



Criminal Injuries  
Compensation  
Authority

## Annual Report & Accounts 2023-24



HC 99  
SG/2024/133

# Criminal Injuries Compensation Authority Annual Report & Accounts 2023-24

Presented to Parliament pursuant to section 6 of the Criminal Injuries Compensation Act 1995.

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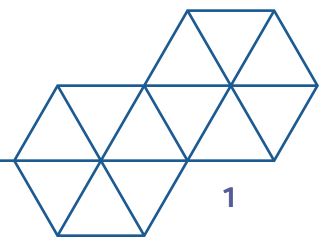
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# Performance report

# Overview

## Chief Executive's Foreword

It is my pleasure to introduce the Annual Report and Accounts for the Criminal Injuries Compensation Authority (CICA) for 2023-24.

The work we do at CICA on behalf of government is hugely important to victims and our role forms a key component of the MoJ's commitment to 'deliver swift access to justice'. We pay compensation in accordance with the eligibility rules and injury tariff values set out in the Criminal Injuries Compensation and Victims of Overseas Terrorism Compensation Schemes which are set by Parliament. While it is recognised that the financial compensation we pay cannot fully compensate people for the impact violent crime has on their lives, we know that for many the payments can bring both practical help and provide recognition of the harm they and their families have suffered. In 2023-24 we provided just under £165m in compensation.

I am proud of the strong connection my staff have to our purpose and the dedication they bring every day to the work that they do. The Scheme requires that we gather information from applicants directly or via their representatives, and from relevant third parties, most usually police authorities and health practitioners to properly determine eligibility and assess entitlement to compensation. We aim to do this in a way that is sensitive and compassionate whether in the application process, during the information gathering stage or in our decision making. We equip staff with detailed technical training in the Scheme and provide extensive guidance and specialist support. We maintain our commitment to trauma-informed education, primarily using the NHS Education for Scotland 'Trauma Informed Justice Knowledge and Skills Framework' developed under the sponsorship of the Scottish Government. We supplement formal learning with opportunities for staff to hear from organisations dedicated to supporting victims and survivors of violence such as Rape Crisis and Samaritans.

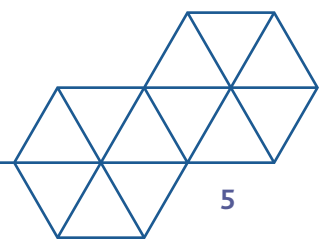
We have sought to further improve access to the Scheme and applicant experience through updated on-line information, changes to the customer support telephony service and our online application service 'Apply'.

'Apply' is the product of joint working between CICA and MoJ Justice Digital and has substantially improved access to the Scheme. Extensive user research informed the design of the online service, while ongoing feedback and monitoring enables us to continuously refine it. This year saw the service support all types of application, as we deployed the remaining user journeys and retired the old service. Assessment against the Government Digital Standard (GDS) was successfully undertaken, enabling the service to move from 'public beta' to full 'live service' status. We have also adopted the single government gateway 'GOV.UK One Login', which enables sign-in across government services and enhanced identity verification. This creates the foundation for future development of applicant accounts, with the aspiration that this will ultimately enable an end-to-end digital service for compensation claims.

Over the last three years we have seen continued growth in people coming forward to claim compensation. This year, the annual volume exceeded 40,000 for the first time since the 2012 Scheme was introduced. In response we recruited new staff to ensure we could mitigate expected staff turnover and introduced operational changes to increase productivity. The pace of both new application and review decisions increased compared with the previous year with 46% of new applications assessed in 6 months and 68% within 12 months, up 5 and 2 percentage points respectively on 2022-23. In total, more than 42,000 applications and reviews were assessed, with over 37,000 claims finalised, up 7% on the previous year. However, in the same period a 13% rise in new application intake and a 7% increase in review volumes, partly off-set by an 8% reduction in appeals, combined to produce a 14% rise in live claims by year end. To help meet this rising demand and to boost our capacity to assess claims, we will aim to further uplift staff numbers in 2024-25 in line with funding.

