



Government
Legal Department

Government Legal Department Annual Report and Accounts 2023-24

HC 74

Government Legal Department

Annual Report and Accounts 2023-24

For the year ended 31 March 2024

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

Annual Report presented to the House of Commons by Command of His Majesty

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Preface

About this Annual Report and Accounts

This document integrates performance and financial data to help readers gain a better understanding of the work of the Government Legal Department (GLD). It covers the activities of GLD from 1 April 2023 to 31 March 2024 and is split into 3 main sections:

The Performance Report includes a summary of the department's purpose, strategy and activities (the Performance Overview) followed by a review of progress against our performance measures and key priorities (the Performance Analysis).

The Accountability Report is further split into 3 sub sections and includes:

- a Corporate Governance Report, which includes the Directors' Report, the Statement of Accounting Officer's responsibilities and a Governance Statement;
- a Remuneration and Staff Report, which includes pay and benefits received by executive and non-executive Board members and details of staff numbers and costs; and
- a Parliamentary Accountability and Audit Report, which includes a copy of the Audit Certificate and Report made to the House of Commons by the Comptroller and Auditor General setting out his opinion on the financial statements and other information in the Annual Report.

The Financial Statements show GLD's income and expenditure for the financial year, the financial position of GLD as at 31 March 2024 and additional information designed to help readers understand these results.

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Chief Executive's Report



I am pleased to share the Government Legal Department's Annual Report and Accounts for 2023-24.

Looking back over the year I am proud of the way the Government Legal Department (GLD) has continued to deliver outstanding legal services, helping the government to govern well, within the rule of law.

I am delighted to be able to share with you in this report some of the highlights from our legal work this year. These range from the work undertaken by teams across GLD to take the Levelling Up and Regeneration Act 2023 to Royal Assent, to the support and assistance provided to a range of departments in their involvement with the Covid-19 Inquiry. Additionally, we joined the country in celebrating the Coronation of Their Majesties King Charles III and Queen Camilla in May last year, knowing we had played a crucial part in this, advising on the legal aspects of the ceremony.

Alongside our legal achievements, the department has undertaken significant work to ensure our continued improvement as an organisation – delivering on the priorities I had at the start of the year. Key to this has been our ongoing effort to recruit and retain fantastic colleagues. We have refreshed our 'Employee Value Proposition' (what we offer as an employment package to our staff and how we communicate this), to attract the most talented people to work with us. Alongside this, we have established a Legal Capability Framework, allowing us to set out career and pay progression routes for our lawyers, to incentivise and reward their development and to allow us to better understand our legal capability to manage demand.

Whilst the quality of our service has been a constant, GLD continues to evolve as an organisation and there have been significant changes in my senior team. I would like to take this opportunity to thank outgoing senior colleagues for their contribution to GLD, including Jon Fundrey (Finance, Operations and Digital Director), Elizabeth Hambley (Director General for Commercial, Trade and International) and Jessica de Mounteney (Director General for Litigation, Justice and Security), as well as non-executive directors Catherine Berney and Erica Handling.

We welcomed Directors General (DG) Sarah Goom and Caroline Croft to the Executive Team, as well as Carmel Thornton (Finance, Operations and Digital Director). Carmel will sit on the GLD Board, to which we have also appointed 2 additional non-executive directors, the Rt Hon Dame Janet Paraskeva and Tim Fallowfield OBE, who joined us in March 2024.

In recent months we also welcomed Richard Cornish as Chief Operating Officer. This is a new DG role, and will be crucial to leading the transformation of our corporate services and legal operations functions, as we modernise and develop GLD to continue offering the best legal services to government.

With these changes, we re-examined the composition and terms of reference of our Board. Dame Janet will chair the Board and I am confident the new arrangements will bring fresh perspectives and challenge that will enable us to deliver our new 3 year Strategy. We have 3 strategic ambitions: to be a national GLD, offering rewarding careers for all, in an environment fit for the future. We are confident that this focus will see us become better skilled, better resourced, better connected and better known, helping us to go from being a great department to an outstanding one.

I would like to take this opportunity to thank all colleagues for their contributions to our achievements this year, and for their ongoing commitment to our continued evolution. We will succeed through the professionalism of all colleagues within GLD, and their commitment to our Vision and Values.



Susanna McGibbon
Treasury Solicitor and Permanent Secretary

Performance Report

Performance Report

Performance Overview

Who we are

The Government Legal Department (GLD) is a non-ministerial government department and executive agency providing legal services to the majority of government departments and other publicly funded bodies in England and Wales.

We are currently one of the largest legal organisations in the country, with around 3,400 staff, of whom the majority (c2,600) are lawyers and paralegals based in 19 locations (including client sites).

Our responsibilities include:

- advising ministers and policymakers on domestic, public and private law, trade policy, international law and human rights
- providing litigation services to government departments and public bodies, covering public and private law issues
- drafting statutory instruments and other subordinate legislation
- preparing instructions for bills to be drafted by Parliamentary Counsel and advising ministers and policymakers during the passage of bills through Parliament
- providing legal services to support public inquiries
- advising the Cabinet Office (CO) and His Majesty's Treasury (HMT) on cross-Civil Service wide employment issues and policies, as well as dealing with individual employment issues, including in the Employment Tribunal
- supporting complex government procurement transactions and dispute resolution
- collecting, managing and disposing of bona vacantia (ownerless personal and corporate property and other assets) on behalf of the Crown's Nominee

We are led by the Treasury Solicitor and Permanent Secretary, Susanna McGibbon, and are sponsored by the Attorney General's Office (AGO). The Attorney General is the Government's chief legal adviser and has a number of independent public interest functions, as well as overseeing the Law Officers' departments. The Law Officers are accountable to Parliament for the performance of GLD. GLD's governance structure is set out in the Governance Statement on page 34.

GLD also provides support to the Attorney General's Office and HM Crown Prosecution Service Inspectorate (HMCPSI), the independent inspectorate of the Crown Prosecution Service.

The financial statements at pages 64 to 78 relate to activity carried out by GLD in the year 2023-24 and are prepared under a direction issued by HMT, in accordance with Section 7(2) of the Government Resources and Accounts Act 2000.



Case Study: The Coronation



People across the country and the Commonwealth celebrated the Coronation of Their Majesties King Charles III and Queen Camilla over a weekend of special events on 6 to 8 May 2023. In preparation for this historic occasion, GLD Lawyers in Cabinet Office Legal Advisers (COLA) gave advice on the legal aspects of the Coronation ceremony. These included the wording and choreography of the King's Coronation Oath, required by the Coronation Oath Act 1688, and the accession declaration set out in the Accession Declaration Act 1910. COLA also gave advice on the establishment of the Coronation Claims Office, which considered claims from individuals and organisations of historic rights to perform a role in the ceremony, and replaced the ancient Court of Claims. Finally, COLA advised on the wording and keeping of the Coronation Roll, the official record of proceedings. This very special work was a continuation of COLA's advice to the Cabinet Office on matters surrounding the end of one reign and the beginning of another.

Core Purpose and Vision

We help the government to govern well, within the rule of law.

Our vision is to be:

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

GLD Strategy 2024-2027

A key priority in 2023-24 was to develop a new multi-year strategy. This was launched on 15 February 2024. The new 2024-27 strategy sets out a clear and ambitious vision for how GLD will continue to deliver its core purpose and legal services, as well as develop as a department and continue to support the Law Officers to ensure government gets the best overall legal support it needs. The strategy sets out 3 overarching strategic ambitions which align to the 5 missions from the Civil Service's Modernisation and Reform Programme. As such, this strategy will guide GLD through the next 3 years and is the next chapter in our vision to be an outstanding, modern, outward-facing legal organisation committed to the highest standards of service and professionalism which delivers much more than law. Our 3 strategic ambitions are:

Becoming A National GLD

We are a vibrant, inclusive, and integrated GLD that is influential and respected in government and beyond. Our state-of-the-art offices are equipped to enable all colleagues, at all levels, to work closely together and contribute to our success. In all our locations, we reflect the communities we serve and are recognised as leaders in the legal community.

Rewarding Careers for All

Colleagues across GLD clearly understand how they contribute to our Purpose, Vision and Values. As a result, they feel valued and respected. A clear and accessible career pathway supports colleagues to progress within their chosen professions and specialisms. We attract and retain sufficient talent across many Civil Service professions including the law, maintain our high standards and provide colleagues with an attractive work-life balance in a diverse and inclusive community.

Environment Fit for the Future

We are a modern, sustainable and innovative GLD, equipped to respond to a rapidly changing world. We embrace the opportunities of technology to streamline our processes and deliver excellent legal services in a high-quality working environment. We are committed to continuous improvement ensuring outstanding value for money for the taxpayer.

Looking back on 2023-24 (Business Plan 2023-24)

In our Business Plan 2023-24, the Board set out the core priorities GLD would focus on to help the government deliver for citizens. Our plan reflected a confident GLD, committed to our people and focused on delivery and modernisation. It set out how we planned to continue to build the department we aspire to be, including playing our part in ongoing Civil Service reform.

We have sought to embrace the opportunities of technology, data, new ways of working and attract the best talent and expertise available right across the UK.

Our values have remained at the heart of all we have done – to value and respect each other, take pride in the high standards of our service and embrace new ideas and collaborate – and these continue to underpin how we will deliver our new strategy.

Below are some of our key achievements, illustrating what we have delivered this year. Some exemplify legal delivery to support government departments; others explain achievements that have enabled that delivery and/or contributed to modernisation of the Civil Service.

Legal Directorates	Delivery
Employment, with Economic Recovery and UK Governance	<ul style="list-style-type: none"> • The Levelling Up and Regeneration Act received Royal Assent in October 2023. This legislation is over 500 pages long and is intended to reform the planning system and enable the building of more new homes. The Act, and the implementing subordinate legislation, has been a significant and wide-ranging project involving more than 35 lawyers across multiple departments. • The Higher Education (Freedom of Speech) Act received Royal Assent in May 2023, following 2 years of parliamentary scrutiny. • The Automated Vehicles Bill was introduced in November 2023. The bill, with 100 clauses and 6 schedules, follows a 4-year Law Commission project and significant collaboration with other government services. • The Tobacco and Vapes Bill was introduced to the House of Commons in March 2024, having been developed at great pace following the Prime Minister’s announcement of the new policy in October. • Surrounding the Autumn Statement, lawyers have advised extensively on a number of areas such as the possible changes to work capability assessments and benefits/pensions uprating.
Commercial, with Trade and International	<ul style="list-style-type: none"> • We supported the Energy Act described as “the biggest piece of energy legislation in the UK’s history”. • We provided legal support to the inaugural Prime Minister-led AI Summit in November, advising on a wide range of policies, grants, announcements and related publications. • The King’s Speech included the Offshore Petroleum Licensing Bill which was introduced in the Fourth Parliamentary session. • The Online Safety Bill completed its Parliamentary passage in October and the regime should be operational in 2025. • We worked collaboratively across policy and legal teams to coordinate responses and implement the Retained EU Law Act and Windsor Framework. • We continued to provide innovative legal input to the UK’s sanctions regime relating to the war in Ukraine.
Litigation, with Justice and Security	<ul style="list-style-type: none"> • Representing all departments and agencies plus government witnesses at the Covid-19 Inquiry, involving a disclosure exercise, unparalleled in size and pace. • Supporting the Ministry of Defence’s response to the Afghan Inquiry which is investigating alleged serious wrongdoing by UK Special Forces and advising on UK support to Ukraine and in relation to the events in Israel-Gaza, the Red Sea and the wider Middle East. • Delivering a package of measures to ‘stop the boats’, including the Safety of Rwanda Act. • Working to deliver the Victims and Prisoners Bill, the Sentencing Bill and the Criminal Justice Bill.

Legal Directorates	Delivery
Litigation, with Justice and Security (continued)	<ul style="list-style-type: none"> • Working alongside the Cabinet Office on the legal aspects of His Majesty’s coronation. • Delivering the Procurement Act and drafting the statutory instruments to implement it. • Coordinating the drafting of statutory instruments to implement the McCloud judgment which has fundamental consequences for all public sector pension schemes. • Providing legal support for the successful negotiation of the Windsor Framework deal that led to the restoration of devolved government in Northern Ireland and coordinating its implementation.

Corporate Directorates	Achievement
A National GLD	<ul style="list-style-type: none"> • We grew our presence outside of London, in line with the ‘Places for Growth’ programme, with Leeds currently having the largest national presence. We now occupy new offices in Salford and Croydon and have expanded our presence in Bristol. • We embraced future ways of working, launching a new hybrid working policy to ensure we deliver inclusive and sustainable working practices for our people and continue to deliver for departments.
Rewarding Careers for All	<ul style="list-style-type: none"> • The introduction of capability-based pay for our lawyers increased employee retention, and the launch of a new Employee Value Proposition has been positively received. We have a rolling ‘Always On’ campaign to attract legal expertise. We have built robust data capability in Human Resources and will be monitoring the impact on recruitment and retention. We expect to have sufficient resources to meet the demand for the financial year ahead. • We ensured consistent learning, expertise and resources with the development and launch of practitioner pathways for our Legal Learning Framework in our 4 core areas of work. In particular, this has supported colleagues joining GLD to prioritise their learning during their first 12 months, around the key knowledge and skills they will need to succeed in their role.
An Environment Fit for the Future	<ul style="list-style-type: none"> • We modernised our approach to legal services with the completed rollout of ‘Lawmaker’ (a browser-based legislation drafting and checking tool developed by The National Archives) and we launched a new Rapid Response Team capability in GLD to improve our resilience and ability to respond to high priority government demand. • We modernised corporate services by updating technology infrastructure, software and support, including deploying Office 365 tools, to upskill staff on the use of technology. We embedded new governance and portfolio management and performance systems.

What we do

Our principal activities are delivered as follows:

Legal Divisions:

Advisory - GLD has expert advisory teams specialising in the work of their client departments, providing risk-based and solution-focused legal advice. GLD lawyers are crucial throughout the lifecycle of government policy. They advise on and draft legislation and work to take it through Parliament; advising departments and ministers on the legal implications of government policy and ensuring it stands up to Parliamentary scrutiny.

Litigation - GLD's Litigation Group is comprised of 4 divisions: Defence and Security, Home Office and Immigration, Justice and Development and the Covid Inquiry Team. Litigation lawyers handle high profile public and private law litigation for central government departments, security agencies and other public bodies; including UK military and security bodies. The divisions also undertake inquest, inquiry and injunctive work for GLD's clients. Our litigation teams are currently handling approximately 27,000 pieces of litigation.

Employment - As one of the largest employment law practices in the country, GLD's Employment Group advises on complex and fast-moving legal areas including: claims for unfair dismissal and relating to discrimination; pay issues; contractual issues and terms and conditions, and whistleblowing claims. The TUPE (Transfer of Undertakings Protection of Employment) and Transactional Hub provides specialist advice on employment and pensions issues to help manage employment-related risks, while the Industrial Hub advises on trade union matters and industrial action. The National Security Hub manages advice work and litigation claims requiring a knowledge of security vetting or the management of protected material.

Commercial - The Commercial Law Group provides expert advice on transactional, litigation, property and advisory commercial legal matters. Transactional and advisory teams advise government departments on their commercial work, ensuring value for money in the purchase of goods and services for the public sector. The Litigation and Dispute Resolution Team supports the government in high profile legal claims and saves taxpayer money by pursuing alternative forums (mediation, adjudication). The Property Hub provides strategic commercial property advice and supports government departments and agencies via training on property issues.

Statutory Instrument Hub - The Statutory Instrument (SI) Hub is GLD's specialist statutory instrument drafting service and Centre of Excellence for secondary legislation, with 30 lawyers drafting secondary legislation for all of GLD's client departments. The SI Hub Centre of Excellence makes a major contribution to helping lawyers across GLD improve the quality of their drafting, through its structured SI training programme, the annual SI conference and drafting guidance.

Chief Operating Officer Group:

The Finance, Operations and Digital, and Strategy, People and Culture Divisions are responsible for developing the department's strategy and plans and leading and coordinating programmes of activity across the department to deliver cost effective legal and support services that address the needs of our clients and staff. This includes the provision of corporate services covering governance and strategy, communications and engagement, finance, planning and performance, human resources (HR), procurement, facilities management, security, information and communications technology (ICT), business assurance and resilience, and library and records management services.

Bona Vacantia Division, on behalf of the Crown's Nominee, administers the estates of people who die intestate and without relatives entitled to inherit and collects the assets of dissolved companies and failed trusts in England, Wales and Northern Ireland, except in the Duchies of Cornwall and Lancaster. The costs of the division are recovered from the estates and assets it administers. The proceeds of bona vacantia are accounted for in the Crown's Nominee Accounts and separately notified to Parliament as prescribed in the Treasury Solicitor (Crown's Nominee) Rules 1997 (SI.1997/2870).

