	-
Charged in period	34	-	34
Disposals	-	-	-
Revaluations	-	-	-
Transfer due to acquisition through business combination	3	-	3
At 31 March 2022	37	-	37
Carrying value at 31 March 2022	110	40	150

7. Trade and Other Receivables

	2021/22 31 March £'000
Amounts falling due within one year	
Staff receivables	5
Other receivables	1
Total	6

8. Cash at Bank

	2021/22 31 March £'000
Balance at 22 January 2021	-
Cash receipts	3,472
Disbursements	(3,507)
Balance at 31 March 2022	(35)
Total cash held at Government Banking Service	(35)

The overdrawn balance on the Government Banking Service account at 31 March 2022 was due to the timing of the grant-in-aid payment from MoJ which was not received by the IMA until 7 April 2022.

9. Trade and Other Payables

	2021/22 31 March £'000
Amounts falling due within one year	
Tax and social security	54
Trade payables	34
Other payables	53
Accrued holiday pay	63
Accruals	214
Lease liabilities	67
Intra-departmental payables	114
Total	599
Amounts falling due after more than one year	
Lease liabilities	154
Total	154
Total amounts due	753

10. Leases

	2021/22 31 March £'000
Lease liabilities creditors	
Not later than one year	69
Later than one year and not later than five years	155
Later than five years	-
	224
Less interest element	(3)
Present value of obligations	221
Current	
Current	67
Non-current	154
Present value of obligations	221
Amounts recognised in the Statement of Comprehensive Net Expenditure	
Depreciation	76
Interest expense	3
	79
Amounts recognised in the Statement of Cash Flows	
Repayment of principal on lease	73
Interest expense	3
	76

11. Financial Instruments

The IMA relies on grant-in-aid from the Ministry of Justice for its cash requirements, and is therefore exposed to minimal liquidity, currency or market risk.

12. Related Party Transactions

The IMA is a non-departmental public body sponsored by the Ministry of Justice. The Ministry of Justice is regarded as a related party with which the IMA has had various material transactions during the year.

No Board Members or senior executives of the IMA engaged in activities that gave rise to related party transactions during the 2021/22 reporting year.

13. Events After The Reporting Date

In accordance with the requirements of IAS 10 'Events after the reporting period', events are considered up to the date on which the financial statements are authorised for issue, which is interpreted as the date of the certificate and report of the Comptroller and Auditor General.

There are no events after the reporting period which require disclosure.





IMA

For the Citizens'
Rights Agreements

Independent Monitoring Authority

3rd Floor Civic Centre
Oystermouth Road
Swansea
SA1 3SN

Email: IMA@ima-citizensrights.org.uk
www.ima-citizensrights.org.uk

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