With a higher volume of applications and more claims in process, we have again received more customer contacts this year with over 240,000 contacts received, an increase of 20% on last year. We endeavour to manage this contact effectively, although increased volumes have impacted our service levels at peak periods of demand. We offered live wait time information and a call back service to balance demand. We gather customer insight from those who contact us by telephone to further improve our services. Satisfaction with the telephony service increased to 84% from 75% in 2022-23, and our end-to-end service customer satisfaction score remained high at 94%, in line with last year. We continue to identify efficiencies in the way we work led by an in-house continuous improvement team, working closely with our operations team and MoJ Justice Digital. Lean process reviews have delivered time-savings recycled into claims work and this programme will continue into 2024-25. With the support of MoJ Justice Digital we have sponsored work to explore and implement helpful case management system changes and the potential for Artificial Intelligence (AI) applications to deliver further efficiencies by assisting our claims officers as they identify key information relevant to the assessment process. AI prototypes are ready to begin controlled testing and these offer clear potential to further improve the pace of decision making.

Cross agency working and outreach activity is hugely valuable for us, with the objectives of sharing experience, learning and collaborating with others to improve the service we provide. I am grateful to those organisations in the criminal justice sector with whom we work closely including our colleague agencies in the MoJ, the Scottish Victims' Taskforce and a range of victims' organisations including those that are members of our Stakeholder Engagement and Equality Forum. These links continue to inform our digital transformation programme for the future. Towards year end, CICA has joined the MoJ's new Director General-led Service Transformation Group and we look forward to the opportunities that this is already generating to drive increased pace, productivity and cost efficiency through digital transformation in the way that we work and the service we offer.





We have also secured future year efficiencies through the relocation of our office premises at the end of March 2024. The new, modern premises reduce our office footprint achieving a more cost-effective operating base better aligned with our hybrid working offer for staff. The funding required to finance the relocation ahead of our lease expiry was provided by MoJ and the move was implemented on time, within budget and without business disruption. The move will save c.£11m (at today's prices) over the 15-year lease period and will contribute to achievement of our and the MoJ's sustainability goals in the future.

Last year we reported that the MoJ's Cabinet Office Public Bodies Review Programme concluded that "CICA is in good health, that it operates as an outcome delivery system, delivering efficient and effective public outcomes that Parliament and the public expect". Particular areas of strong compliance and good practice were identified, including financial management and accountability to Parliament. The outcome of the review can be read at **Criminal Injuries Compensation Authority: Review 2022 to 2023 – GOV.UK** ([www.gov.uk](http://www.gov.uk)).

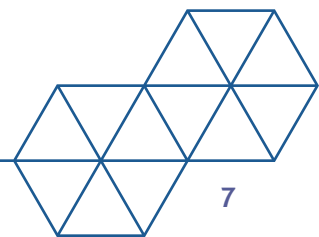
This year, our new Executive Agency Framework, aligned to the current Cabinet Office standard, received clearance for publication and can be found at **Criminal Injuries Compensation Authority Agency Framework – GOV.UK** ([www.gov.uk](http://www.gov.uk)). To comply with the new Agency Framework, a public appointment recruitment process is underway to appoint an independent Non-Executive Board Chair and a new Non-Executive Board Member (these are ministerial appointments). In December 2023, the then Lord Chancellor extended the appointments of two serving Non-Executive Board Members for a second three-year term. An independent review of Board Effectiveness, conducted by the Government Internal Audit Agency (GIAA), received a 'substantial' assurance rating in the final quarter of the year, and we look forward to implementing its forward-looking recommendations on induction of the new Non-Executive Chair and member in 2024-25.

In closing, I wish to extend my sincere thanks to my team at CICA, partner organisations and all those who continue to support our work with such dedication and compassion for the victims of violent crime we serve.