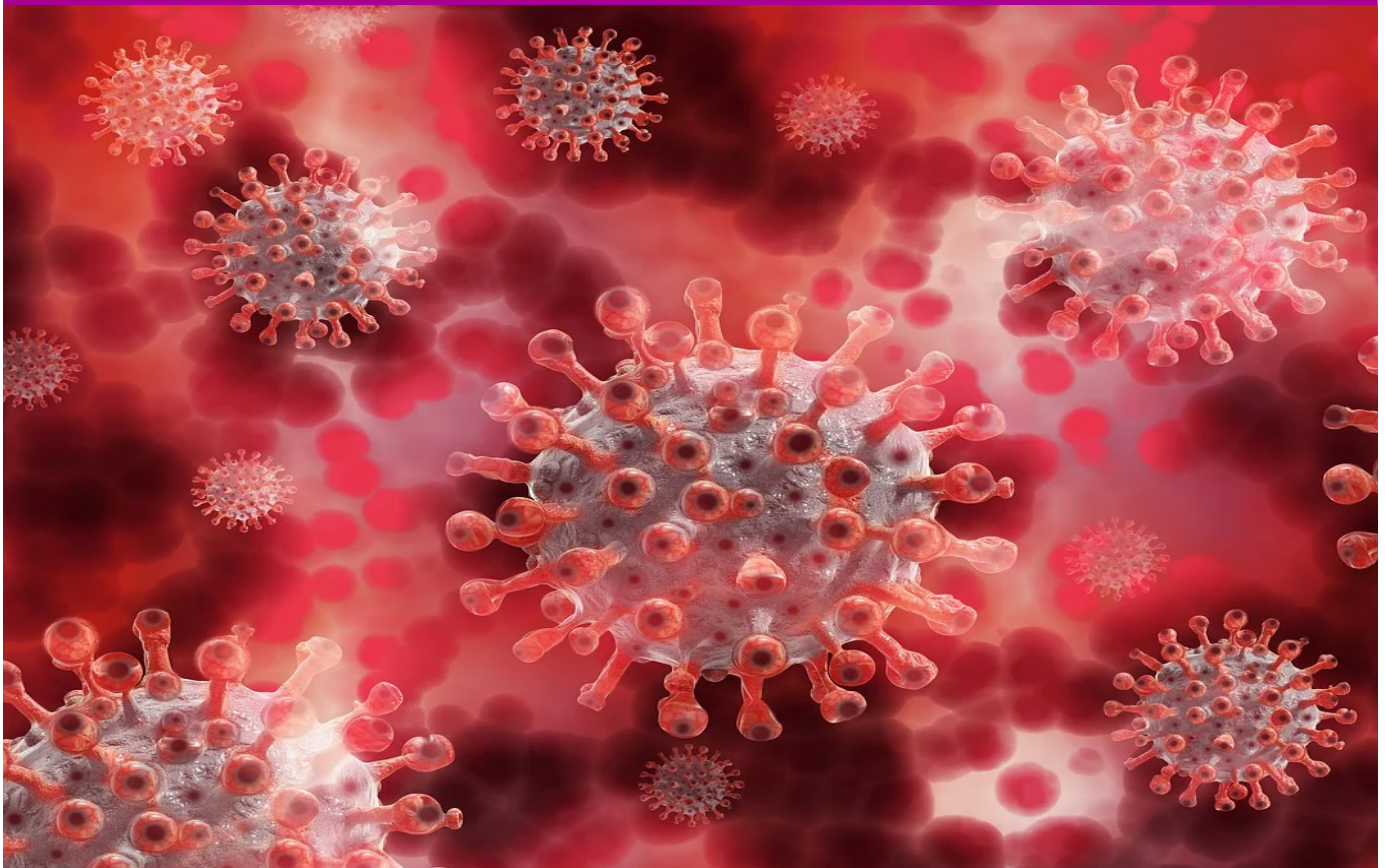
The Knowledge and Innovation Division lead on developing the department's integrated Legal Knowledge, Capability and Innovation Strategy, working with legal divisions to professionalise legal knowledge and learning activity and to develop innovative and flexible approaches to meeting client needs.

GLD also has 17 Centres of Excellence; formal networks of lawyers who have recognised expertise in an area of law or legal practice that has relevance across a number of GLD divisions and teams.

Case Study: UK Covid-19 Inquiry



The UK Covid-19 Inquiry chaired by Baroness Hallett was set up to examine the UK's response to and impact of the Covid-19 pandemic and learn lessons for the future. The Inquiry Chair decided to divide the Inquiry investigation into modules. 7 modules are currently open and in the last year public hearings took place in the first 2 modules. Government Legal Department has been assisting government departments and agencies (and each of their respective Public Inquiry Response Teams) in their involvement in the Inquiry. This has been a real team effort across the whole organisation with lawyers (both litigation and advisory lawyers) and other professionals working in collaboration with external partners (panel and e-disclosure firms and counsel teams) on the Government Response. In Litigation Group, we created a new Division, the Covid-19 Inquiry Division which has grown over the last year as the Inquiry has progressed. Lawyers within the Division provided the main support to government departments and agencies in document review and disclosure of evidence, finalising witness statements and providing witness support. We also introduced a project management team to assist with strategic planning and risk management.



Case Study: Using Former Military Bases to House Asylum Seekers



Providing safe and secure accommodation for those seeking asylum is of considerable importance for the government. The selection and provision of appropriate accommodation is however a significant challenge, not least due to shortage of suitable properties, the large number of asylum seekers requiring accommodation, and cost. The Home Office therefore developed plans to use former military bases, including Royal Air Force (RAF) Scampton and RAF Wethersfield, to provide contingency housing for asylum seekers pending resolution of their claims. The use of these sites generated considerable publicity and debate, as well as local opposition. GLD lawyers advised throughout, supporting Home Office officials in assessing and mitigating legal risk. Opposition to the plans culminated in a series of applications for judicial review, brought by both individuals and local government (as local planning authority). Some also sought urgent injunctions seeking to stop the Home Office from using the sites pending the litigation. GLD's specialist planning litigation team supported the Home Office in successfully resisting the injunction applications, including on appeal to the Court of Appeal. Beyond the injunction applications, GLD lawyers also helped the Home Office resist attempts to apply for judicial review of the underlying decisions, where the focus was on the lawfulness of using the sites in terms of planning, environmental and other public law considerations, although some cases remain live before the High Court and Court of Appeal.

How we are funded

We are funded almost entirely through the fees we charge clients for legal services. Approval to make capital investment and spend the income generated each year is obtained through the Parliamentary Supply process and allocated in the HM Procurator General and Treasury Solicitor Main Estimate. The following table provides a more detailed analysis of how we fund our work. As agreed with HMT, we do not seek to make a surplus, although accidental surpluses may arise. The charging regime for 2023-24 reflects the mutual relationship we have with our clients.

Group/Division	Funding
Advisory	Fixed fees. A small proportion of work is charged at hourly rates
Litigation	Primarily hourly rates to client departments. A small proportion of general public interest work is funded from the Parliamentary Estimate
Employment	A mix of fixed fees and hourly rates, depending on the nature of the work
Commercial	A mix of fixed fees and hourly rates, depending on the nature of the work
Bona Vacantia	Costs are funded from the proceeds of bona vacantia
Corporate Services*	Recovered by the charges for our legal service to our clients

*Corporate Services includes Finance, Operations and Digital, Strategy, People and Culture and the Knowledge and Innovation Divisions

Risk management

GLD risks are aligned with the risk categories in HM Treasury's risk management guidance – "The Orange Book". The risks were agreed by the GLD Board in June 2023. We believe that our Primary Risk is that: "We cannot demonstrate the added value that GLD brings as a legal service for the benefit of government". GLD's principal risks are:

- We do not have a complete performance and assurance system to monitor the delivery of our Strategy 2024+ or Corporate and Business Plans.
- Our governance system and culture does not enable effective organisational performance and delivery, which impacts our decision-making and could lead to poor investment decisions, increased legal / reputational risk, inadequate risk management, and poor audit outcomes.
- GLD does not deliver on its Health and Safety obligations caused by poor management leading to unsafe and unsuitable buildings or unsuitable equipment for staff.
- We do not prepare for significant external events which impact the delivery of legal services or cost recovery.
- We do not keep pace with emerging threats or a failure of compliance as a result of inappropriate awareness, culture and practice across personnel, physical and cyber security domains. Resulting in harm, or sanctions, or has an adverse impact on our ability to deliver legal services to our clients.
- Project delivery capability, capacity, culture and controls do not keep pace with departmental appetite and demand leading to an inability to deliver a coherent portfolio of benefits through the successful delivery of programmes and projects.
- We fail to provide IT tools on a consistent basis, impacting efficiency and productivity. Inadequate IT could impact Core Purpose and strategic vision delivery; staff morale and productivity; and service delivery.
- GLD could lose money due to fraud and error as a result of fraudulent staff, fraudulent suppliers or external fraudsters making fraudulent payments, changes to bank details, authorising fake invoices leading to inappropriate use of GLD assets, loss of assets, selling GLD data, or inappropriate use of GLD travel contracts.
- We do not generate sufficient income to achieve full cost recovery and/or we breach one of our HM Treasury Control Totals.
- We are unable to attract and retain sufficient legal and other professionals necessary to deliver against the demand for GLD's services.
- There is a risk that GLD fails to meet the demand for high quality, trusted and integrated legal services (utilising a combination of internal and external legal provision) at an acceptable cost to clients, leading to loss of confidence in GLD and undermining our role as the default provider of legal services to government.
- There is an opportunity to enhance the quality and efficiency of GLD's legal work, through maintaining and enhancing effective control systems and creating an environment where innovation is encouraged and technology is well understood and deployed, resulting in GLD delivering consistently excellent legal work at minimum cost, and providing rewarding careers for our staff.

Our plans and mitigations in respect of these principal risks are set out in the Governance Statement on page 43.

Case Study: The Levelling Up and Regeneration Act 2023



This was an enormous project for GLD and a prime example of close cross GLD working. The range and remit of the Act is vast and the Bill grew by 60% from 338 pages at introduction to 538 pages at Royal Assent. Given the range and number of topics covered by the Act, the Bill was led by lawyers advising the Department for Levelling Up, Housing and Communities (DLUHC) but legal teams across GLD were closely involved (Department for Environment, Food and Rural Affairs (DEFRA), Department for Digital, Culture, Media and Sport (DCMS), Department for Education (DfE), Commercial Law Group, Department for Transport (DfT), Home Office), as were lawyers in the Devolved Governments (given the application of a number of measures beyond England). Legal support from across GLD was provided to ministers in Parliament both in person and virtually throughout passage, from introduction in May 2022 to Royal Assent in October 2023. The Act covers topics ranging from a new UK-wide framework for monitoring levelling up; a new post Brexit Environmental Assessment regime; a new levy on developers “Infrastructure Levy”; a suite of local government and council tax reforms; the registration of short term rental properties; open access mapping; blue plaques in England and road charging schemes in London. The wide scope of the Bill presented another challenge for GLD, given the need to support ministers on hundreds of pages of non-government amendments on a vast range of topics.



Looking to the future

Delivery of our Business Plan for 2024-25 will see us progress our ambition and represents delivery of year one of our new strategy (2024-27). We will continue to expand our national footprint, introduce collaborative technology such as our knowledge management system, further develop our leadership capability and offer to our people and continue to embed inclusivity such that it is part of our organisational DNA. Below are some examples of what we will focus on delivering in the coming year, prioritised in our Business Plan (2024-25), as part of our strategic ambitions:

Becoming A National GLD

We want to increase our footprint outside of London as part of meeting the Government's Places for Growth programme. We want our people to be able to work effectively and efficiently from any location across a state-of-the-art national estate. We aspire to achieve a common culture where any role can be performed from any location. We will ensure the hybrid working experience is positive both in terms of office environment, technology and culture and there is parity across all our offices. We have a National GLD delivery programme already in place and this programme is expected to run for the life of our strategy.

Rewarding Careers for All

Our aim is to provide rewarding careers for all our people, attracting and retaining a diverse and inclusive workforce, where all can reach their potential and succeed as experts in their chosen professions. We want our people to feel valued, respected and understand how they contribute to GLD's vision and values. We will continue to implement our capability-based pay (year 2) for our legal professions. This will support career progression and meet resourcing demands, all of which is central to GLD being an outstanding legal organisation.

An Environment Fit for the Future

Improvements in our technology are an essential component of our new strategy and will ensure that we can work smoothly as one GLD on an effective and interoperable system. Improving our systems and processes to manage our legal practice will be key. We need to optimise our use of technology and ensure we exploit opportunities to improve how we deliver our services.

Case Study: Retained EU Law (Revocation and Reform) Act 2023



Following the UK's departure from the EU, the process of untangling UK laws required innovative legal thinking and co-operation at pace across Whitehall.

The REUL Bill (now Act) sought to realign the UK constitutional framework by introducing complex changes to EU-derived laws across over 400 policy areas, removing the application of EU interpretive concepts. Realigning the constitutional framework to “assimilate” EU law presented complex challenges. Given the scale and pace of the change the Bill necessarily included wide delegated powers to enable ministers to implement reforms to support a new pro-growth regulatory environment, and, in its original form, would have seen most retained EU law ‘sunsetting’ at the end 2023.

Against a backdrop of rapid ministerial changes and intense media scrutiny, Bill lawyers in BEIS (now Department for Business and Trade (DBT)) collaborated at pace with policy colleagues, external lawyers and Office of the Parliamentary Counsel to develop legislation to meet government objectives. Following further ministerial decision making on the right approach to the legislation, they worked flexibly and innovatively with other Whitehall lawyers to compile a list of defunct, inoperative, EU-derived UK laws to include in a Schedule of Repeals to replace the sunset clauses. This change of approach was welcomed by business and legal stakeholders and created significant resource savings for GLD. With hundreds of Government lawyers required to implement the Bill's reforms by the end of 2023, the DBT team undertook a large-scale awareness raising and education programme running concurrently with the intensive Parliamentary Bill process, producing internal guidance and interactive workshops for Whitehall lawyers; and establishing a “Centre of Excellence” to respond to queries from GLD lawyers grappling with the changes. Consequently, the Government was in a strong position to deliver their implementation plans once the Bill itself was passed.

This was a key moment in UK history and in our constitutional arrangements as we exited the EU, it was a real privilege to be involved and a fantastic example of cross Whitehall legal and policy teamwork delivered at pace in an important area.



Case Study: Silicon Valley Bank and Credit Suisse



The global banking sector underwent a period of stress in 2023, precipitating the failure of Silicon Valley Bank and Signature Bank and the near-collapse of Credit Suisse over consecutive weekends in March 2023.

Faced with the prospect of the sudden collapse of the UK subsidiary of Silicon Valley Bank (SVB) over the weekend of 11 and 12 March, HM Treasury and GLD lawyers in the HM Treasury legal team worked effectively with the Bank of England at incredible pace and under huge pressure to help facilitate a successful sale to HSBC and avert potential instability in the wider banking system. The work helped protect £7bn of deposits and averted the imminent possibility of swathes of the UK tech and life-sciences sector, where many vital companies banked only with SVB UK, facing collapse as they would have been unable to meet costs or pay staff on Monday 13 March.

Over the weekend, the department was required to work up plans for several different resolution and support strategies simultaneously, and while taking account of the developing situation. GLD lawyers worked closely with policy colleagues throughout the weekend in relation to the use by the Bank of England of the powers in the special resolution regime in Part 1 of the Banking Act 2009. GLD lawyers had a role to play in HM Treasury's contingency planning, supporting resolution work and to facilitate information sharing between authorities. Ultimately, it became clear that the Bank of England had agreed a sale to HSBC, using the power to arrange a sale to a private sector purchaser in the 2009 Act – the first full use of the power for a bank since the legislation was introduced.

GLD lawyers then drafted a statutory instrument to make necessary changes to the wider law to support the sale over Sunday night and Monday morning (including a 5am trip around London to get the SI signed by 2 Lords Commissioners – the resulting legislation was made at 7.23 a.m. on Monday 13 March, and came into force at 8 a.m. that day).

GLD lawyers' work helped facilitate the successful sale of SVB UK to HSBC in just one weekend and without taxpayer funding. Customers received uninterrupted banking service and all deposits were protected. The Chancellor explained the result's importance: 'a number of our most promising and important technology and life science companies had their money with Silicon Valley Bank in the UK branch' and without support 'we could have seen some of our most important companies [...] wiped out'. The team's actions helped avert this 'extremely dangerous' situation and protected c.£7bn of mostly uninsured, at-risk deposits. The International Monetary Fund (IMF) has said that the UK's response to SVB UK restored market confidence and contributed to the UK's upgraded growth forecast.

The following weekend saw a potential crisis on larger scale, with the near collapse of Credit Suisse, a global systemically important bank which had managed assets of approximately \$1.4 trillion in value at the end of 2022. As a Swiss bank, the Swiss financial regulator (FINMA) was primarily responsible for managing any government intervention, but the UK authorities were closely monitoring the situation in case any intervention were needed in respect of Credit Suisse's UK entity, or more generally to support any action taken by the Swiss regulators. Again, GLD lawyers were providing legal support to HM Treasury over the weekend to help ensure we were prepared for the wide range of potential scenarios. On the evening of Sunday 19 March it was announced that a sale of Credit Suisse Group AG to UBS Group AG had been arranged.

Performance Analysis

Performance measures

Our performance measures reflect our continued commitment to high professional standards as well as delivering client satisfaction, whilst recovering our operating costs in full by the year end.

Client satisfaction

To improve our client satisfaction rating(s)

Client satisfaction rating(s)	2023-24	2022-23
Percentage receiving Good or Excellent rating	95%	95%
Average score (Excellent: 10, Good: 5, Acceptable: 0, Poor: -5, Unacceptable: -10)	7.85	7.96

Our aim is to achieve a 95% or above rating in our annual survey of client satisfaction, and while 95% of our clients rated our services as Good or Excellent the percentage score was static. Using the average score, we scored 7.85, a 1% decrease from last year. The survey has highlighted some issues that need to be addressed and actions are being taken in response.

Lexcel

To maintain Lexcel accreditation

Lexcel is the Law Society's legal practice quality mark for practice management and client care.

2023-24	Achieved
2022-23	Achieved

Our litigators across Litigation, Employment and Commercial Law Groups were once again found to meet the requirements of the Lexcel Standard in the latest external assessment. The Lexcel assessor concluded that "... GLD should continue to be very highly commended for again achieving an exceptionally high level of compliance against the Lexcel Standard. Indeed, compliance remains very deeply embedded within the ethos and culture of GLD... It remains very clear ...that in Lexcel terms, the organisation remains a very well run, and very well managed organisation!!"

Recovery of operating costs

To recover from clients the full operating cost of chargeable services

2023-24	Achieved
2022-23	Achieved

We are primarily funded from the fees charged to clients for our legal services. Our fee rates are set in accordance with the HMT publication - Managing Public Money - and are designed to recover the costs incurred by the department. Financial performance is monitored throughout the year, and on a quarterly basis, we undertake a formal exercise to forecast the financial outturn for the year. Our commitment to our clients is to ensure that they benefit from better than budgeted financial performance and if the forecasting exercise at the end of quarter 2 predicts a significant surplus, we evaluate the underlying reasons, consider the financial risks for the remainder of the year and assess whether a fee reduction should be made in-year.

Full cost recovery was achieved in 2023-24 and, a surplus of £8.3m was generated (2022-23: £10.7m after rebates of £8.0m). In setting fees and budgets for the year, key factors include the level of litigation demand, the level of staff turnover, the level of investment required to deliver our objectives and the use of third parties to support our legal work. In determining these and other financial factors, we take account of the factors underlying the previous year's financial performance and the likelihood of them recurring. We also continually review and refine our fee setting and forecasting processes to minimise the level of surplus that may arise.

Delivery in 2023-24, the final year of our Strategy 2019-2024

The following commentary sets out 2023-24 performance against Strategy 2019-2024.

Leadership

Improve our leadership at all levels by developing and embedding a leadership framework with clear standards linked to progression and retention, with a shared expectation, confidence and accountability.

Progress
<p>A leadership framework was developed and introduced early in the life of our strategy and in this, the last year of the strategy, we continued to develop our capability within our organisation. We delivered a total of 61 leadership development sessions, with over 700 colleagues attending these sessions covering topics such as coaching skills, delegation, feedback, resilience and wellbeing.</p> <p>Our Leadership and Change management score in the 2023 People Survey was 50%, a consistent score from 2022. Leadership and Management is going to be the focus of 2024's Civil Service initiative 'One Big Thing'.</p> <p>76% of colleagues agreed that senior managers in the organisation are sufficiently visible (up 5% compared to the Civil Service benchmark 2023) and 68% felt that the actions of senior managers were consistent with GLD's organisational values (up 3% compared to the Civil Service benchmark 2023).</p> <p>We recognise this as an area we wish to continue to see improvement in and we will continue to invest in developing this capability in the coming year.</p>

Be Recognised

Be recognised across the Civil Service, and externally, as a leading employer in relation to diversity and inclusion and wellbeing.