**Linda Brown CBE**

Chief Executive and Accounting Officer  
Criminal Injuries Compensation Authority  
18 July 2024



## Our work

The Criminal Injuries Compensation Authority (CICA) is an Executive Agency, sponsored by the Ministry of Justice (MoJ). We administer the Criminal Injuries Compensation Schemes (CICS) in Great Britain and the Victims of Overseas Terrorism Compensation Scheme (VOTCS) for British citizens injured overseas. We pay compensation to victims of violent crime according to the eligibility criteria and tariff of injuries set out in the schemes by the UK Parliament. As a cross-border authority, we receive income to fund our operation of the CICS in Scotland from the Scottish Government.

A state compensation scheme for victims of violent crime has been in place in Great Britain since 1964. Originally a non-statutory scheme made awards based on common law damages; the first statutory scheme came into force in 1996 following the passage of the Criminal Injuries Compensation Act 1995. This created a tariff-based system for determining injury awards. Subsequent schemes were introduced in 2001, 2008 and 2012 under the same legislation – each new scheme replacing the last, and each approved by Parliament.

The Criminal Injuries Compensation Scheme 2012 was amended in July 2019 to remove the 'same roof rule' which barred applicants from receiving compensation if they lived in the same household as the perpetrator at the time of incidents that occurred prior to October 1979.

The Victims of Overseas Terrorism Compensation Scheme was enacted in 2012 to provide separate provisions for eligible individuals affected by acts of terrorism abroad.

Under the tariff scheme, there are two main types of compensation: personal injury and bereavement awards, with additional compensation for loss of earnings, dependency, or special expenses where applicable.

The compensation components for personal injury awards are:

- an award based on the tariff of injuries (with a maximum of £250,000)
- a contribution to loss of earnings or earning capacity, beyond the first 28 weeks of loss as a direct result of the injury and
- other special expenses which may be payable in certain circumstances

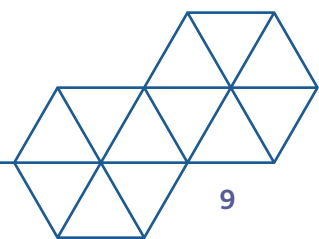
Bereavement awards under the Scheme are intended to acknowledge the loss of a loved one as a result of violent crime, accepting that no amount of compensation can ever reflect the value of a life, or the full impact felt by bereaved families.

Applications can be made for the following payments where a person is bereaved by violent crime:

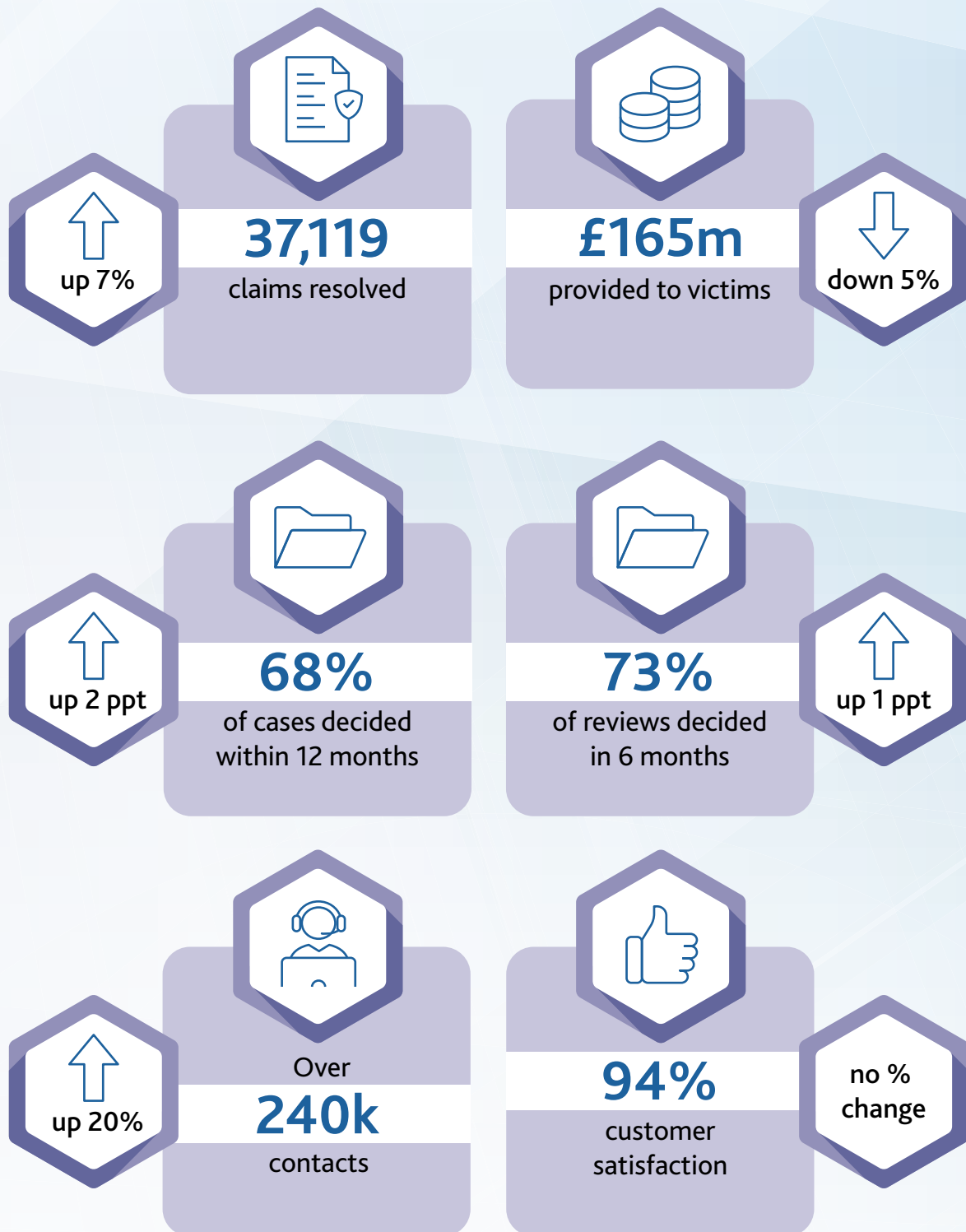
- a bereavement award of £5,500 for each applicant who qualifies, or £11,000 if there is only one qualifying applicant
- compensation for financial or physical dependency
- in the case of a child under 18, compensation for the loss of parental services and
- the reasonable cost of a funeral.

The maximum award under the tariff-based Scheme is £500,000.

Once an application is made, CICA will consider eligibility and gather evidence to determine the value of any entitlement according to the rules of the relevant Scheme. The Scheme contains safeguards where an applicant is dissatisfied with the outcome of their application. All applicants have the right to request that their initial decision is reviewed by another CICA claims officer. If the applicant remains dissatisfied following review, they have the right to appeal to the independent First-tier Tribunal. More information about the Scheme is available at [www.gov.uk](http://www.gov.uk)



# Key achievements





## Strategic outcome 1

**We will provide an accessible service which treats victims with compassion, sensitivity and fairness.**

We understand that individuals engaging with our service have been victims of violent crime and may have endured significant traumatic experiences. To minimise the risk of re-traumatisation, we are committed to taking a trauma-informed approach to all that we do, underpinned by the NHS Education for Scotland 'Trauma Informed Justice Knowledge and Skills Framework'.

We undertook an end-to-end review of the online application process (Apply), iterating enhancements to improve the customer journey and deliver our services in an empathetic and compassionate manner.

We updated our letter templates, where user insight and applicant feedback identified opportunities to improve clarity and understanding.

The Apply service was extended to ensure that it was accessible to 100% of applicants, including those who are applying because they have lost a loved one as a result of a violent crime.

We also opened the service to additional groups of people previously unable to apply via the **www.gov.uk** hosted service, including members of the British Armed Forces, victims of human trafficking, and asylum seekers.

To support applicants, we updated our external guidance, responding to stakeholder feedback, and enhanced the internal guidance tool which helps our staff explain the provisions of the Scheme in a clear and easily understood way.

We simplified the call routing options on our telephony system, improving our customer messaging to ensure that we directed applicants to appropriate self-service options and information to resolve their query or provide suitable support. In 2023-24, our customer support team handled over 129,600 calls with an increased customer satisfaction level of 84% compared with 75% in 2022-23. The growing caseload also led to more email contact with 111,500 emails actioned, up 13% (12,524) on 2022-23.

We enhanced our complaints handling by developing and implementing specialist training. All complaint handlers now require to be assessed and accredited against the new standards to ensure a consistent approach to resolving applicant dissatisfaction.

We continued to be a core contributor to a cross-government customer service forum, ensuring we remain a learning organisation committed to identifying and embedding improvements which deliver better outcomes for those who use our services.

We maintained our programme of outreach and engagement work to ensure broader and stronger connections with organisations who support victims. Our Stakeholder Engagement and Equality Forum (SEEF) continued to provide valuable insight to help inform service enhancements. Our broader outreach work delivered awareness sessions to over 100 stakeholders from a diverse range of organisations who deliver frontline services supporting victims of violent crime such as the Latin American Women's Rights Service, University of Leeds Harassment and Misconduct Advisors and the National Crime Agency.




## Strategic outcome 2

**We will invest in an inclusive, diverse and professional workforce which lives our values and delivers public service with pride.**

The professionalism, dedication and capability of our people form the foundations of the service we provide to victims of violent crime and all of our recruitment and retention activity is designed to attract and retain colleagues who share our organisational values. This is reflected in the results of the Civil Service People Survey, the annual Civil Service wide survey, where our people indicated a strong association with our organisational objectives and purpose, returning a score of 90%, 6 percentage points (ppt) above the Civil Service benchmark score.

Employee voice is a critical component of everything we do and we strive to ensure that our people have the opportunity to express their views, opinions, concerns and ideas. Our programme of employee engagement work ensured that 84% of our people completed the Civil Service People Survey, an 8 ppt improvement on the previous year, ensuring that our continuous improvement journey is truly representative of our people and their needs.

We welcomed 22 new colleagues during the year, delivering a comprehensive induction and training programme that enabled our new colleagues to become operationally effective at pace. Whilst we continue to offer a hybrid working model, we maintained classroom learning for induction and consolidation training, recognising the networking opportunities, soft skill development, and peer to peer support this structured environment offers to the individual and collective learning experience.



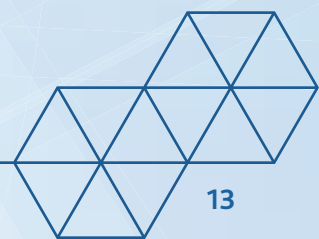
We further invested in learning and development creating opportunities for more of our people to take part in specific, structured learning throughout the year. Over 100 colleagues benefited from multiple cross-MoJ opportunities to support their leadership and development, including participation in programmes supporting colleagues from diverse backgrounds. These programmes, conferences and formal qualifications included:

- Crossing Thresholds
- Women into Leadership
- Rising Together
- Learning to Lead
- MoJ Leadership School
- Operational Delivery Profession qualifications

In support of the development of our workforce, we continue to deliver a local mentoring scheme, specifically designed to support career progression. The scheme matches individuals with career development aspirations to senior leaders to support and nurture development. Our annual Learning at Work Week curriculum, was focused on the theme of 'Create the Future', where we delivered over 270 hours of structured learning.

We aim at all times to act sensitively and compassionately, to reduce the risk of victim re-traumatisation in the course of service delivery. We also recognise the potential impacts case handling may have on our people. In 2023-24 we supported colleague wellbeing by delivering personal resilience workshops, hosting wellbeing conversations, promoting MoJ support services and providing access to a dedicated employee assistance programme.

We are committed to ensuring all colleagues feel they belong at CICA, and that everyone is treated fairly, irrespective of unique characteristics. Our Diversity, Inclusion and Wellbeing Network continued to promote inclusivity, facilitate events and support colleagues throughout the year. Our Civil Service People Survey Score for the theme of Inclusion and Fair Treatment was 84%, 2 ppt above the Civil Service benchmark score.