Progress
<p>We developed guidance for setting Senior Civil Servants' (SCS) Diversity and Inclusion (D&I) objectives (aligned to our D&I Strategy and wider Civil Service guidance). Implementation of a consistent approach demonstrates our commitment to ensuring focus on improving diversity and inclusivity.</p> <p>We have ensured that every corporate project has been looked at through a D&I lens. This ensures we make better and fairer decisions, understanding any negative impact on people with protected characteristics and then taking action to address this where possible.</p> <p>GLD networks have continued to support the D&I work of the organisation. We have continued to acknowledge and celebrate the diversity of our workforce, taking the opportunity to raise awareness and visibility around nationally recognised events and religious practices of multi-faiths, such as Pride Week, National Inclusion Week, Black History month, Diwali and Ramadan.</p> <p>The wider Government Legal Profession (GLP) welcomed a record of 375 undergraduate and graduate students to participate in the GLP Diversity Summer Scheme 2023, which aims to promote diversity in the legal profession. For the first time, students attended in multiple locations (London, Bristol, Leeds and Manchester). GLP worked with a number of organisations (including the Social Mobility Foundation, Aspiring Solicitors, Black Lawyers Circle and Bridging the Bar) to select students. Students engaged in various activities from litigation to legislation and heard from several speakers, including the Treasury Solicitor (Head of the Government Legal Profession), the Attorney General and Lord Justice Green.</p>

Improved Offer

Put in place an improved offer to attract, retain, reward and develop the talented people we need to be an outstanding organisation.

Progress

Following extensive work and lengthy negotiation, we were successful in securing ministerial agreement for a significantly enhanced pay offer for Grade 6 and 7 lawyers across the department. It covered the 2023-24 and 2024-25 financial years, uplifting pay by an average of 8% each year in addition to a cost-of-living payment in 2023-24. We introduced capability-based pay for our lawyers with the aim of improving retention and having clarity on standards and career progression.

While we had less success with our pay business case for cross-functional professionals, we were able to increase the available funds to recognise cross-functional professional performance in the 2023-24 year. We remain committed to improving our offer and this can be seen in our continued commitment to ensure we offer rewarding careers for all in our new Strategy.

GLD launched a pilot scheme for Legal Apprenticeships (across our national estate), internally to the Civil Service, in 2023. Two pathways are available, for graduates and non-graduates, through which participants can study for an LLB (Bachelor of Laws) and professional examinations. The apprenticeships mark the next exciting stage of GLD's Early Talent Programme, as we look to provide new career development opportunities, diversify routes into the legal profession and increase social mobility within GLD.

In addition to the Legal Apprenticeships, we have offered apprenticeships in other professions: Public Relations and Communications, CIPD Learning and Development, Systems Thinking in the Public Sector and Project Management. This year we also completed our largest ever legal trainee recruitment campaign, working collaboratively with other government departments. 3,130 applications were received (a 19% increase from 2022), and 98 offers were made for legal trainees to join us in 2024 and 2025.

We delivered a Government Legal Profession (GLP) conference in October 2023 which provided an opportunity to build strong relationships across the public and private legal sectors and discuss the scope of the legal profession in government. A new GLP strategy has been drafted, identifying the part the profession can play in delivering a modern and efficient Civil Service through Government Modernisation and Reform.

Connected

Increase our numbers outside London whilst operating as a fully integrated department, connected across our many sites within and outside London and exploiting the opportunities technology provides to enhance the working experience of our staff and the quality of our service for clients.

Progress

In April 2023, GLD colleagues moved into new premises in Salford. The building provides a modern new office in a strong legal centre. A key reason behind choosing Salford was the proximity to this strong legal market, which strengthened both our recruitment and our legal service provision to clients.

We opened the office space in Croydon at One Ruskin Square in summer 2023. The award-winning workspace was designed by His Majesty's Revenue and Customs (HMRC) to provide an optimal environment to support hybrid working with excellent accessibility, improved technology and collaborative and quiet spaces.

As of March 2024, in addition to our London-based colleagues, there are GLD colleagues working out of bases at Three New Bailey in Salford (78), Wellington Place in Leeds (221), Rivergate in Bristol (104), and One Ruskin Square in Croydon (68). This brings us to 12.3% of our workforce based outside London and the southeast, where 2,885 colleagues are based. This marks a significant increase in the percentage of colleagues working outside London and the southeast, over the last 4 years.

The opening of these offices marked key milestones for GLD in becoming a truly national organisation, both in implementation of our Accommodation and Location Strategy and as part of the government's Places for Growth programme.

Capability

Enhance the capability and capacity of our staff through the operation of a fully integrated digital knowledge management system accessible to all throughout GLD, an enhanced training offer through the use of digital delivery platforms alongside traditional techniques and the further development of gld.digital.

Progress
<p>We successfully appointed a Chief Operating Officer (COO). The COO will be crucial to leading the transformation of our corporate services and legal operation functions, as we modernise and develop GLD to continue offering the best legal services to government.</p>
<p>We created a GLD Rapid Response Team (and underpinning systems and processes) to be able to respond to unforeseen spikes in high priority demand for our legal services.</p>
<p>We developed and launched pathways for our legal learning framework in our core areas of work. We have improved our knowledge systems and commenced initial market engagement on legal process improvement opportunities.</p>
<p>Our Learning and Development (L&D) score in the 2023 People Survey was 66%. While this was a 4% improvement on last year, there is scope for greater improvement and in the year ahead we are prioritising developing and publicising clear career pathways.</p>
<p>75% of colleagues agree they are able to access the right learning and development opportunities when needed (up 8%) and 60% of colleagues agree that there are opportunities for them to develop their career in GLD (up 7%).</p>

Professionalise

Professionalise and modernise all aspects of our service, both corporate and legal services, using a ‘fail fast/learn quickly’ approach to encourage innovation.

Progress

The roll-out of Lawmaker (a web-based legislation drafting and checking tool) formally completed in April 2023. The use of Lawmaker speeds up the process of drafting, validating and re-drafting SIs, a time consuming but critical legal process.

We updated and rolled out infrastructure, software and support to upskill and enable our staff on the use of technology. This included creating single MS Teams environment for cross-departmental colleagues to collaborate on documents together and at the same time.

Following a Governance Review, we established the Investment and Portfolio Assurance Committee (IPAC) as a new committee. This provides project assurance and supports our maturing Project Delivery profession as well as enabling the Executive Committee to delegate authority for project and programme oversight.

We also saw a change in the composition and terms of reference of the Board in March 2024. This has seen the addition of 2 new Non-Executive Directors (NEDs), with the role of the Board Chair being assumed by a lead NED. This supports accountability and assurance within GLD.

Financial performance

Income

Total operating income (excluding disbursement income) for the year was £298.3m (2022-23: £264.6m), an increase of 13%. Our income from legal fees and charges to clients increased this year to reflect demand for our services and the increase in our fee rates due to inflationary pressures and the introduction of capability based pay for lawyers. Our other income includes income from secondments, subscriptions for the Legal Information Online Network (LION) and the recovery of the costs of administering bona vacantia from the Crown's Nominee.

Expenditure

Our administration costs (excluding disbursements) this year were £285.7m (2022-23: £250.1m), an increase of 14%. The majority of this increase was related to increased staff costs.

Staff costs represent 87% of non-disbursement expenditure (2022-23: 86%) and have increased by £33m in line with the increased demand for our legal services and pay inflation. The ratio of staff costs to legal fees and charges income is 85% (2022-23: 84%).

We continue to employ agency and contract staff where there is a need for specialist skills and where for practical business reasons the Board has agreed there should be a mixed economy of permanent and contract staff to provide some flexibility to cope with changes in demand. We also employ agency staff in lieu of recruitment, to support our resourcing where we have not been able to attract as many permanent staff as required to deliver our work. Spend this year was £25.2m (2022-23: £21.6m). Agency staff accounted for 10% of average staff costs for the year (2022-23: 10%).

Non-staff costs (excluding operational disbursements) have increased by 9% to £37.1m (2022-23: £34.0m). This increase mainly relates to increased accommodation costs.

Expenditure on legal disbursements varies from year to year depending on the number, type and complexity of cases. The majority of this expenditure is passed on directly to clients. The cost for 2023-24 was £55.5m (2022-23: £48.0m).

Net operating income

The net operating income for the year was £8.3m (2022-23: £10.7m). The surplus has primarily been driven by higher than expected demand for litigation services which has resulted in increased resources and higher than expected chargeable hours per member of staff in the GLD Litigation Group.

Capital expenditure

Capital investment was £4.5m (2022-23: £2.9m) relating to investment in ICT equipment and infrastructure of £2.3m and additions made to leasehold right of use assets of £2.2m.

Financial position

Taxpayers' equity is £25.4m at 31 March 2024 (31 March 2023: £19.6m) comprising total assets of £96.0m (non-current assets of £27.2m, trade and other receivables of £57.6m and cash of £11.3m) and current and non-current liabilities of £70.6m (trade and other payables, lease liabilities and provisions). Further details are in the Notes to the Accounts. Cash flow and debtors are both closely monitored throughout the year to ensure that we have sufficient cash to meet our liabilities and pay our creditors promptly; we rely on receipts from our clients for the bulk of our cash flow. We ended the year with cash of £11.3m (2022-23: £12.5m) and a trade receivables balance of £31.9m (2022-23: £20.7m).

The financial statements and notes are set out on pages 64 to 78.

Community and social matters

Our Pro Bono and Volunteering Network has continued to support and encourage pro bono and volunteering activity within GLD, including raising awareness of GLD's policy of allowing staff to spend 6 days a year undertaking volunteering activity (subject to business need).

We continued our regular support for Pro Bono Week and hosted events aimed at raising awareness of opportunities to undertake pro bono work, including advocacy.

GLD members have continued to engage in a wide range of volunteering activities either individually or with their GLD colleagues. This has included the Supreme Court debate days and supporting advice centres, as well as acting as school governors and charity trustees and undertaking many other very worthwhile charitable activities.

It's clear that GLD's support for volunteering and pro bono work has a positive impact on staff engagement and wellbeing, in addition to the benefits to society that it also brings.

Sustainability

All departments are required to report their performance against the Greening Government Commitments (GGC) and to report on Task Force on Climate-related Financial Disclosures (TCFD). GLD's sustainability performance can be found at Annex A (page 79).

Susanna McGibbon

Accounting Officer

11 July 2024

Accountability Report

Accountability Report

The Accountability Report includes a corporate governance report, a remuneration and staff report and a parliamentary accountability and audit report. These sections reflect financial reporting and parliamentary accountability reporting requirements.

Corporate Governance Report

Directors' Report

Directors

The Governance Statement includes the composition of the GLD Board on page 39.

Register of interests

No directorships or other significant interests, which may have caused a conflict with their management responsibilities, were held by any Board members. Note 16 to the Accounts confirms that no members of the Board, including non-executive directors, has any related party interests.

Personal data related incidents

All government departments are required to publish information about any serious personal data related incidents, which have to be reported to the Information Commissioner. There was one personal data breach incident which was duly referred to the Information Commissioners Office for review in 2023. No further action has been recommended.

Statement on Information Risk

Assurance on information handling is provided by the Senior Information Risk Owner, Nick Price CBE, Operations Director & Senior Security Advisor, supported by the Security Working Group lead by the Security Advisor, Head of Cyber Security Assurance and Data Protection Officer. GLD directors provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by the Audit and Risk Assurance Committee.

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

During 2023-24, the framework for handling data and to provide assurance over the management of information held within GLD has included but not limited to:

- maintaining oversight of data handling practices in accordance with current departmental policies;
- reviewing current guidance and awareness updates;
- promoting best practice within GLD, including the mandatory completion by all staff of the Civil Service Learning – 'Security and Data Protection' training;
- ongoing review of information assets and their associated risks, including assessments of the third party delivery chain, and the incorporation of information risks within the risk management policy and processes; and
- maintaining certification against the ISO 27001:3013 information security standard.

The department also adheres to Cabinet Office Minimum Security Standards relating to cyber security, personnel security, physical security and incident management. We have also maintained our Cyber Essentials Plus certification, in support of the current Lexcel Standard.

Audit

GLD's Accounts are audited by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General. The NAO also audit the Crown's Nominee Accounts administered by the department's Bona Vacantia Division. The auditors provide no further assurance or other advisory services.

Remuneration to auditors for non-audit work

We did not pay any remuneration to the NAO for non-audit work. The notional audit fee for the GLD audit was £84k (2022-23: £79k).

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HMT has directed GLD 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 GLD 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 HMT, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the 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 judgments required for determining that it is fair, balanced and understandable

HMT has appointed the Treasury Solicitor and Chief Executive as Accounting Officer of GLD. 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 GLD's assets, are set out in Managing Public Money, published by HMT.

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

Governance Statement

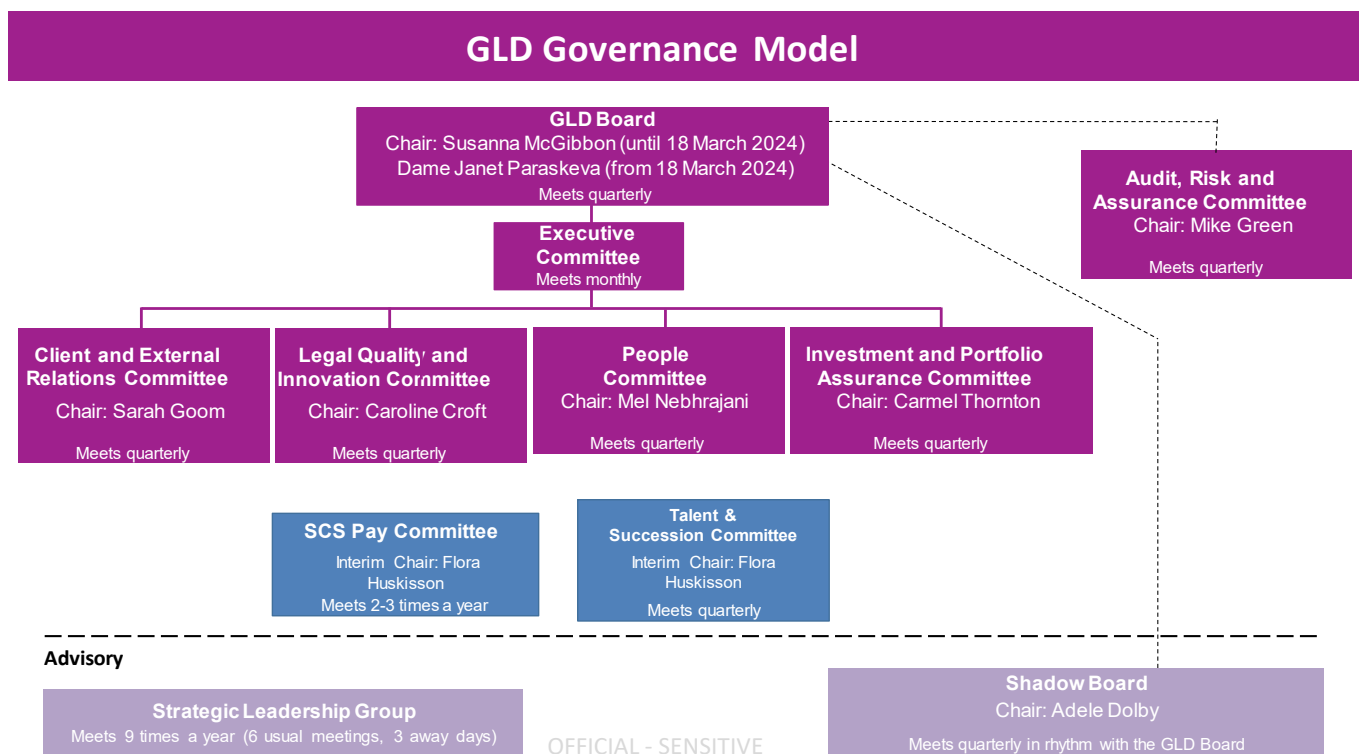
The Office of the Solicitor for the affairs of His Majesty's Treasury (the Treasury Solicitor) was incorporated as a corporation sole by the Treasury Solicitor Act 1876.

The Government Legal Department is a non-ministerial department and was established as an Executive Agency on 1 April 1996. Ministerial oversight and accountability to Parliament lies with the Attorney General. HM Procurator General and Treasury Solicitor leads the department, in the roles of Permanent Secretary and Chief Executive.

The Treasury Solicitor is accountable to the Attorney General for the running of GLD; and as Chief Legal Adviser to government, the Attorney has a close interest in the legal advice and legal services being provided to government by GLD and the wider Government Legal Profession. An interim Framework Agreement governs the relationship between GLD and the Law Officers and the Attorney General's Office.

GLD Board and sub-committees

The GLD Governance structure at the reporting period date is set out below:



GLD Board

Chair: Susanna McGibbon, Permanent Secretary, Treasury Solicitor, and Chief Executive and Accounting Officer of GLD (until 18 March 2024)

Chair: Dame Janet Paraskeva, Lead Non-Executive (from 18 March 2024)

The Board is GLD's collective strategic leadership group, comprised of Executives and Non-Executive members, and a representative from the Attorney General's Office. It focuses on strategic matters for the department by setting the overall vision and strategic direction for the organisation, through long-term business and financial planning, and the GLD Strategy (which sets the department's priorities, current and future needs). It supports the Chair in providing leadership of strategic business matters, and oversight of the delivery of legal services as well as the performance and governance of the organisation. It also supports the Permanent Secretary and Treasury Solicitor in her role as Chief Executive of GLD, and in her accountability to the Attorney General.

The Board meets quarterly and met 6 times 2023-24, (which included 5 formal meetings and 1 additional shorter meeting to sign off the 2022-23 GLD Annual Reports and Accounts).

The Board reviewed its own effectiveness through the 2022-23 Board Effectiveness Evaluation; with an internal

audit conducted 6 months post-implementation of the 2022 Governance Review outcomes.

Changes made during the reporting period

Following the recruitment of a new DG Chief Operating Officer, and 2 new non-executives, one of whom is GLD's Lead Non-Executive and Chair of the Board, the Board reviewed its membership. The changes in membership are outlined in the Committee Membership section. The Board Terms of Reference and Board Operating Framework will also be revised. The terms of reference of the other committees in the governance structure will also be reviewed and aligned.

Shadow Board

Chair: Chair with one-year tenure

The Shadow Board is an advisory staff forum, comprised of representatives from a range of divisions/groups, grades, and professions within GLD, to scrutinise and contribute to strategic decisions to deliver the GLD Strategy. The Shadow Board reports into the Board. Its specific focus is to ensure that the department's strategic outcomes are incorporated into the decisions being made by the Board.

The Shadow Board meets quarterly and met 4 times in 2023-24. During these meetings, the Shadow Board acted as a feedback mechanism, helping to connect the Board with the wider department, across the spectrum of divisions, grades, professions, and the diversity networks. This ensured that views from these areas were reflected in the work being done to support GLD to deliver its Strategy whilst simultaneously enhancing staff engagement.

Changes made during the reporting period

A new cohort of GLD Shadow Board members was recruited during the summer of 2023 via a department-wide expression of interest campaign. Among the new members were a new Chair of the Shadow Board and the newly created role of Shadow Board Deputy Chair (to provide the Chair with increased support). The criteria upon application included (but was not limited to) staff that had a good understanding or interest in GLD's strategic priorities, colleagues who were actively involved in departmental and Civil Service-wide diversity networks, those based at different regional locations, geographical diversity, and other visible and invisible diversity.

Audit and Risk Assurance Committee

Chair: Mike Green, Non-Executive Director

The Audit and Risk Assurance Committee (ARAC) is an independent committee that reports into the Board. The Committee supports the Principal Accounting Officer by monitoring and reviewing the department's risk, control and governance framework, and the associated assurance processes, including external and internal audit.

The Committee usually meets quarterly and met 4 times in 2023-24. In accordance with the HM Treasury ARAC Handbook, the Committee reviewed its own effectiveness as well as the effectiveness of the internal and external audit functions. In addition, the Committee oversaw the audit process and advised the Accounting Officer on 3 sets of accounts: Agency accounts, Departmental accounts and the Crown's Nominee accounts for 2023-24, including the external auditors' opinion. The Committee was satisfied with the quality of the external auditors' work and their approach to their responsibilities. During the first part of the year ARAC continued its deep dive programme into GLD's principal and business functions risks to ensure that they are appropriately managed, whilst in the second half it has received updates on the ongoing work on the updates to GLD's principal risks, its risk framework and assurance map.

The Committee considered the reports prepared by the Head of Internal Audit (GIAA), based on an Internal Audit Plan agreed at the beginning of the year, and the control findings raised by external audit. It also monitored the implementation of internal and external audit recommendations. ARAC was satisfied that assurances provided by the various internal audit reports and the Head of Internal Audit's Annual Opinion met the requirements of the Board and the Accounting Officer. The Committee also receives twice yearly physical and cyber security updates and an annual report on the application of the business appointment rules. Finally, the Committee reviewed GLD's position on fraud.

In terms of membership, the Committee met its quorum however, 2 out of the 4 meetings were attended by only 2 members due to an ongoing non-executive vacancy. In March 2024, this vacancy was filled.

Changes made during the reporting period

Following a decision at a GLD Board meeting, it was agreed that the ARAC Terms of Reference should be amended to include the responsibility to review health and safety matters including the Annual Report before it is presented to the Accounting Officer.

Executive Committee

Chair: Susanna McGibbon, Permanent Secretary, Treasury Solicitor, and Chief Executive and Accounting Officer of GLD

The Executive Committee (ExCo) consists of GLD's Executive colleagues and provides the executive leadership of the department, overseeing the operational delivery of all aspects of the business, monitors performance against GLD objectives and reviews and escalates departmental risk and other critical business issues. It supports the Board in delivering GLD's Strategic Objectives and monitors and sets direction for the assurance committees reporting into it. The Committee meets once a month, (with additional, exceptional meetings if required). The Committee met 14 times in 2023-24 (11 formal, planned meetings and 3 exceptional meetings; the topics for the latter were: 102 Petty France relocation, strategic sourcing, Strategy 2024+, approach to paid overtime and options for delegated grade bonuses).

Changes made during the reporting period

ExCo welcomed GLD's new DG Chief Operating Officer to the March 2024 meeting. The ExCo Terms of Reference will be revised in line with the GLD Board documents and to reflect the new membership.

Client and External Relations Committee

Chair: Elizabeth Hambley, Legal Director General, Commercial with Trade and International (until August 2023)
Chair: Sarah Goom, Legal Director General, Commercial with Trade and International (from September 2023)

The Client and External Relations Committee (CERC) reports directly to the Executive Committee. The Committee sets direction, oversees, and assures: (i) the conduct and effectiveness of GLD's client relationships; (ii) the procurement of external legal services to provide value of money for clients; (iii) the fostering of cohesive relationships within the Government Legal Profession; and (iv) effective engagement with wider legal sector stakeholders including regulators, to support the delivery of our services and the Business Plan.

The Committee meets quarterly (with additional, exceptional meetings if required) and met 5 times in 2023-24 (4 formal, planned meetings and 1 exceptional meeting; the topic for the latter meeting was reporting – to review a 6-monthly data report). Over the past year, the Committee has overseen a variety of work, including supporting the refreshed GLP Strategy, overseeing the annual Client Satisfaction Survey and client specific deep dives to understand what GLD's clients think of the service the department provides, and the procurement of the 4 panels of external lawyers providing legal services to government.

In line with the GLD Board's ongoing commitment to increasing diversity in GLD's decision-making bodies, Senior Civil Service (SCS) Diversity and Inclusion members were put in place from April 2023 with a one-year tenure.

Changes made during the reporting period

No changes were made during the reporting period. Given that this is a relatively new committee, a review of the committee's effectiveness and the CERC Terms of Reference will be completed in 2024. In order to align to non-Executive membership in the committee structure the current non-executive for this committee will be phased out in 2024. The position of a non-executive at this Committee will not be replaced. Instead, non-executives may focus on a portfolio of work, aligned to their expertise and skillset in the private sector, to contribute to better outcomes in the department; this will not overlap with the executives' space.

Legal Quality and Innovation Committee

Chair: Jessica de Mounteney, Legal Director General, Litigation with Justice and Security (until April 2023)
Chair: Caroline Croft, Legal Director General, Employment with Economic Recovery and UK Governance (from June 2023)

The Legal Quality and Innovation Committee (LQIC) reports directly to the Executive Committee. LQIC works on behalf of GLD's Executive Committee in making decisions, providing strategic direction, oversight, and assurance for: (i) the quality and effectiveness of GLD's legal work; (ii) the design, delivery and effectiveness of GLD's legal knowledge resources, legal capability and training, and legal induction; (iii) GLD's quality accreditation and recognition processes e.g., Lexcel; (iv) innovation in the delivery of GLD's legal services; and (v) legal excellence and innovation priorities in GLD's business plans.

LQIC meets quarterly (with additional, exceptional meetings if required) and met 5 times in 2023-24 (4 formal, planned meetings and 1 exceptional meeting; the topic for the latter meeting was reporting – to review a 6-monthly data report). The Committee has made key decisions on plans for the enhancement of GLD's legal knowledge and learning systems and conducted comprehensive reviews of work being undertaken in the areas of Primary and secondary legislation, the work of GLD's Centres of Excellence, legal training, and legal quality assurance. On innovation, the Committee has focused particularly on initial steps in exploitation of AI, alongside reviewing the

broader innovation work taking place in the department.

To underpin its work, the Committee commissioned a review of the data it needs to fulfil its remit. A comprehensive assessment of the reporting landscape was undertaken, and the Committee now receives and reviews a quarterly data dashboard.

In line with the GLD Board's ongoing commitment to increasing diversity in GLD's decision-making bodies, SCS Diversity and Inclusion members were put in place from April 2023 with a one-year tenure.

Changes made during the reporting period

Given that this is a relatively new committee, a review of the committee's effectiveness and Terms of Reference will be completed in 2024 (as part of the interview process for the new Board Effectiveness Evaluation).

Erica Handling, non-executive, who sat on this Committee, departed at the end of her tenure in October 2023. The position of a non-executive at this Committee will not be replaced. Instead, non-executives may focus on a portfolio of work, aligned to their expertise and skillset in the private sector, to contribute to better outcomes in the department; this will not overlap with the executives' space.

People Committee

Chair: Mel Nebhrajani CB, Legal Director General, Litigation with Justice and Security

The People Committee (PC) reports directly to the Executive Committee. The PC exercises strategic oversight of the People Strategy and the underpinning strategies within its remit, including the Diversity and Inclusion (D&I) Strategy. The PC also reviews GLD's key workforce metrics and risks, and the action being taken in relation to them, particularly around legal resourcing, capacity, capability, and pay and reward. The PC monitors the effectiveness and health of GLD employees, supports activities to build leadership amongst staff, and actively reviews the skills and capabilities needed to deliver outstanding legal and corporate services. This includes driving improvements in response to the 2023 People Survey.

The PC meets quarterly (with additional, exceptional meetings if required) and met 7 times in 2023-24 (4 formal, planned meetings and 3 exceptional meetings; the topics for the latter meetings were: capability-based pay, promotions, probation and starting salaries, and the D&I Strategy).

Over the past year, the PC has overseen critically important work, including GLD's People Strategy, D&I and People Survey Action Plans, and the Outreach Strategy. Members also looked at Future Ways of Working in GLD, including helping to draft policy around the Civil Service-wide workplace attendance announcements. PC has also taken papers and made decisions in relation to data and metric analysis and improvement plus SCS Performance and Talent Management.

PC also considers the bi-annual Health and Wellbeing Report to monitor and identify any risks related to activities within its remit, which is also shared with the Board.

In line with the GLD Board's ongoing commitment to increasing diversity in GLD's decision-making bodies, SCS Diversity and Inclusion members were put in place from April 2023 with a one-year tenure.

Changes made during the reporting period

Catherine Berney, non-executive, who sat on this Committee, departed at the end of her tenure in April 2023. The position of a non-executive at this Committee will not be replaced. Instead, a non-executive may focus on a portfolio of work, aligned to their expertise and skillset in the private sector, to contribute to better outcomes in the department; this will not overlap with the executives' space.

Investment and Portfolio Assurance Committee

Chair: Jon Fundrey, Finance, Operations and Digital Director (until October 2023)

Interim Chair: John Ward, Legal Director, Home Office (until January 2024)

Chair: Carmel Thornton, Finance, Operations and Digital Director (from January 2024)

The Investment and Portfolio Assurance Committee (IPAC) reports to the Executive Committee. The Committee considers investment decisions on behalf of the Executive Committee, providing assurance that those investments deliver value for money, meet regularity and propriety considerations and are affordable and sustainable. The Committee also provides oversight of GLD Portfolio projects from inception through to implementation, ensuring they remain strategically aligned, affordable and deliverable.

The Committee meets quarterly (with additional, exceptional meetings if required). In 2023-24, the Committee met 3 times. The January 2024 meeting was rescheduled to April 2024 to incorporate the induction and appointment of

the new Chair Carmel Thornton and to align to the Executive Committee role in the business planning and budgeting process.

Over the past year the work of the Committee has focused on: (i) making a recommendation on the composition of the Portfolio to the Executive Committee, (ii) an escalation of risk associated with the delivery approach for A National GLD; and (iii) an escalation of the risk associated with the delivery approach for Legal Practice Management. In addition, agreeing the Portfolio Framework, agreeing actions associated with an escalation from the Pay and Reward Modernisation Board for the re-baselining of benefits and regular review of the overall progress of the Portfolio.

Changes made during the reporting period

Given that this is a relatively new Committee, a review of the Committee's effectiveness and the IPAC Terms of Reference will be completed in 2024.

Talent and Succession Committee

Chair: Catherine Berney, Non-Executive Director (until April 2023)

Interim Chair: Flora Huskisson, Head of People (from September 2023)

The Talent and Succession Committee (TSC) provides the GLD Board with assurance on senior executive appointments within the department. This includes succession planning, talent management, and consideration of diversity and inclusion throughout, to meet the current and future needs and priorities of the department.

The Committee meets quarterly, with interim SCS resourcing and development meetings as required. The Committee met 2 times in 2023-24. Whilst the group met fewer times than specified in the terms of reference, it was supplemented by regular sub-committee senior resourcing meetings, attended by Directors General and HR to ensure the remit of the TSC was being delivered. This included providing oversight of the succession pipelines for senior roles. The meetings predominantly comprised of identifying the future leadership requirements of GLD and scrutinising the talent and development processes.

Changes made during the reporting period

Catherine Berney, non-executive, who was Chair of this Committee, departed in April 2023. Flora Huskisson, Deputy Director Head of People, has been the interim Chair since September 2023. In 2024, changes will be made to merge the current TSC and SCS Pay Committee into one. The name and terms of reference for this Committee is due to be scoped. The Committee will be chaired by a non-executive.

Senior Civil Service (SCS) Pay Committee

Chair: Catherine Berney, Non-Executive Director (until April 2023)

Interim Chair: Flora Huskisson (from September 2023)

The SCS Pay Committee sets the pay strategy each year for SCS members of staff, ensuring it reflects the needs and priorities of the department. When setting the strategy, the Committee takes account of all relevant guidance and then oversees the process, to ensure recommendations are moderated and that awards are consistent and fair across the SCS.

The Committee meets 2-3 times a year and met once in 2023-24. Whilst the group met fewer times than specified in the terms of reference, it discharged its remit with one meeting; with some in-year pay matters taken to the Executive Committee for sign off, (in line with the Executive Committee terms of reference).

At the meeting that took place, the Committee agreed an approach for utilising available flexibilities to address pay anomalies; recommendations were reviewed, and the Committee signed off that they had been implemented. The Committee also oversaw the distribution of performance groups and monitored results to ensure compliance with diversity legislation.

Changes made during the reporting period

Catherine Berney, Non-Executive, who was Chair of this Committee, departed in April 2023. Flora Huskisson, Deputy Director Head of People, has been the interim Chair since September 2023. In 2024, changes will be made to merge the current TSC and SCS Pay Committee into one. The name and terms of reference for this committee is due to be scoped. The Committee will be chaired by a non-executive.

Committee membership

Current committee membership is drawn from GLD's Executive, legal director cadre, some with non-executives as members and/or chairs, if relevant to their expertise/applicable. However, following the recent recruitment of a new DG Chief Operating Officer and 2 non-executives, one of which is the Lead Non-Executive, and Chair of the Board, the Board revised its membership.

Board members

Membership of the GLD Board as at 17 March 2024 was as follows:

Executive members:

Susanna McGibbon, Permanent Secretary and Chief Executive
 Caroline Croft, Director General of Employment with Economic Recovery and UK Governance (from June 2023)
 Mel Nebhrajani CB, Director General of Litigation with Justice and Security
 Damian Paterson, Strategy, People and Culture Director
 Sarah Goom, Director General of Commercial with Trade and International (from September 2023)
 Carmel Thornton, Finance, Operations and Digital Director (from January 2024)
 Richard Cornish, Chief Operating Officer (from March 2024)

Ex-officio member:

Douglas Wilson OBE Director General, Attorney General's Office

Non-executive members:

The Rt Hon Dame Janet Paraskeva
 Mike Green
 Tim Fallowfield OBE

Previous members:

Catherine Berney, Non-Executive (until April 2023)
 Elizabeth Hambley, Director General Commercial with Trade and International (until August 2023)
 Jon Fundrey, Finance, Operations and Digital Director (until October 2023)
 Erica Handling, Non-Executive (until October 2023)

Membership of the GLD Board from 18 March 2024 to 31 March 2024 and the date of Accounts signing is as follows:

Executive members:

Susanna McGibbon, Permanent Secretary and Chief Executive
 Carmel Thornton, Finance, Operations and Digital Director (from January 2024)
 Richard Cornish, Chief Operating Officer (from March 2024)

Ex-officio member:

Douglas Wilson OBE Director General, Attorney General's Office

Non-Executive Members:

The Rt Hon Dame Janet Paraskeva

Dame Janet joined in March 2024 as Lead Non-Executive and is Chair of the Board. Dame Janet joined GLD from her role as Chair of the Council of the Licensed Conveyancers and member of the Privy Council. Dame Janet was previously the First Civil Service Commissioner, Chief Executive of the Law Society, and a non-executive director of the Serious and Organised Crime Agency. Dame Janet has also been Chair of the Jersey Appointments Commission and Primary Eye Care Services, Vice Chair of the Video Standards Commission and Trustee of Contemporary Applied Arts.

Mike Green

Mike joined in January 2022 and is Chair of the Audit and Risk Assurance Committee. Mike is a Fellow of the Institute of Chartered Accountants in England and Wales and a graduate of the London School of Economics. He qualified as a chartered accountant with what is now KPMG and spent 11 years with the audit practice before a 20-year career in commercial television. Currently Mike is a Director, Audit Committee Chair and a member of the Service Quality Committee at Anchor Hanover, a housing association specialising in older people's housing and operating over 100 care homes. Mike also spent 10 years as a non-executive director at an NHS Foundation Trust.

Tim Fallowfield OBE

Tim joined in March 2024. Tim is Corporate Services Director and Company Secretary at Sainsburys PLC. Tim is a practising solicitor and was previously General Counsel at Sainsburys and is a trustee of Save the Children. Tim was awarded an OBE for services to disability awareness, has served as Board Sponsor for Disability and Carers at Sainsbury's and had previously been appointed by the Disabilities Minister to chair the Disability Confident Business Leaders Group.

Previous non-executive members:

Catherine Berney took up her appointment as Strategy, People and Culture Non-Executive Director, on 15 October 2018 and was Chair of both the SCS Pay and Talent and Succession Committees. Catherine is a qualified organisational psychologist and solicitor, with a background in private practice and international finance. She has held a previous NED role for Arts Inform, an organisation that seeks to build links between the creative and cultural industries and the London schools' system, in addition to chairing a local community association. Catherine leads a consultancy firm and brought considerable experience to GLD in leadership, strategic direction, communications, and talent development. Catherine departed GLD as a Non-Executive Director at the end of April 2023.

Erica Handling joined on 29 October 2018 as Non-Executive Director for Legal Quality. Erica brought experience and expertise to GLD having worked as head of large legal departments in private practice and in-house. Her previous roles have included General Counsel for Europe at BlackRock and Barclays Investment Bank and Head of Securities and Structured Finance at Ashurst LLP. Erica combined her role at GLD with working as an executive coach and being a non-executive director on the Board of Petershill Partners plc (a listed company investing in private equity partnerships, managed by Goldman Sachs) and a trustee and chair of charities with a focus on women and/or criminal justice, including Spark Inside, St Giles Trust and previously Working Chance. Erica departed GLD as a Non-Executive Director in October 2023.