## Strategic outcome 3

**We will operate an efficient and accurate assessment process and account for the public funds we spend.**

In 2023-24, over 42,000 decisions were made and over 37,000 claims were resolved, providing just under £165m in compensation to victims of violent crime.


Resolving this volume of claims was achieved through an increase in the pace of decision making in comparison with the previous year. In 2023-24, 46% of new applications were decided in 6 months, a 5 ppt increase on 2022-23 and 68% in 12 months, a 2 ppt increase. This was enabled by an ongoing programme of case handling improvements in our operating environment.

We explored and embedded options for automation and digitisation of case handling steps within our case management system, such as an integrated loss of earnings calculator, which removes manual processes and provides assurance on calculation accuracy. The newly embedded enhancements to our case management system received an MoJ award for Efficiency & Value for Money. Building on this, we initiated exploratory work on the opportunity for artificial intelligence to deliver further efficiencies and will continue to explore this in 2024-25.

CICA and our Justice Digital team were further recognised in April 2024 by the cross Civil Service Operational Delivery Profession winning a joint award from the Head of Profession for their work in 2023-24 to streamline the applications process, making it more accessible and easier for users to complete.

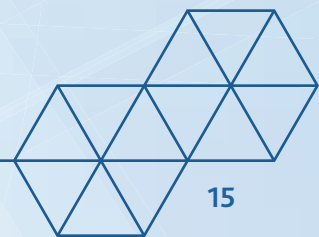
In collaboration with colleagues in MoJ Commercial and Contract Management Directorate (CCMD), we concluded a value for money procurement exercise to secure a provider of expert medical reports for applicants who require specialist assessments in support of their application.

Following detailed project work, testing and training, we successfully migrated our finance system from SUN to SOP, navigating a complex digital and finance landscape. All procurement and financial management was managed through the SOP system during 2023-24 bringing CICA onto the MoJ's standard system for the first time. The MoJ Finance-led project was closed and transitioned to business as usual delivery in quarter 3.



We undertook an in-depth review of our Quality Assurance Framework with the Audit and Risk Committee, providing insight into the inherent risks, controls and mitigations in place and offering detailed assurance on the quality and accuracy of the decision making processes that we operate.

Through an analysis of business processes, stakeholder insight and workshops with subject matter experts, we worked alongside the Government Internal Audit Agency to develop the first stage of a refreshed organisational counter fraud risk assessment. We will build on this work throughout 2024-25, continuing our commitment to protecting the public purse.



# Performance analysis

## Claim activity

In 2023-24 we received 41,428 new applications, 4,742 more than in the previous year, a 13% increase. For the third year in succession, this was the highest annual volume of new applications since the first full year of operating the 2012 Scheme, and 26% above the prior five-year average of 32,857.

We made a total of 42,608 (2022-23: 41,230) decisions of which 37,060 responded to new applications (first decisions), up 6% (1,378 cases) on the previous year. While 4,738 were review decisions, 12% (659 cases) fewer than in the previous 12 months. 810 cases were decided following appeal to First-tier Tribunal (FTT).

The overall growth in decisions helped increase the volume of case resolutions to 37,119, an increase of 7% from 2022-23 and 13% above the prior five-year average of 32,874.

While case resolutions increased, the impact of rising intake generated significant growth in the live caseload, rising to 47,674 compared with 41,946 at the end of the previous year, up 14%.

**Table 1** Number of new applications received

	2023-24	2022-23
New applications received	41,428	36,686

**Table 2** Number of applications resolved

	2023-24	2022-23
Number of applications resolved	37,119	34,753

**Table 3** Size of live tariff caseload

	2023-24	2022-23
First decision stage	43,727	38,338
Review	3,124	2,638
Appeal*	823	970
<b>Total live tariff caseload</b>	<b>47,674</b>	<b>41,946</b>

\* Listing and hearing of appeals is the responsibility of HM Courts & Tribunals Service.