Board attendance

The Board met 6 times between April 2023 and March 2024, with attendance as follows:

Executive members	Eligible to attend	Attended (to end March)
Susanna McGibbon	6	6
Mel Nebhrajani CB	5	5
Elizabeth Hambley (until August 2023)	2	2
Caroline Croft (from June 2023)	4	4
Sarah Goom (from September 2023)	3	3
Damian Paterson	5	5
Jon Fundrey (until October 2023)	3	3
Carmel Thornton (from January 2024)	2	2
Richard Cornish (from March 2024)	2	2
Ex-officio member - Douglas Wilson OBE	6	6
Non-executive members		
Catherine Berney	-	-
Erica Handling	3	3
Mike Green	6	6
Dame Janet Paraskeva (from March 2024)	2	2
Tim Fallowfield OBE (from March 2024)	2	2

The Board's work covers the 5 main areas expected by the Corporate Governance in Central Government Departments: Code of Good Practice:

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

The GLD Board's performance

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

The Board reviewed its own effectiveness through a Board Effectiveness Evaluation (BEE) in 2022-23 with an action plan produced upon its conclusion (first tabled at the March 2023 Board). In line with recent changes to the governance structure, the Board Terms of Reference and the Board Operating Framework will be redrafted, (along with the terms of reference for other committees in the governance structure in 2024-25, to align to this). The BEE focused on several areas, including composition; clarifying, and strengthening roles and responsibilities and the relationships between committees; diversity and inclusion; the implementation of a more effective risk and performance management system; data and its presentation (including reporting and tracking risks); improving flows of information; papers and presentations; and coaching, induction, and training for both the Board and committees. The Governance Internal Audit Agency (GIAA) produced a report reviewing the new governance, risk management and performance reporting frameworks post the implementation of the 2022 Governance Review in December 2023 to provide assurance over the effectiveness of the arrangements, recognising that GLD is in a transitional phase, embedding new systems, and making changes to its structure and processes. It recommended several actions that were/are currently being implemented as part of wider improvement work.

Compliance with the Corporate Governance in Central Government Departments: Code of Good Practice

The Corporate Governance in Central Government Departments: Code of Good Practice applies primarily to ministerial departments. This means that the key provisions relating to the composition of Boards do not apply to GLD; specifically, the involvement of ministers and the requirement to have roughly equal numbers of ministers, senior civil servants, and non-executive directors.

Management of interests and business appointments

GLD has a policy, published in our Staff Handbook, on outside activities and employment. The general principles are that official time must not be spent on any outside activity without the approval of the Head of Division. Individuals must not engage in any outside activity, which would in any way tend to impair their effectiveness in their official duties or be inconsistent with their position as civil servants, or as members of GLD.

No member of staff may carry out private legal work except, and subject to permission of the Treasury Solicitor, in relation to non-contentious family matters, or pro bono work.

Individuals must seek permission from the Head of HR, via a senior manager in their business area, to ensure there is no risk in respect of conflict of interest with, or potential damage to the credibility of, GLD before:

- taking any job or position, which might affect their official work directly or indirectly; or
- undertaking any outside work involving official information; or
- undertaking any work involving payment by another government department or agency on their own account.

Where permission is granted the relevant documentation is filed in the individual's personnel folder.

There are strict rules in place for those responsible for procurement or management of contracts and on an annual basis all directors are asked to complete a Declaration of Related Party Interests.

We have a policy on business interests and shareholdings, also published in our Staff Handbook. This states that there is no objection to civil servants investing in shareholdings unless the nature of their work is such as to require constraints on this. Individuals must not be involved in any work, which could affect the value of their private investments, or the value of those on which they give advice to others; nor must staff use information acquired in the course of their work to advance their private financial interests or those of others.

Individuals must declare to the Finance, Operations and Digital Director any business interests or shareholdings (including directorships) which they or members of their immediate family (spouse/partner and children) hold - to the extent to which they are aware of them - which they would be able to further as a result of their official position. They must comply with any subsequent instructions from the Finance, Operations and Digital Director regarding the retention, disposal or management of such holdings.

In line with Cabinet Office guidance, GLD will ensure that:

- All senior civil servants are required to routinely declare any relevant interests to the Permanent Secretary. This will include providing a 'nil return' should they have no relevant outside interests.
- Senior civil servants continue to declare any outside interests on appointment, or if their circumstances change, in real time.
- These returns are scrutinised within GLD by the Audit and Risk Assurance Committee, with assurance of this process set out in the Annual Report and Accounts, and a return is provided to the Cabinet Office, providing assurance that all outside interests are being managed appropriately.
- As part of or alongside our Annual Report and Accounts we will publish a register of relevant interests for all members of the Departmental Board, including senior civil servants.
- When a civil servant is appointed, as part of the recruitment process the hiring manager is satisfied they can comply with the requirements of the Civil Service Code. The individual must ensure that any interests they do have are compliant with their obligations as a civil servant. If their employer considers there is any real or perceived conflict from their outside interests, the individual must resolve that conflict - for example, by giving up any outside employment.
- After a civil servant is appointed, they declare relevant private interests in real time to their line manager and, if necessary, senior management. They will be required to comply with any instructions from GLD relating to those interests. They will also be required to seek permission before taking up any outside engagement which might affect their work.

Business appointments

The Audit and Risk Assurance Committee monitor compliance with the Business Appointment Rules, receiving an annual report from HR.

In compliance with Business Appointment Rules, the department is transparent in the advice given to individual applications for senior staff, including special advisers. A summary of advice given is published at: <https://www.gov.uk/government/publications/ago-gld-and-hmcpsi-business-appointment-rules>.

In 2023-24 there were 19 exits from the Senior Civil Service (SCS). One BAR application was submitted to the department from an SCS and one from a staff member at delegated grades. Both were approved with conditions set. No applications were found to be unsuitable for the applicant to take up by the department. There were no breaches of rules in the preceding year.

Risk management

Risk management practices comply with the requirements of the Orange Book's (HM Treasury risk management guidance) Main Principles. Our principal risks are also aligned to the risk categories in the Orange Book.

The ARAC provides a challenge function to the department's risk management arrangements, including deep dive reviews, internal audit reviews and the assurance of processes.

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

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

Principal risks are agreed by the GLD Board and monitored by the ARAC, and each key strategic risk is owned by an Executive Committee member. The risks and actions to mitigate them are reported monthly to the Executive Committee, and bi-monthly to the Board. The principal risks and the actions to mitigate them are detailed in the GLD business plan.

Risk profile

GLD's key principal risks and mitigating actions are:

Risk Category	Risk Description	Plans and Mitigations
Strategy	We do not have a complete performance and assurance system to monitor the delivery of our Strategy 2024+ or Corporate and Business Plans.	As part of the publication of GLD's 2024 Strategy a new performance system has been introduced to monitor and track delivery against the three-year strategy and the annual GLD business plan. The 2024-25 Business Plan reflects the priority deliverables in year one of the Strategy. Business Plan delivery is measured through a combination of Quarterly Change Report and line management led delivery reporting and accountability. The Quarterly Change Report, alongside GLD's operational Balance Scorecard and other performance data is integrated each quarter into a Quarterly Strategic Report which is presented to GLD's ExCo for approval and subsequently the GLD Board. This new product represents the most comprehensive approach GLD has ever taken to delivery and performance monitoring and assurance and is designed to clearly articulate both the progress of delivery against GLD's Strategic Ambitions and the effect and impact this is having on the achievement of the Department's long-term purpose. As a new system it will take time to reach its full potential and will be subject to rigorous continuous approval, particularly through feedback from GLD's Board. This will include ensuring the items for measurement and the metrics being applied reflect the evolving needs and priorities of the organisation as it moves through the delivery of its Strategy.
Governance	Our governance system and culture does not enable effective organisational performance and delivery, which impacts our decision-making and could lead to poor investment decisions, increased legal / reputational risk, inadequate risk management, and poor audit outcomes.	Work is underway to rationalise and simplify GLD's governance and delivery system to reflect organisational changes following the establishment of a Chief Operating Officer Group. This includes work to more clearly define accountabilities and responsibilities for planning, performance and risk. This work, alongside changes to the Executive and Non-Executive balance of the GLD Board is intended to create a clearer system of accountability which will drive improvements in both the application and underpinning cultures across GLD's planning, performance and risk system. This work is ongoing but will provide ongoing mitigation until it concludes.
Property	There is a risk that GLD does not deliver on its Health and Safety obligations caused by poor management leading to unsafe and unsuitable buildings or unsuitable equipment for staff.	A robust management plan is in place, which includes regular health and safety liaison with our public sector landlords, to ensure that GLD's legal responsibilities are met through risk assessment and safety awareness management. Competent persons are in place to deliver these and GLD has set up a Health and Wellbeing Group to oversee health, safety, and wellbeing within GLD. GLD engages with landlords through building house and safety committees.
Business Continuity	There is a risk that we do not prepare for significant external events which impact the delivery of legal services or cost recovery.	GLD has a robust command and control structure to manage disruption to the delivery of GLD services; which is overseen by the GLD Incident Management Team; this takes into consideration the disparate locations of staff and the specific requirements of business areas; these plans are reviewed annually and tested to ensure that they are effective and would minimise the impact of disruption on GLD business operations.
Security	We do not keep pace with emerging threats or a failure of compliance as a result of inappropriate awareness, culture and practice across personnel, physical and cyber security domains. Resulting in harm, or sanctions, or has an adverse impact on our ability to deliver legal services to our clients.	We comply with the requirements of our Information Security Management System, as well as GovS007 Functional Standard and Minimum-Security Standards across all security functions (Physical, Personnel, Cyber and Technical). We ensure all staff are appropriately security cleared and communicate securely with counsel and other third parties. All staff complete the mandatory annual 'Security and Data Protection' training. There is also Security Education and Awareness training products available on GLD's Learning Management System (LMS). Assurance is obtained through maintaining various cyber related certifications and accreditations, such as the ISO27001, Cyber Assessment Framework (CAF) and Government Cryptographic standards (IS4). This allows us to provide and support secure IT equipment and services to the National Security team, amongst others. We have IT solutions to identify, protect and respond to cyber-attacks.
Programme and Project Management	Project delivery capability, capacity, culture and controls do not keep pace with departmental appetite and demand leading to an inability to deliver a coherent portfolio of benefits through the successful delivery of programmes and projects.	The Project Delivery team are beginning to grow capability. The increase in project management capability and growing understanding of project disciplines with business leaders lowers the impact of the risk as problems with projects are more likely to be identified and addressed earlier, limiting adverse impacts. Close working with the Strategy team to align the 2024-25 portfolio to Business Plans reduces the likelihood of the risk of undertaking projects not aligned to business priorities.
Technology	We fail to provide IT tools on a consistent basis, impacting efficiency and productivity. Inadequate IT could impact Core Purpose and strategic vision delivery; staff morale and productivity; service delivery.	The availability of GLD systems has been consistently high with office, hybrid and remote working capability shown to be effective. Our primary concern is the pending obsolescence of our core Case Management System (CMS) which is currently in the process of being replaced with a more contemporary digital product. A secondary concern is the ongoing challenge of interoperability between client and GLD systems and wider government systems enabling greater collaboration and/or knowledge sharing between teams, which is reducing as the wider government interoperability strategy and standards are adopted which GLD is at the forefront of. There have been no significant IT systems disruptions for an extended period indicating the ongoing system improvements work has been effective, although we are continuing to monitor user performance and continue the systems improvement and resiliency works.

Risk Category	Risk Description	Plans and Mitigations
Operations	GLD could lose money due to fraud and error as a result of fraudulent staff, fraudulent suppliers or external fraudsters making fraudulent payments, changes to bank details, authorising fake invoices leading to inappropriate use of GLD assets, loss of assets, selling GLD data, inappropriate use of GLD travel contracts.	Our systems are designed to minimise this risk, we review the risk of fraud annually and where incidents of potential fraud and theft occur, we review our systems and strengthen as necessary. Our systems are well established and there are significant controls over payments and new suppliers which substantially limits the opportunity for individuals to obtain fraudulent payments.
Financial	There is a risk that we do not generate sufficient income to achieve full cost recovery and/or we breach one of our HM Treasury Control Totals.	Each year we undertake a comprehensive planning and budgeting process to determine the fee rates we need to charge to clients. The income, expenditure and activity trends are monitored throughout the year and this enables prompt action to be taken to bring spending in line with HM Treasury Control Totals.
People	There is a risk that we are unable to attract and retain sufficient legal and other professionals necessary to deliver against the demand for GLD's services.	The success of our Pay Business Case in early 2023 for an increased pay offer for our lawyers has significantly reduced our attrition and, alongside other changes such as a new employee value proposition and opening up our new national locations, we have seen improvements in numbers recruited too. The pay improvements, alongside other ongoing actions such as ensuring that staff have access to a range of Learning and Development opportunities; and implementing our Diversity and Inclusion Delivery Plan, Health and Wellbeing Action Plan and our Talent and Succession Framework have meant that we have been able to reduce the impact and probability of this risk. We have higher levels of attrition and vacancies across our corporate services group, particularly in some specialist areas such as digital. This is being mitigated by the use of temporary/external resource to meet demand, alongside work to improve the employee offer, which includes consideration of a future case for pay reform.
Client and External Relations	There is a risk that GLD fails to meet the demand for high quality, trusted and integrated legal services (utilising a combination of internal and external legal provision) at an acceptable cost to clients, leading to loss of confidence in GLD.	We manage this risk by ensuring the capability of our staff through appropriate training programmes, the development of general and specialist legal skills including secondments, and have robust, effective, legal quality assurance processes. We have an overall client approach supported by local client care plans to help build and maintain the trust and confidence of clients and have achieved our aims of 95% or above on our client satisfaction rating. Our funding model is kept under review to ensure clients find GLD costs acceptable and value for money. Our enhanced pay offer has led to a negative legal staff shortfall ensuring we are best resourced to meet client demand. To further manage demand for our services, we are developing strategic sourcing principles to ensure appropriate, aligned use of internal and external support. The 4 legal panels are currently going through a re-procurement process. We will develop and implement our new GLP strategy.
Quality and Innovation	There is an opportunity to enhance the quality and efficiency of GLD's legal work, through maintaining and enhancing effective control systems and creating an environment where innovation is encouraged and technology is well understood and deployed, resulting in GLD delivering consistently excellent legal work at minimum cost, and providing rewarding careers for our staff.	New metrics have been developed for use of our knowledge systems and trends will be reported on. We do not yet have reliable, measurable data on innovation, but an AI strategy is under development by the Knowledge and Innovation Division.

Security and business continuity

Information is one of our main assets and as such GLD is committed to maintaining the appropriate level of Information Security to protect information (including personal information). This level of security is assured by GLD's adherence to the Government Functional Security Standard (GovS 007: Security).

In addition, GLD maintains ISO 27001 and Cyber Essential Plus Certifications. Cyber resilience is maintained through comprehensive penetration testing, vulnerability management and protective monitoring policies, with our IT services on, or connected to the GLD network, being monitored by the Security Incident Event Management (SIEM) appliance.

All staff have completed the mandatory 'Security and Data Protection' and GDPR training, to ensure they are fully aware of their responsibility to keep information secure.

GLD maintains and reviews an Information Security Management System (ISMS), which is supported by relevant

and appropriate policies and procedures. It also maintains a Security Working Group (SWG), chaired by the Head of Protective Security, to monitor and manage security risks and issues.

GLD reviews and revises all policies and procedures in relation to physical and personnel security, ensuring that all assets are protected from all threats, whether insider or otherwise, deliberate or accidental.

GLD maintains a robust command and control structure for the management of business resilience and disaster recovery in order to assure the continued delivery of vital services to clients in the event of disruption. GLD ensures that these processes are relevant and reflect the guiding principles set out in BS65000. It has carried out a review of its business continuity processes and plans in light of new ways of working in a post-Covid environment and the move towards greater diversity in office-based locations. 2024 will focus on testing and exercising these plans and processes to ensure that they are viable and fit for purpose.

Whistleblowing

GLD is committed to nurturing an environment where staff are aware of how to raise concerns about something they see or experience at work. This includes ensuring they feel able and supported in expressing concerns through the channels available to them, including where an issue may be classed as whistleblowing. Responsibility for the operation of an effective whistleblowing policy and process within GLD is vested at Executive Committee level in the Director of Strategy, People and Culture (SPC), Damian Paterson. He is supported in this role by 4 Nominated Officers, 2 of whom were appointed during this reporting year. Nominated Officers act as a point of contact for GLD staff to raise concerns outside their line management chain. They also offer impartial support and advice to anyone raising a whistleblowing concern.

Assurance of GLD's whistleblowing policy and processes is provided by the GLD's ARAC who review whistleblowing cases and identify the lessons to be learned from them. The ARAC considers bi-annual reports on whistleblowing, with the Board receiving a report from the Director of SPC annually. GLD's 2023 People Survey indicated that 68% of people were aware of how to raise a concern under Civil Service Code, an increase of 3% on 2022. 76% of people indicated they believed that if a concern was raised under the Code it would be investigated properly. This is 3% higher than 2022 and is in part a response to the increase in Nominated Officers and publication of an updated raising a concern policy in GLD.

In reporting year 2023-24 there have been no formal cases raised under GLD's whistleblowing policies and procedures, although GLD's Nominated Officers have supported a small number of personnel who have expressed a concern about an aspect of their work or GLD which did not meet the threshold of a whistleblowing case.

Effectiveness of the risk management and governance framework

Assurance is obtained from a range of sources, including the work of the Internal Auditors. In their Annual Assurance Report, which offers an opinion on the adequacy and effectiveness of risk management, control and governance, the Head of Internal Audit gave a moderate level of assurance. In her opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

Assurance on information handling is provided by the Senior Information Risk Owner, Nick Price CBE, Operations Director & Senior Security Advisor, supported by the Security Team.

GLD directors provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by the ARAC.

At the end of each quarter, GLD conducts a formal forecasting exercise. GLD directors are asked to review their resourcing priorities and relevant income and expenditure against budget, and to forecast their year-end position. This information enables the Executive Committee and the Board to identify areas of concern and, if necessary, to review and consider the allocation of resources in meeting GLD objectives. From quarter 2, it also enables consideration of potential in-year fee reductions and rebates/refunds, where a surplus is forecast, or increases if a deficit is forecast.

External assurance of GLD's litigation activities is provided by the Law Society against the Lexcel Standard, and GLD's information systems are assured against the Lloyd's Register Quality Assurance Ltd standard ISO27001.

In addition we have considered and implemented Government Functional Standards where appropriate.

These processes highlighted one issue of significance with regard to the corporate health or operations of GLD in 2023-24. A review of our 'client monies' processes identified weaknesses in the authorisation of payments and the follow up of outstanding balances. These weaknesses have now been addressed with an updated and strengthened control environment.

Remuneration and Staff Report

Remuneration Report

Service contracts

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

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

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

Remuneration policy

The Prime Minister, following independent advice from the Senior Salaries Review Body, sets the remuneration of senior civil servants. The Review Body also advises the Prime Minister, from time to time, on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

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

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

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

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

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

Senior Civil Service (SCS) Pay Committee

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

The SCS Pay Committee at the relevant time (September 2023) comprised: Flora Huskisson – HR Director and Interim Chair, Susanna McGibbon, Treasury Solicitor and Permanent Secretary; Mel Nebhrajani CB, Director General; Caroline Croft, Director General; Sarah Goom, Director General; Doug Wilson, AGO Director General; with Damian Paterson, Director of SPC.

Consolidated awards (salary increase)

In 2023-24 the department was bound by SCS Cabinet Office Practitioner Guidance to implement the new pay range minima and give all eligible members of the SCS a consolidated pay award of 5.5% of their base pay, inclusive of any increase necessary to uplift members to the revised pay band minimum. An additional 1.0% of the SCS paybill was available to address pay anomalies, subject to the steer, set out in the Practitioner Guidance, towards:-

- those who are below the SCS-wide pay band medians (currently £80,000 for SCS1 £104,000 for SCS2 and £138,000 for SCS3), and particularly those who are assessed as high performing or exceeding;
- those who are performing well but remain lower in the pay band and for whom recent pay awards have done little to move them much above the pay band minimum;
- those who are performing well and whose salaries fall below the departmental Grade 6 maxima;
- with any remaining funds in the 1% paybill pot, any other individual pay anomalies identified by departments and agreed by departmental pay committees.

Non-consolidated performance related pay awards

An end-of-year non-consolidated amount was available for jobholders who were assessed as "Exceeding" or "High Performing" in the 2022-23 performance year.

In-year non-consolidated awards for performance during 2023-24 were made using the overall budget for non-consolidated SCS payments. The criteria used to award these were:

Level 1 and/or Team Award (within division)	Level 2 (across multiple divisions/government) Can also be awarded for achievement in division where the task was significantly complex
Has developed and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across their wider division.	Has developed and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across multiple divisions/government.
Has developed collaboratively across the division and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across the wider division.	Has developed collaboratively across multiple divisions and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across multiple divisions/ government.
Has demonstrably contributed to the improvement of capability, resilience, wellbeing and performance in their work area.	Has demonstrably contributed to the improvement of capability, resilience, wellbeing and performance across multiple divisions/ government.
Has demonstrably improved diversity, including social mobility, in their work area/division.	Has demonstrably improved diversity, including social mobility, across multiple divisions/government.
Has led a piece of work that has demonstrably secured significant savings or efficiency gains in their work area/division.	Has led a piece of work that has demonstrably secured significant savings or efficiency gains across multiple divisions/ government.
Leading as a subject expert, demonstrably building capability within their division.	Leading as a subject expert, demonstrably building capability with an impact across multiple divisions/government.

Note: SCS jobholders who were awarded both an in-year payment for performance in 2022-23 and end-of-year payment had their total non-consolidated payments for the year capped at the amount for the annual performance award.

Remuneration (including salary) and pension entitlements

This information has been subject to audit. The following sections provide details of the remuneration and pension interests of the senior management (i.e. Board members) of the department. Accrued pension benefits for directors are not included in this table for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pensions remedy.

Single total figure of remuneration

Officials	Salary £000		Bonus Payments £000		Pension Benefits to nearest £1,000 ¹		Total £000	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Susanna McGibbon Permanent Secretary	175-180	160-165	5-10	-	-	-41,000	185-190	120-125
Mel Nebhrajani CB Legal Director General	140-145	130-135	-	-	-	70,000	140-145	200-205
Caroline Croft Legal Director General from June 2023	90-95	-	-	-	-	-	90-95	-
Sarah Goom Legal Director General from September 2023	75-80	-	5-10	-	-	-	85-90	-
Elizabeth Hambley Legal Director General to August 2023	60-65	130-135	5-10	-	-	22,000	70-75	150-155
Jessica de Mounteney Legal Director General to May 2023	15-20	180-185	-	-	-	-	15-20	180-185
Richard Cornish Director General, Chief Operating Officer from March 2024	10-15	-	-	-	-	-	10-15	-
Damian Paterson Director of Strategy, People and Culture	105-110	95-100	-	-	-	42,000	105-110	140-145
Carmel Thornton Director of Finance, Operations and Digital from January 2024	20-25	-	-	-	-	-	20-25	-
Jon Fundrey Director of Finance, Operations and Digital from May 2022 to October 2023	85-90	130-135	5-10	-	-	47,000	95-100	175-180
Douglas Wilson OBE Ex-Officio Board member	150-155	140-145	5-10	-	-	17,000	160-165	160-165
Lee John-Charles CBE Co-opted Board member to December 2022	-	75-80	-	0-5	-	-36,000	-	40-45

¹ 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 increase excludes increases due to inflation or any increase or decrease due to transfer of pension rights. Where prior year pension figures have changed this is due to updated information. Changes in pension benefit can be negative as well as positive.

2023-24 notes:

Caroline Croft - full year equivalent salary was £105k-£110k

Sarah Goom - full year equivalent salary was £125k-£130k

Elizabeth Hambley - full year equivalent salary was £140k-£145k

Jessica de Mounteney - full year equivalent salary was £195k-£200k

Richard Cornish - full year equivalent salary was £125k-£130k

Carmel Thornton - full year equivalent salary was £95k-£100k

Jon Fundrey - full year equivalent permanent salary was £150k-£155k, salary includes an amount paid when employed as a contractor of £11k

Douglas Wilson - is paid by the Attorney General's Office

2022-23 notes:

Jon Fundrey - full year equivalent salary was £140k-£145k
Lee John-Charles - full year equivalent salary was £90k-£95k
Douglas Wilson - is paid by the Attorney General's Office

The non-executive directors were paid salaries in the following bands

	Contract end	Salary £000		Benefits-in-kind to nearest £100		Total £000	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Catherine Berney	April 2023	0-5	15-20	-	-	0-5	15-20
Erica Handling	October 2023	5-10	15-20	-	-	5-10	15-20
Mike Green	January 2025	15-20	15-20	1,000	600	15-20	15-20
Dame Janet Paraskeva	January 2027	0-5	-	-	-	0-5	-
Tim Fallowfield OBE	January 2027	0-5	-	-	-	0-5	-

The department's non-executive directors necessarily incur travelling and other expenses to attend departmental meetings. The tax liability arising on their reimbursement by GLD is met by GLD and is shown in the table above as a benefit in kind. Full year equivalents for Catherine Berney, Erica Handling, Dame Janet Paraskeva and Tim Fallowfield are £15k-£20k for 2023-24 salary.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the department and thus recorded in these Accounts.

Benefits in kind

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

Bonus payments

Performance related pay awards (non-consolidated) are based on an individual's performance and are moderated as part of the SCS appraisal process. Bonuses disclosed may relate to performance in the previous financial year.

Pay multiples

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

	2023-24	2022-23	Percentage change %
Remuneration of the highest-paid director	£187,500	£182,500	3%
25th percentile of pay and benefits	£47,541	£45,234	5%
Highest-paid director's remuneration as a multiple of the 25th percentile	4.0	4.0	0%
Median remuneration of the workforce	£58,672	£52,788	11%
Highest-paid director's remuneration as a multiple of the median remuneration	3.2	3.5	-9%
75th percentile of pay and benefits	£72,500	£66,621	9%
Highest-paid director's remuneration as a multiple of the 75th percentile	2.6	2.7	-4%
Average percentage change in pay relative to the previous financial year for the organisation as a whole	7%	3%	

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value (CETV) of pensions. The median, 25th and 75th percentiles are salary only, there were no bonuses or benefits. There was a bonus element relating to the highest paid director 2023-24 only.

The pay ratios for the 25th, median and 75th percentiles have reduced by 0%, 9% and 4% respectively. The decrease in the median pay ratio is mainly attributable to the implementation of capability based pay for lawyers which had increased the median.

The median pay ratio is consistent with the pay, reward and progression policies for the department.

In 2023-24 no (2022-23: no) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £24k-£188k (2022-23: £19k-£183k).

Salary Component only:

	2023-24	2022-23	Percentage change %
Remuneration of the highest-paid director	£177,500	£182,500	-3%
25th percentile of pay and benefits	£47,541	£45,234	5%
Highest-paid director's remuneration as a multiple of the 25th percentile	3.7	4.0	-8%
Median remuneration of the workforce	£58,672	£52,788	11%
Highest-paid director's remuneration as a multiple of the median remuneration	3.0	3.5	-14%
75th percentile of pay and benefits	£72,500	£66,621	9%
Highest-paid director's remuneration as a multiple of the 75th percentile	2.4	2.7	-11%
Average percentage change in pay relative to the previous financial year for the organisation as a whole	7%	3%	

This information has been subject to audit.

Pension benefits

Accrued pension benefits for directors are not included in this table for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pensions remedy.

Officials	Accrued pension at pension age at 31/03/24 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/24	CETV at 31/03/23	Real increase in CETV	Employer contribution to partnership pension accounts
	£000	£000	£000	£000	£000	Nearest £100
Susanna McGibbon Permanent Secretary	-	-	-	1,267	-	-
Mel Nebhrajani CB Legal Director General	-	-	-	861	-	-
Caroline Croft Legal Director General from June 2023	-	-	-	-	-	-
Sarah Goom Legal Director General from September 2023	-	-	-	-	-	-
Elizabeth Hambley Legal Director General to August 2023	-	-	-	982	-	-
Jessica de Mounteney Legal Director General to May 2023	-	-	-	-	-	2,500
Richard Cornish Director General, Chief Operating Officer from March 2024	-	-	-	-	-	-
Damian Paterson Director of Strategy, People and Culture	-	-	-	355	-	-
Carmel Thornton Director of Finance, Operations and Digital from January 2024	-	-	-	-	-	-
Jon Fundrey Director of Finance, Operations and Digital from May 2022 to October 2023	-	-	-	1,036	-	-
Douglas Wilson OBE Ex-Officio board member	-	-	-	616	-	-
Lee John-Charles CBE Co-opted board member to December 2022	-	-	-	936	-	-

This information has been subject to audit.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, whilst nuvos provides benefits on a career average basis. 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. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had 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 accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal 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 in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members.

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as “rollback”.

For members who are in scope of the public service pension remedy, the calculation of their benefits for the purpose of calculating their Cash Equivalent Transfer Value and their single total figure of remuneration, as of 31 March 2023 and 31 March 2024, reflects the fact that membership between 1 April 2015 and 31 March 2022 has been rolled back into the PCSPS. Although members will in due course get an option to decide whether that period should count towards PCSPS or alpha benefits, the figures show the rolled back position i.e., PCSPS benefits for that period.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

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

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Staff Report

Staff costs

This information has been subject to audit.

	Permanently employed staff	Others	2023-24 Total	2022-23 Total
	£000	£000	£000	£000
Wages and salaries	161,770	-	161,770	140,058
Social security costs	18,582	-	18,582	16,789
Other pension costs	42,830	-	42,830	37,430
Sub Total	223,182	-	223,182	194,277
Agency and contracted staff	-	25,244	25,244	21,553
Inward secondments	-	186	186	255
Total	223,182	25,430	248,612	216,085
Less recoveries in respect of outward secondments	(258)	-	(258)	(532)
Total Net Costs	222,924	25,430	248,354	215,553

No staff costs have been charged to capital.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as 'alpha' are unfunded multi-employer defined benefit schemes but GLD is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2020. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation: www.civilservicepensionscheme.org.uk

For 2023-24, employers' contributions of £42,504k were payable to the PCSPS (2022-23: £37,085k) at one of 4 rates in the range of 26.6 to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every 4 years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2023-24 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £345k (2022-23: £341k) were paid to the appointed stakeholder pension provider. Employer contributions are age-related and range from 8 to 14.75% of pensionable pay. Employers also match employee contributions of up to 3% of pensionable pay. In addition, employer contributions of £13k (2022-23: £14k), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting date were £nil. Contributions prepaid at that date were £nil.

No members of staff retired early on ill health grounds (2022-23: 0); the total additional accrued pension liabilities in the year amounted to £nil (2022-23: £nil).

Average number of persons employed

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

	2023-24		2022-23
	Permanent Staff	Others	Total
GLD	2,500	528	3,028

"Others" relates to agency staff and staff employed on a fixed term basis. This information has been subject to audit.

Reporting of Civil Service and other compensation schemes - exit packages

Exit package cost band	2023-24			2022-23		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-	-	-	-
£10,000 - £25,000	-	-	-	-	-	-
£25,000 - £50,000	-	-	-	-	-	-
£50,000 - £100,000	-	1	1	-	1	1
£100,000- £150,000	-	-	-	-	-	-
£150,000- £200,000	-	-	-	-	-	-
£200,000- £250,000	-	-	-	-	-	-
£250,000- £300,000	-	-	-	-	-	-
Total number of exit packages by type	-	1	1	-	1	1
Total resource cost/£	-	55,375	55,375	-	70,000	70,000

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

This information has been subject to audit.

Staff turnover

The staff turnover percentage for 2023-24 for GLD was 9.8% (2022-23: 14.0%). This has been calculated as the number of leavers between 1 April 2023 and 31 March 2024 divided by the average staff in post over the same period (full time equivalent).

SCS by payband

The number of SCS staff by payband in GLD as at 31 March was as follows:

GLD	31 March 2024	31 March 2023
SCS 4	1	1
SCS 3	4	3
SCS 2	24	25
SCS 1 and 1A	195	189
Total	224	218

Staff composition

We continue to promote equality and inclusion for all and in particular, we continue to maintain a strong gender profile and work to improve the representation of ethnic minority and disabled staff at senior civil service (SCS) level and in feeder grades to the SCS.

We are bound by the Civil Service Commission's recruitment principles on fair and open competition and selection on merit. Adjustments for candidates with disabilities are provided at all stages of the recruitment process. All interviewers are trained in GLD's recruitment policy, processes and procedures, which covers, amongst other things, unconscious bias, to ensure the process is fair, objective and inclusive. GLD is a Level 3 Disability Confident Leader and has an active Disability, Mental Health and Wellbeing Network.

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

	31 March 2024		31 March 2023	
	Male	Female	Male	Female
Officials as disclosed in the Remuneration Report	3	5	3	4
Non-executive directors	2	1	1	2
SCS (excluding officials disclosed in the Remuneration Report)	80	137	76	132
Employees	903	1,869	830	1,664
Total	988	2,012	910	1,802

The proportion of ethnic minority staff (based on those who have self-declared) at SCS is 14.7% (2022-23: 15.4%). The proportion of all staff is 24.4% (2022-23: 24.5%). Levels of staff with disabilities (based on those who have self-declared) are 10.7% in the SCS (2022-23: 9.8%) and 8.6% for all staff (2022-23: 7.9%). Individuals are supported by efficient arrangements for assessments and the implementation of workplace adjustments for those who require them.

Sickness absence

Overall sickness absence was an average of 4.8 working days lost per staff year (2022-23: 4.9 days). This compares favourably with the Civil Service average of 8.1 days lost per staff year for the year ended 31 March 2023 (most recent available figures). 64% of staff had no sickness absences (2022-23: 63%).

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

Expenditure on consultancy and temporary staff

Expenditure on consultants in 2023-24 has been £517k (2022-23: £417k). The spend mainly relates to work on the department's future strategy and legal practice management.

Expenditure on temporary staff in 2023-24 was £25.2m (2022-23: £21.6m). We continue to employ agency and contract staff where there is a need for specialist skills, and where for practical business reasons the Board has agreed there should be a mixed economy of permanent and contract staff to provide some flexibility to cope with changes in demand. We also employ agency staff in lieu of recruitment, to support our resourcing where we have not been able to attract as many permanent staff as required to deliver our work.

Staff policies relating to disability

GLD has recently been validated as a Level 3: Disability Confident Leader by the [businessdisabilityforum.org.uk](https://www.businessdisabilityforum.org.uk). GLD provides guaranteed interviews for those who declare as having a disability and who meet the minimum criteria. We provide reasonable adjustments (where required) and ensure diverse interview panels, including an independent panel member.

GLD provides support to any colleagues who suffer illness or who become disabled whilst employed by us. This takes the form of a comprehensive attendance management policy, the use of occupational health referrals (where required), independent employee assistance advice, provision for reasonable adjustments and disability leave. HR business partners allocated to each business area provide advice and support to managers and individuals. Access to training, career development and promotion is available to all staff. Where relevant, this will take into account any reasonable workplace adjustments. GLD regularly reviews data related to protected characteristics, including disability.

Trade union facility time

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

Table 1: Relevant Union Officials

Total number of employees who were relevant union officials between 1 April 2023 and 31 March 2024.

	2023-24	2022-23
	No.	No.
Employees who were relevant union officials during the relevant period	31	30
Full-time equivalent number	30.8	29.7

Table 2: Percentage of time spent on facility time

For employees who were relevant union officials employed between 1 April 2023 and 31 March 2024, percentage of their working hours spent on facility time.

	2023-24	2022-23
	No.	No.
0%	3	-
1% - 50%	28	30
51% - 99%	-	-
100%	-	-

Table 3: Percentage of pay bill spent on facility time

For employees who were relevant union officials employed between 1 April 2023 and 31 March 2024, percentage of pay bill spent on facility time.

	2023-24	2022-23
The total cost of facility time (£k)	114	133
The total annual pay bill for GLD (£k)	218,186	194,757
The percentage of total pay bill spend on facility time (%)	0.05	0.07

Table 4: Paid trade union activities

For employees who were relevant union officials employed between 1 April 2023 and 31 March 2024, percentage of time spent on paid trade union activities.

	2023-24	2022-23
Time spent on paid trade union activities as a percentage of total paid of facility time hours (%)	-	-

Partnership

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

Consultation with employees: 2023 People Survey

The annual People Survey is a key measure of the department's success in delivering GLD's vision to be the 'best employer for our people'. In the 2023 Survey, GLD achieved an Engagement Index of 61% (with a response rate of 69%), this represented a 2-point rise on 2022, but remains 3 points behind the Civil Service average.

Of the 9 main engagement areas, 4 have risen compared to 2022 (Organisational objectives and purpose, Learning and development, Resources and workloads, Pay and Benefits) and 2 (My work and Leadership and managing change) have stayed the same. My team and Inclusion and fair treatment dropped. Colleagues reporting experience of discrimination rose by 1% but is 3 points lower than it was in 2020. Bullying and harassment stayed the same compared to 2022 but is 2 points lower than it was in 2021.

An Action Plan in response to the People Survey was published for staff in April 2024.