**Table 4 Pace of decision making**

We aim to progress new applications promptly where possible, dependant on the availability of police reports, medical evidence and other relevant third-party information required to assess entitlement to compensation according to the requirements of the Scheme.

The sustained rise in new application intake continued to impact on the pace of decision making in year, however 2023-24 saw improvement in the percentage of applications decided within 6 and 12 months. Performance against these targets improved to 46% and 68% respectively, an increase of 5 and 2 ppt on 2022-23.

The pace of review decisions remained strong, outperforming the previous two years by 1ppt, ensuring that 73% of cases were decided within 6 months.

Measure	KPI 2023-24	2023-24	2022-23
% of cases with a first decision within 6 months	40%	46%	41%
% of cases with a first decision within 12 months	70%	68%	66%
% of cases with a review decision within 6 months	70%	73%	72%

**Table 5 Percentage of live cases by Scheme**

We have continued to reduce the small number of unresolved and reopened cases relating to pre-2012 schemes. Those cases that remain unresolved relate to applicants whose claims cannot be finalised until the long-term implications of their injuries are known.

Scheme	2023-24	2022-23*
2012	99.9%	99.85%
2008	0.07%	0.13%
2001	0.03%	0.03%
1996	0%	<0.01%

\* Due to the low number of cases in older Schemes the percentages when rounded equal more than 100%.

**Table 6 Age of caseload: 2012 Scheme**

Case age*	2023-24	2022-23
Under 12 months	57.1%	55.5%
1-2 years	21.3%	23.9%
2-3 years	11.4%	9.6%
3-4 years	4.7%	2.4%
4-5 years	2.9%	1.2%
Over 5 years	2.8%	1.6%

\* Includes decided claims which have progressed to review or appeal stage or have been reopened on medical grounds.

**Table 7 Rates of review and appeal**

The proportion of cases resolved at first decision or review stage and not proceeding to external appeal remains high.

The volume of review applications remained consistent with the previous year and was equivalent to 14% of first decisions made.

The volume of appeal applications reduced in comparison with 2022-23 and was equivalent to 2.9% of first decisions made.

Review and appeal intake	2023-24	2022-23
First decisions proceeding to internal review	5,235 14.1%	4,889 14%
First decisions proceeding to appeal	1,088 2.9%	1,185 3.4%
Appeal outcomes		
Decisions amended on quantum*	423 38.9%	270 22.8%
Decisions (eligibility) amended on merit	27 2.5%	19 1.7%
Decisions (eligibility) overturned/remitted for further enquiries	410 37.7%	336 28.4%

\* Includes cases where the CICA decision was upheld but the award was recalculated to reflect new date of determination.

**Table 8 Refused claims**

The following table shows all reasons that applications were refused.

A total of 21,305 (57%) resolved claims were refused compensation, reflecting a similar pattern (57%) in the previous year.

The most frequently occurring reasons for refusal of compensation were unchanged from the previous year, with the top-3 reasons broadly aligned.

Applications may have more than one refusal reason. The full statistics are published annually on [www.gov.uk/government/organisations/criminal-injuries-compensation-authority/about/statistics](http://www.gov.uk/government/organisations/criminal-injuries-compensation-authority/about/statistics)

Refusal reasons	2023-24	2022-23
Injury does not qualify for compensation	5,220	4,369
Failure to cooperate with CICA enquiries	4,801	4,355
Injury did not result from crime of violence	4,799	4,173
Convictions and character	1,681	1,626
Failure to cooperate in bringing assailant to justice	2,532	2,395
Conduct before, during or after the incident	852	774
Failure to report as soon as reasonably practicable	765	712
Claim not submitted within time limit	1,891	1,296
Other (including withdrawn and void claims)	3,528	3,353*

\* Restated.

## Our service

**Table 9 Customer feedback**

We measure service satisfaction at three points in the application journey. We have an online survey at the end of the online application service, a survey used following telephony contact; and an overall satisfaction survey used once a claim is resolved.