High paid off-payroll appointments

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

For GLD, these engagements are principally made up of 2 categories of individual:

- In the ICT area, the GLD Board has agreed that there should be a mixed economy of permanent and temporary staff for practical business reasons. During 2023-24, GLD continued to manage a number of temporary agency ICT staff to undertake specific IT tasks, in addition to some who have been there for longer periods
- Temporary agency lawyers, via the Contingent Labour contract, who are filling business critical posts and help manage the fluctuation in demand for legal services.

Details are as follows:

Table 1: For all off-payroll engagements as of 31 March 2024, for more than £245 per day

	No. 31 March 2024	No. 31 March 2023
No. of existing engagements as at 31 March	100	99
Of which		
No. that have existed for less than one year at time of reporting	22	37
No. that have existed for between one and 2 years at time of reporting	31	23
No. that have existed for between 2 and 3 years at time of reporting	15	7
No. that have existed for between 3 and 4 years at time of reporting	8	7
No. that have existed for 4 or more years at time of reporting	24	25

Table 2: For all off-payroll appointments engaged at any point between 1 April 2023 and 31 March 2024 for more than £245 per day

	No. 2023-24	No. 2022-23
No. of temporary off-payroll appointments engaged between 1 April 2023 and 31 March 2024	156	160
Of which		
Not subject to off-payroll legislation	-	50
Subject to off-payroll legislation and determined as in-scope of IR35	153	108
Subject to off-payroll legislation and determined as out-of-scope of IR35	3	2
No. of engagements reassessed for compliance or assurance purposes during the year	-	88
Of which: No. of engagements that saw a change to IR35 status following review	-	-

In 2023-24 one Board member was engaged off-payroll for a period of 2 weeks following their retirement from the Civil Service to enable a smooth handover of responsibilities to colleagues which could not take place immediately prior to their leaving date. All Board members, and/or senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024 were on payroll for their whole tenure.

2022-23 - All Board members, and/or senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023 were on payroll.

Parliamentary Accountability and Audit Report

This information has been subject to audit.

Fees and charges

An analysis of the department's income and associated costs is shown below. Charges for the provision of legal services and administration services to Bona Vacantia Division are set to recover full costs in accordance with HMT's guidance on fees and charges set out in Managing Public Money. This analysis is not for IFRS 8 purposes.

	2023-24				2022-23			
	Income £000	Vote funding £000	Full Cost £000	Surplus/ (deficit) £000	Income £000	Vote funding £000	Full Cost £000	Surplus/ (deficit) £000
Legal fees and charges to clients	342,045	-	334,271	7,774	300,689	-	290,331	10,358
Bona Vacantia	4,731	-	4,731	-	4,717	-	4,717	-
Other income	2,683	-	2,683	-	3,456	-	3,456	-
Non-chargeable work	-	272	272	-	-	249	249	-
Total	349,459	272	341,957	7,774	308,862	249	298,753	10,358

'Bona Vacantia' relates to income charged for administering bona vacantia (ownerless assets in respect of dissolved companies and intestate estates). 'Other income' is primarily related to recoveries for subscription costs and costs associated with Strategic Relationship Management relating to the Legal Services Panel. Vote funding relates to Public Interest legal work. In accordance with HMT's guidance a notional cost of capital charge £787k (2022-23: £618k) is included for setting fees and charges and is also reflected in full cost figures for this analysis. The notional cost of capital is not recognised in the financial statements. The cost of capital charge is calculated at the real rate set by HMT (currently 3.5%) on the average carrying amount of all assets less liabilities, except for cash balances held with the Government Banking Service.

Remote contingent liabilities

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

Losses and special payments

HMT's publication - Managing Public Money - requires a statement showing losses and special payments by value and by type to be disclosed where the total of losses or the total of special payments exceed £300k. Individual losses or special payments of more than £300k are noted separately.

Losses are transactions of a type which Parliament could not have foreseen when Supply funding for the department was voted. The term loss includes loss of cash and stores, fruitless payments, losses arising from overpayments and claims waived. There were no significant losses that needed to be reported, the total being below £300k.

Special payments are transactions that Parliament could not have anticipated when passing legislation or approving Supply Estimates for the department. Examples include: extra contractual or ex-gratia payments to contractors or staff or extra statutory and extra regulatory payments. In 2023-24 there were costs associated with 3 related employment cases that were accrued in the Accounts that came to a total of £415k. There were no other special payments that needed to be reported.

Long term expenditure trends

This information is not subject to audit. Our planned net expenditure as agreed with HMT is as follows. This covers the costs that are not recovered from our clients, but which are met from the Parliamentary Estimate.

£m	2024-25
DEL Resource	2.10
DEL Capital	2.68

The Departmental Expenditure Limit (DEL) Resource funding for 2024-25 is to cover the costs of public interest casework (Letters of Request and Vesting Orders in Chancery). The DEL Capital funding allows us to invest in improving and developing systems to support our operations and to meet our accommodation requirements.

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

Opinion on financial statements

I certify that I have audited the financial statements of the Government Legal Department for the year ended 31 March 2024 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Government Legal Department's:

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Income, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Government Legal Department's affairs as at 31 March 2024 and its net operating income for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). 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 am independent of the Government Legal Department 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 Government Legal Department'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 Government Legal Department'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 Government Legal Department is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- 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 Government Legal Department and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

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

- adequate accounting records have not been kept by the Government Legal Department or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; 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 Treasury Solicitor and Chief Executive as Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;

- providing the C&AG with unrestricted access to persons within the Government Legal Department from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Government Legal Department'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 Government Legal Department will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

- considered the nature of the sector, control environment and operational performance including the design of the Government Legal Department's accounting policies, key performance indicators and performance incentives.
- inquired of management, the Government Legal Department's internal audit function and those charged with governance, including obtaining and reviewing supporting documentation relating to the Government Legal Department's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Government Legal Department's controls relating to the Government Legal Department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money and Treasury Solicitor Act 1876;
- inquired of management, Government Legal Department's internal audit function and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team and internal specialists 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 Government Legal Department for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in estimating accrued income. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Government Legal Department's framework of authority and other legal and regulatory frameworks in which the Government Legal Department operates. I focused 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 Government Legal Department. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2023, Treasury Solicitor Act 1876, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed 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;
- I enquired of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on 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
- I addressed the risk of fraud in revenue recognition by assessing controls over preparation of accruals for unbilled time; testing the accuracy and cut-off of unbilled time including tracing to post year-end invoices and subsequent cash receipts where appropriate; and undertaking procedures to test the recoverability of the unbilled elements.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists 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 sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: 12 July 2024

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

Financial Statements

Statement of Comprehensive Net Income for the year ended 31 March 2024

	Note	2023-24 £000	2022-23 £000
Income from sale of services	5	(343,543)	(302,193)
Other operating income	5	(5,916)	(6,669)
Total operating income		(349,459)	(308,862)
Staff costs	2	248,612	216,085
Purchase of goods and services	3	26,018	23,300
Rentals under operating leases	3	195	133
Non-cash costs	3	10,870	10,596
Disbursements	4	55,475	48,021
Total operating expenditure		341,170	298,135
Net operating income		(8,289)	(10,727)
Total comprehensive income for the year		(8,289)	(10,727)

All income and expenditure is derived from continuing operations.

The notes on pages 68 to 78 form part of these Accounts.

Statement of Financial Position

as at 31 March 2024

	Note	31 March 2024		31 March 2023	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	6	5,889		6,296	
Intangible assets	7	6		172	
Right of use assets	8	21,271		26,893	
Total non-current assets		27,166		33,361	
Current assets					
Trade and other receivables	10	57,557		47,463	
Cash and cash equivalents	11	11,269		12,465	
Total current assets		68,826		59,928	
Total assets			95,992		93,289
Current liabilities					
Trade and other payables	12	(51,031)		(47,559)	
Lease liabilities	13	(7,770)		(6,686)	
Provisions	14	(380)		(520)	
Total current liabilities			(59,181)		(54,765)
Total assets less current liabilities			36,811		38,524
Non-current liabilities					
Lease liabilities	13	(11,347)		(18,651)	
Provisions	14	(103)		(268)	
Total non-current liabilities			(11,450)		(18,919)
Total assets less liabilities			25,361		19,605
Taxpayers' equity					
General fund			25,361		19,605
Total Taxpayers' equity			25,361		19,605

The notes on pages 68 to 78 form part of these Accounts.

Susanna McGibbon
Accounting Officer
11 July 2024

Statement of Cash Flows

for the year ended 31 March 2024

		2023-24	2022-23
	Note	£000	£000
Cash flows from operating activities			
Net operating income		8,289	10,727
Adjustments for non-cash transactions arising in the year	3	10,870	10,596
(Increase) in trade and other receivables		(10,094)	(1,733)
Increase/(Decrease) in trade and other payables*		4,736	(327)
IFRS 16: impact of adoption		-	(1,024)
Net cash inflow from operating activities		13,801	18,239
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(2,340)	(2,926)
Net cash outflow from investing activities		(2,340)	(2,926)
Cash flows from financing activities			
Net financing from the Consolidated Fund		8,652	5,732
IFRS 16: payment of lease liabilities for the principal		(8,844)	(8,580)
Contingencies Fund advance (to support working capital)		25,000	25,000
Repayment of Contingencies Fund advance		(25,000)	(25,000)
Net financing		(192)	(2,848)
Net increase in cash and cash equivalents in the period	11	11,269	12,465
Payment of amounts due to the Consolidated Fund		(12,465)	(27,045)
Cash and cash equivalents at the beginning of the period	11	12,465	27,045
Cash and cash equivalents at the end of the period	11	11,269	12,465

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

The notes on pages 68 to 78 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

	Note	General Fund £000	Total Reserves £000
Balance at 31 March 2022		15,722	15,722
Impact of IFRS 16 adoption		(190)	(190)
Balance at 1 April 2022		15,532	15,532
Changes in taxpayers' equity for 2022-23			
Net financing		5,732	5,732
Net parliamentary funding: deemed	11	27,045	27,045
Payment to the Consolidated Fund	12	(27,045)	(27,045)
Supply payable adjustment		(12,465)	(12,465)
Comprehensive net income for the year		10,727	10,727
Non-cash adjustments:			
Auditors' remuneration	3	79	79
Total recognised expenditure for 2022-23		4,073	4,073
Balance at 1 April 2023		19,605	19,605
Changes in taxpayers' equity for 2023-24			
Net financing		8,652	8,652
Net parliamentary funding: deemed	11	12,465	12,465
Payment to Consolidated Fund		(12,465)	(12,465)
Supply payable adjustment	12	(11,269)	(11,269)
Comprehensive net income for the year		8,289	8,289
Non-cash adjustments:			
Non-cash charges – auditors' remuneration	3	84	84
Total recognised expenditure for 2023-24		5,756	5,756
Balance at 31 March 2024		25,361	25,361

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

The notes on pages 68 to 78 form part of these Accounts.

Notes to the Accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by HMT. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Government Legal Department (GLD) for the purpose of giving a true and fair view has been selected. The particular policies adopted by GLD are described below. They have been applied consistently in dealing with items considered material in relation to the Accounts.

In common with other government departments, the future financing of the department's liabilities is to be met by future grants of Supply and the application of future income, both to be approved annually by Parliament. After making enquiries, the Accounting Officer has a reasonable expectation that the department has adequate resources to continue in operational existence for a period of at least 12 months from the date the financial statements are authorised for issue.

The going concern basis of accounting for the department is adopted in consideration of the requirements set out in HM Treasury's Government Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future. For the above reasons it has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.1 Accounting convention

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

1.2 Material accounting judgments and estimates

The judgments applied to non-current asset balances with regard to asset lives and impairment reviews are set out in the separate accounting policies on these assets. Judgments relating to leases are set out in the leases accounting policy.

Most of the larger accruals included in the accounts within the working capital balances are routine and are based on system data rather than being the result of estimates or judgments applied by management. The main exception to this is the accrual included for legal disbursement costs yet to be invoiced to the department. As most of these costs are recharged to the department's clients both an expenditure and income accrual are included in the financial statements (£7.5m and £7.4m respectively), so the overall impact on net operating income is largely neutral. The accrual is based on an estimate of the level of outstanding disbursements costs at the financial year-end using historical transaction data. Actual results may differ from these estimates.

Provision balances are also subject to management estimates on the level of leasehold dilapidations. These balances are not currently significant. The value of untaken annual leave is also estimated on the basis of HR records and staff cost averages.

1.3 Income

Income relates directly to the operating activities of the department. It principally comprises fees and charges for legal services provided during the year by GLD to the other central government departments, agencies and arm's length bodies and recovery of disbursements incurred on their behalf. Fees and charges are set in accordance with HMT guidance set out in Managing Public Money. In addition, it includes other income such as charges for the administration costs of the Bona Vacantia Division, rental income and service charge, recovery of costs for recruitment and training services provided to other government departments.

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

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

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

1.4 Property, plant and equipment

Assets are carried at current value in existing use using depreciated historic cost as a proxy. The need for impairment is considered on an annual basis. Expenditure on plant, property and equipment over £5,000 is capitalised on an individual or group basis. On initial recognition they are measured at cost including any costs (such as installation) directly attributable to bringing them into working condition. The policy on right of use assets is disclosed in Note 1.10.

1.5 Depreciation

Plant, property and equipment are depreciated at rates calculated to write them down on a straight-line basis over their estimated useful lives. Leasehold improvements are depreciated over the term of the lease.

Assets under construction are not depreciated until they are in use. Once in use they are depreciated over their expected useful life.

Asset lives are normally within the following ranges:

- | | |
|------------------------------------|--|
| – Leasehold improvements | limited to period remaining on lease (up to 5 years) |
| – Right of use leasehold buildings | limited to period remaining on lease (up to 5 years) |
| – Furniture and fittings | 3, 5 or 10 years |
| – ICT network | 3 to 5 years |

1.6 Intangible assets

Purchased and internally developed software, purchased software licences and website costs are capitalised as intangible assets and are valued at depreciated historic cost as a proxy for fair value. The need for impairment is considered on an annual basis.

Intangible assets under construction are not amortised until they are in use. Once they are in use, they are amortised on a straight line basis over the life of the associated project or their expected useful economic life. Asset lives are normally within the following ranges:

- | | |
|------------------------|--------------|
| – Software development | 3 to 5 years |
| – Software licences | 3 to 5 years |
| – Website costs | 5 years |

1.7 Debt recovery

All aged debt is regularly reviewed to ascertain the continuing prospect of recovery and that it remains economical to continue to pursue recovery. Where recovery is considered doubtful or uneconomic, the department will provide for or write-off the debt by reducing the value of debtors within the Statement of Financial Position.

1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). This is a multi-employer scheme and it is not possible to separate the assets and liabilities, and is therefore accounted for in the same manner as defined contribution schemes. The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The department recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the department recognises the contributions payable for the year.

1.9 Contingent liabilities

Contingent liabilities are disclosed, where applicable, in the notes to the Accounts in accordance with IAS 37. Remote contingent liabilities that are not required to be disclosed by IAS 37 but are required to be reported to Parliament, where applicable, are included in the Accountability Report.

1.10 Leases

IFRS 16 "Leases" introduces a single lessee accounting model, removing the distinction between operating and finance leases and requiring a lessee to recognise 'right of use' assets and liabilities for all leases (apart from the exemptions included below). For government bodies reporting under the FReM, IFRS 16 was implemented on 1 April 2022 and replaced IAS 17 (Leases).

The department's leasing activities relate to being a lessee in respect of buildings occupied for operational purposes.

Assumptions

The definition of a contract is expanded to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, Memorandum of Terms of Occupation (MOTO) agreements.

The department has elected not to recognise right of use assets and lease liabilities for the following leases:

- intangible assets;
- non-lease components of contracts where applicable;
- low value assets (these are determined to be in line with capitalisation thresholds on Property, Plant and Equipment); and
- leases with a lease term of 12 months or less.

At inception of a contract, the department assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, including whether:

- The contract involves the use of an identified asset;
- The department has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use; and
- The department has the right to direct the use of the asset.

The department assesses whether it is reasonably certain to exercise break or extension options at the lease commencement date. The department reassesses this if there are significant events or changes in circumstances that were not anticipated.

As a lessee

Right of use assets

The department recognises a right of use asset and lease liability at the commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability. The right of use assets are subsequently measured at current value in existing use in line with property, plant and equipment assets, using cost as a proxy for fair value as significant market fluctuations are not anticipated. The right of use asset is depreciated using the straight line method from the commencement date to the end of the lease term. The department applies IAS 36 Impairment of Assets to determine whether the right of use asset is impaired and to account for any impairment loss identified.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HMT. All leases in the department account have been discounted using the HMT discount rate. Leases in the department's accounts that commenced and were adopted into IFRS 16 before 1 January 2023 are discounted using the HMT discount rate of 0.95%. Leases entered into during 2023 are discounted using the HMT discount rate of 3.51%.

The lease payment is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments or if the department changes its assessment of whether it will exercise an extension or break option.

As a lessor

The department does not act as a lessor.

1.11 Taxation

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

1.12 Third party assets

The department holds various funds on behalf of its clients. These relate to ongoing legal processes. These balances are not recognised in the Statement of Financial Position but are disclosed in Note 17 to these Accounts.

1.13 IFRS issued but not yet effective

IFRS issued or amended but not yet effective have been reviewed and are not considered to impact on the financial statements.

1.14 Operating segments

GLD's income primarily relates to fees and charges for legal services provided during the year to clients from central government departments, agencies and arms length bodies. Government is treated as a single customer and therefore is treated as a single operating segment for reporting purposes.

2. Staff costs

	Permanently employed staff £000	Others £000	2023-24	2022-23
			Total £000	Total £000
Wages and salaries	161,770	-	161,770	140,058
Social security costs	18,582	-	18,582	16,789
Other pension costs	42,830	-	42,830	37,430
Sub Total	223,182	-	223,182	194,277
Agency and contracted staff	-	25,244	25,244	21,553
Inward secondments	-	186	186	255
Total	223,182	25,430	248,612	216,085

No staff costs have been charged to capital. Detailed disclosures on staff costs are included in the Staff Report.

3. Other expenditure

	2023-24 £000	2022-23 £000
Rentals under operating leases		
Hire of plant and machinery	-	3
Other operating leases	195	130
	195	133
Non-cash items		
Depreciation	10,534	9,582
Amortisation	166	179
Increase in provisions	-	400
Release of provisions	(305)	-
IFRS 16: interest expense	391	330
IFRS 16: loss on disposal of lease	-	26
External auditors' remuneration*	84	79
	10,870	10,596
Purchase of goods and services		
IT and communications costs	7,662	7,277
Accommodation	5,745	4,926
Library information services	3,258	3,286
Recruitment	2,057	1,807
Training	1,818	2,016
Professional and external HR services	1,148	1,104
Travel and subsistence	871	431
Consultancy	517	417
Postal services	252	214
Welfare supplies and consumables	178	129
Records management	142	188
Other	2,370	1,505
	26,018	23,300
Total other expenditure	37,083	34,029

*External auditors' remuneration represents the notional audit fees of £84k (2022-23: £79k) for the Government Legal Department Account. No non-audit services were provided during the financial year.

4. Disbursements

	2023-24 £000	2022-23 £000
Recoverable from client departments	51,190	44,297
Funded from Supply	710	355
Disbursements recovered from fixed fees	3,575	3,369
Gross expenditure	55,475	48,021

5. Income

	2023-24 £000	2022-23 £000
Income from sales of goods and services:		
Legal fees and charges to clients	290,855	256,392
Disbursement income	51,190	44,297
LION subscription	1,498	1,504
	343,543	302,193
Other operating income:		
Recovery of costs Bona Vacantia	4,731	4,717
Recovery of secondments out	258	532
Rental income	127	127
Other income	800	1,293
	5,916	6,669
Total income	349,459	308,862

6. Property, plant and equipment

	Leasehold improvements	ICT Network	Furniture and fittings	2023-24 Total
	£000	£000	£000	£000
Cost or Valuation				
At 1 April 2023	3,680	8,743	2,336	14,759
Additions	-	2,272	-	2,272
At 31 March 2024	3,680	11,015	2,336	17,031
Depreciation				
At 1 April 2023	2,071	5,207	1,185	8,463
Charge in year	270	2,155	254	2,679
At 31 March 2024	2,341	7,362	1,439	11,142
Carrying amount at 31 March 2024	1,339	3,653	897	5,889
Asset financing				
Owned	1,339	3,653	897	5,889
Leased	-	-	-	-
At 31 March 2024	1,339	3,653	897	5,889

	Leasehold improvements	ICT Network	Furniture and fittings	2022-23 Total
	£000	£000	£000	£000
Cost or Valuation				
At 1 April 2022	3,783	8,268	2,087	14,138
Additions	-	2,670	249	2,919
Disposals	(103)	(2,195)	-	(2,298)
At 31 March 2023	3,680	8,743	2,336	14,759
Depreciation				
At 1 April 2022	1,745	6,028	908	8,681
Charge in year	429	1,374	277	2,080
Disposals	(103)	(2,195)	-	(2,298)
At 31 March 2023	2,071	5,207	1,185	8,463
Carrying amount at 31 March 2023	1,609	3,536	1,151	6,296
Asset financing				
Owned	1,609	3,536	1,151	6,296
At 31 March 2023	1,609	3,536	1,151	6,296

	2023-24	2022-23
	£000	£000
Cash flow analysis for property, plant and equipment		
Property, plant and equipment additions	2,272	2,919
Movement in accruals for property, plant and equipment	68	7
Cash flows for property, plant and equipment	2,340	2,926

7. Intangible assets

	Software licences £000	2023-24 Total £000
Cost or Valuation		
At 1 April 2023	771	771
Additions	-	-
At 31 March 2024	771	771
Amortisation		
At 1 April 2023	599	599
Charge in year	166	166
At 31 March 2024	765	765
Carrying amount at 31 March 2024	6	6

	Software licences £000	2022-23 Total £000
Costs or Valuation		
At 1 April 2022	1,602	1,602
Disposals	(831)	(831)
At 31 March 2023	771	771
Amortisation		
At 1 April 2022	1,251	1,251
Charge in year	179	179
Disposals	(831)	(831)
At 31 March 2023	599	599
Carrying amount at 31 March 2023	172	172

8. Right of use assets

	Right of use building £000	2023-24 Total £000
Cost or Valuation		
At 1 April 2023	34,279	34,279
Additions	2,233	2,233
At 31 March 2024	36,512	36,512
Depreciation		
At 1 April 2023	7,386	7,386
Charge in year	7,855	7,855
At 31 March 2024	15,241	15,241
Carrying amount at 31 March 2024	21,271	21,271

	Right of use building £000	2022-23 Total £000
Cost or Valuation		
At 1 April 2022 adoption	34,329	34,329
Additions	343	343
Disposals	(393)	(393)
At 31 March 2023	34,279	34,279
Depreciation		
At 1 April 2022	-	-
Charge in year	7,502	7,502
Disposals	(116)	(116)
At 31 March 2023	7,386	7,386
Carrying amount at 31 March 2023	26,893	26,893

9. Financial instruments

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

10. Trade receivables and other current assets

Analysis by type	31 March 2024 £000	31 March 2023 £000
Amounts falling due within one year:		
Unbilled time	8,590	8,304
Unbilled disbursements	13,358	11,997
Trade receivables	31,873	20,749
Deposits and advances	314	267
Prepayments and accrued income	3,422	6,146
	57,557	47,463

11. Cash and cash equivalents

	2023-24 £000	2022-23 £000
Balance at 1 April	12,465	27,045
Payments of amounts due to Consolidated Fund	(12,465)	(27,045)
Net change in cash and cash equivalents	11,269	12,465
Balance at 31 March	11,269	12,465

All balances were held with the Government Banking Service as cash. There were no cash equivalents.

12. Trade payables and other current liabilities

Analysis by type	31 March 2024	31 March 2023
	£000	£000
Amounts falling due within one year:		
VAT	12,503	9,194
Other taxation and social security costs	4,866	4,250
Trade payables and other payables	582	218
Accruals and deferred income	21,811	21,432
	39,762	35,094
Excess cash surrenderable to the Consolidated Fund	11,269	12,465
Total current payables and other liabilities	51,031	47,559

13. IFRS 16 Lease Liability

	2023-24	2022-23
	£000	£000
Balance at 1 April	25,337	33,495
Lease additions	2,233	343
Lease disposals	-	(251)
Lease payments made	(8,844)	(8,580)
Interest expense	391	330
Balance at 31 March	19,117	25,337
Obligations for the following periods comprise:		
Not later than one year	7,770	6,686
Later than one year and not later than 5 years	11,347	18,651
Later than 5 years	-	-
Current	7,770	6,686
Non-current	11,347	18,651

14. Provisions for liabilities and charges

	2023-24			2022-23
	Other	Dilapidations	Total	Total
	£000	£000	£000	£000
Balance at 1 April	400	388	788	388
Provided in year	-	-	-	400
Released in year	(305)	-	(305)	-
Balance at 31 March	95	388	483	788

Analysis of expected timing of cash flows	2023-24	2022-23
	Total	Total
	£000	£000
Not later than one year	380	520
Later than one year and not later than 5 years	103	268
Later than 5 years	-	-
	483	788

15. Contingent liabilities

There were no contingent liabilities as at 31 March 2024 (31 March 2023: £nil).

16. Related party transactions

The department has had a significant number of material transactions with other government departments and public agencies since the nature of the department's business is to provide legal services to central government.

The Treasury Solicitor, by virtue of the Treasury Solicitor Act 1876, is also the Crown's Nominee.

None of the Board members, or key managerial staff, or their related parties, has undertaken any material transactions with GLD during the year. Board members' remuneration is disclosed in the Remuneration Report.

17. Third party assets: client monies

Funds are required in advance from clients to enable settlement of awards for damages and contributions toward the cost of court proceedings. The department places these funds on deposit until the final costs of a case have been calculated and settled. These are not departmental assets, as the funds are held on behalf of third parties and as a consequence do not appear in these Accounts. As at 31 March 2024, these amounted in total to £48,319k (31 March 2023: £12,996k). An analysis of the movements on these funds is shown in the below:

	2023-24	2022-23
	£000	£000
Opening balance at 1 April	12,996	14,654
Gross inflows	148,846	187,501
Gross outflows	(113,523)	(189,159)
Closing balance at 31 March	48,319	12,996

These balances are held with the Government Banking Service.

18. Events after the reporting period

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

Annex A: Sustainability Report for the year ended 31 March 2024

Task Force on Climate-related Financial Disclosure (TCFD) Compliance Statement

The disclosure requirements for the first year of implementation are that in-scope reporting entities must include the following and it is noted how we comply under each section:

Compliance statement

Government Legal Department (GLD) has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. GLD considers climate to be a principal risk, and has therefore complied with the TCFD recommendations and recommended disclosures around:

- Governance - recommended disclosures (a) and (b)
- Risk Management - recommended disclosures (a) to (c)
- Metrics and Targets - recommended disclosures (a) to (c)

Disclosures

- (a) a description of the Board's oversight of climate-related issues.

Climate-related issues are included in the GLD Strategy 2024-2027 and is included within the section 'An Environment Fit for the Future'. This has resulted in sustainability being included within the overall business plan and all activity included in the business plan is reported to the Board at regular intervals. This is via the Quarterly Strategic Report reported to Executive Committee through a balanced score card to ensure there is sufficient progress on the business plan and that GLD is on track to meet its targets it has set itself. There is also a Sustainability Champion at Board level, Carmel Thornton, Finance, Operations and Digital Director. The Sustainability Lead is also a member of the GLD Shadow Board.

- (b) a description of management's role in assessing and managing climate-related issues.

Managing risk is an important part of GLD's management function. The Audit and Risk Assurance Committee (ARAC) report to the Board and supports the Treasury Solicitor (in its capacity as GLD's Accounting Officer) in discharging her responsibilities in relation to financial reporting, audit, risk management, internal control security and the integrity of financial statement. In taking decisions and managing our risks, we consider the impact on climate and sustainability. ARAC's role is to escalate any risks that are not being managed to the Board for action, ensuring the risk appetite is regularly assessed and that the risk is being managed in an appropriate manner.

- where available as part of an entity's existing reporting processes, the TCFD Metrics and Targets recommended disclosure (adapted):

- (c) Scope 1, Scope 2, and, Scope 3 - business travel only greenhouse gas (GHG) emissions. This aligns with existing requirements in the Sustainability Reporting Guidance (SRG). Please see the Sustainability Reporting section below.

This is in line with the central government's TCFD-aligned disclosure implementation timetable. GLD plans to make disclosures for Strategy, Risk Management and Metrics and Targets disclosures (a) and (c) in future reporting periods in line with the central government implementation timetable.

Sustainability Reporting

Overall Greening Government Commitment Performance

In June 2023, the Board approved our first Sustainability Strategy, which formally launched our commitment to sustainability.

Additionally, GLD's overall Strategy 2024-2027 (launched spring 2024), under the headline An Environment Fit for the Future, states that 'we will meet enhanced sustainability targets, achieving our commitment to reduce emissions by 2030 and achieve net zero by 2050'.

We now have a fulltime Sustainability Lead in post, and they are actively pushing sustainability within GLD to raise understanding and embed change at organisational level. This has been carried out by representation at all staff calls, sustainability risks assessments, divisional meetings, development of intranet pages and regular communications.

Working closely with our Sustainability Lead, we have a large, active Greener GLD staff network comprising about 15% our workforce, who have championed sustainability issues and been a critical friend. They have several working groups that tackle issues such as Sustainable Procurement, Green Volunteering, Green Communications and support wider Civil Service collaboration with the Civil Service Climate and Environment Network.

Scope of reporting

Performance reported is in line with the minimum reporting requirements for Greening Government Commitments (GGC) (data for previous 4 years plus the 2017-18 baseline). Where a GGC measure is not applicable to GLD, this has been stated.

GLD is a minor tenant in all buildings occupied and therefore is not the key decision maker with regard to most areas covered by GGC. However, as in previous years, in excess of minimum reporting requirements, we have attempted to report data for the department's share of occupied buildings where that data is available.

Most data included is only available at a building level as there is not separate meterage in place for sub-tenants, so the data has been apportioned based on our occupation percentage. The only data included which is based on departmental actuals rather than an apportionment, is in respect of Scope 3 Emissions (expenditure on business travel) and paper consumption where records from our internal print room have been used.

The data reported covers occupancy at the GLD central London office 102 Petty France. Data hasn't been included for the GLD conference centre at Queen Anne's Gate, the GLD office space in Bristol, Croydon, Leeds or our occupancy at New Bailey in Salford. GLD is a minor tenant in these buildings and therefore the major occupier/leaseholder should report data for these sites.

The following reporting areas set out in the minimum reporting requirements are not applicable to the department:

- Nature Recovery and Biodiversity action planning - no significant natural capital or landholdings are held.
- Sustainable Construction - no construction or refurbishment projects have been undertaken during the reporting period.
- Scope 1 Emissions (Direct) – GLD occupies shared buildings so energy usage is indirect under Scope 2.
- Travel Car Fleet – GLD does not own, hire or lease car fleets.

Waste minimisation and management		Baseline	2019-20	2020-21	2021-22	2022-23	2023-24
		2017-18					
Non-Financial Indicators (tonnes)	Non recycled	-	-	-	2	7	7
	Reused/recycled	105	164	35	6	45	19
	Energy recovery	25	36	6	1	1	7
	Total waste	130	200	41	9	53	33
Financial Indicators (£)	Total disposal cost	28,606	28,742	6,560	4,399	8,480	5,495

Performance commentary:

The GGC waste target is to reduce the overall amount of waste generated by 15% from the 2017-18 baseline.

Overall waste has been lower than the baseline for 2023-24 primarily due to the reduced occupancy at our sites. Most waste is recycled.

Single use plastics: GLD does not run any catering establishments or consumer venues selling products which may include single use plastics; however, staff are able to use catering facilities provided in shared buildings. Recycling facilities are provided in GLD buildings.

Reducing Environmental Impacts from ICT and Digital: GLD Digital Data and Technology (DDaT) function continues to responsibly deal with our ICT waste in accordance with WEEE Directive 2006 and through the engagement of our contractor, who is fully accredited by the Environmental Agency and ISO 14001.

This financial year we disposed of 1,077kg of IT waste for recycling. As a result, the energy consumption saved is the equivalent of 512 people watching TV for a year.

Aside from waste collection and recycling, the DDaT function have relocated our data server estate to a Crown Hosted site. This has allowed us to take advantage of new electricity power supplies which uses 100% renewable energy.

Greenhouse Gas Emissions		Baseline					
		2017-18	2019-20	2020-21	2021-22	2022-23	2023-24
Non-Financial Indicators (tCO ₂ e)	Gross Emissions Scope 2 - Energy indirect	1,562	1,781	636	427	195	588
	Gross Emissions Scope 3 - Official Business Travel	104	167	30	3	13	60
	Total Greenhouse Gas Emissions	1,666	1,948	666	430	208	648
Related Energy Consumption (KWh)	Electricity	2,572,766	4,086,100	2,206,899	1,211,498	1,005,904	2,096,620
	Gas	-	629,159	418,448	416,681	383,016	800,604
	Oil	826,235	219,684	-	-	-	-
Financial Indicators (£)	Total expenditure on energy	306,133	672,193	333,033	442,355	346,497	669,253
	Expenditure on official business travel	494,053	539,944	125,501	60,711	318,963	592,016

In terms of air travel 570,000 km were travelled of which 53,000 km were on domestic flights. and 517,000 km were on international flights. For international flights 404,000 km were long haul and 113,000 km were short haul.

Performance commentary:

The GGC is to:

Reduce the overall Greenhouse Gas Emissions from a 2017-18 baseline and also reduce direct greenhouse gas emissions from estate and operations from a 2017-18 baseline, working towards net zero by 2050.

Building use and business travel have started to return to pre-pandemic levels, resulting in a consequential increase in emissions. However, overall emissions (tCO₂e) have fallen 62% below baseline.

Finite Resource Consumption		Baseline 2017-18	2019-20	2020-21	2021-22	2022-23	2023-24
Non Financial Indicators	Water consumption (m ³)	7,683	6,057	2,124	618	1,793	913
	Paper consumption (A4 Reams)	27,881	12,255	1,949	2,785	5,829	6,387
Financial indicators (£)	Water supply and disposal cost	17,511	10,916	5,642	3,944	1,228	2,586

Performance commentary:

The GGC targets are to:

- Reduce water consumption by at least 8% from the 2017-18 baseline
- There is a sub-target to reduce government's paper use by at least 50% from a 2017-18 baseline.

We continue to use our secure print process and any uncollected prints are deleted if not collected by the end of day. This has avoided the printing of 15.3k of A4 sheets of paper in the last 12 months and avoided the use of 152cubic meters of water consumption and 422kg of CO₂.

Paper consumption is 85% below the baseline due to staff making greater use of digital formats.

Sustainable procurement

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

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

GLD promotes sustainability in procurement by:

- working closely with its suppliers to improve sustainable processes and the use of products;
- buying products and services which are less environmentally damaging; for instance, the use of 'thin client' units which use less energy than conventional 'base unit' desktop computers;
- complying with environmental legislation and regulatory requirements including relevant environmental conditions or criteria in specifications and tender documents, and evaluating supplier offers accordingly; and
- developing relationships with our legal panel firms and in particular the importance of their social value offering.

Croydon Office Sustainability Success Story

Following the move out of Southern House in Croydon, our audit revealed that much of the furniture and IT equipment would not be required for the move as our new space in Ruskin Square came largely furnished.

After the initial items had been collected by other government departments, a follow up collection was in turn arranged with the charity, Business2Schools (B2S). B2S were able to rehouse 100% of GLD's donated surplus items in local schools who were in desperate need of equipment due to reduced budgets. This has resulted in:

- Zero items being sent to landfill or recycling;
- An effective saving of £19,460 to the schools;
- £8,000 in commercial waste savings (equivalent to 40 tonnes of waste); and
- A carbon emissions saving of 120 tonnes.

This successful donation story further highlights our ongoing commitment to reducing waste and increasing sustainability into all of our practices.

Glossary

AGO	Attorney General's Office
ARAC	Audit and Risk Committee
CETV	Cash Equivalent Transfer Value
CO	Cabinet Office
Defra	Department for Environment, Food and Rural Affairs
DEL	Departmental Expenditure Limit
DfT	Department for Transport
DHSC	Department for Health and Social Care
DIT	Department for International Trade
eKM	eKnowledge Management
FCDO	Foreign, Commonwealth and Development Office
GDPR	General Data Protection Regulations
GGC	Greening Government Commitments
GLD	Government Legal Department
GLP	Government Legal Profession
HMCPSI	His Majesty's Crown Prosecution Service Inspectorate
HMG	His Majesty's Government
HMRC	His Majesty's Revenue and Customs
HMT	His Majesty's Treasury
HR	Human Resources
ICT	Information and communications technology
Lexcel	Law Society's Practice Quality Mark
LION	Legal Information Online Network
MoJ	Ministry of Justice
NAO	National Audit Office
NED	Non-Executive Director
PSCPS	Principal Civil Service Pension Scheme
SCS	Senior Civil Service
SI	Statutory Instrument
WEEE	Waste Electrical and Electronic Equipment