In 2023-24, overall satisfaction remained high with a score of 94%, with notable increases across the application and telephony services.

Customer satisfaction	2023-24	2022-23
Overall satisfaction (captured at claim resolution)	94%	94%
Application satisfaction	93%	91%
Satisfaction with telephony service	84%	75%

**Table 10 Complaints**

Complaints from customers and victim support organisations are an important source of feedback which provide us with an opportunity to remedy any service delivery failures and learn lessons to improve overall customer experience.

Addressing complaints at the earliest possible opportunity remains our priority. We will discuss a complaint with the customer (the applicant or their representative) with the aim of agreeing how we can reasonably resolve the matter to their satisfaction within an agreed timescale. We aim where possible to provide a resolution or agree a resolution plan within 20 working days and during 2023-2024 we achieved this target in 98% of cases, outperforming the 92% noted in the previous year.

Where customers remain dissatisfied there are opportunities to escalate their complaint through the three-stage complaint process. If a complaint cannot be resolved at the end of stage three, complainants in England & Wales can ask a Member of Parliament to raise the issue with the Parliamentary and Health Service Ombudsman (PHSO). In Scotland, a complainant may make a complaint directly to the Scottish Public Services Ombudsman (SPSO).

While the number of complaints received increased for the third year in a row, the volume of complaints as a percentage of our active caseload remained modest. We received 2.5 complaints per 1,000 cases, a slight increase from 2.2 per 1,000 cases in 2022-23.

The PHSO requested information from CICA in relation to four cases reported to them, none of which resulted in further action being required by CICA.

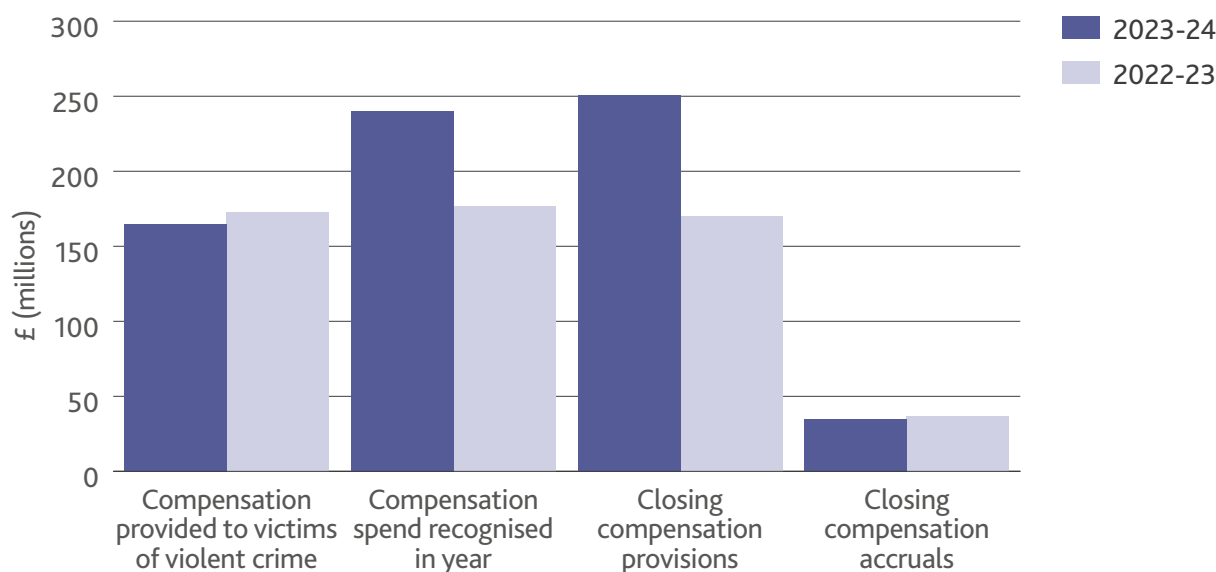
One case was reported to the SPSO, but no further action was required by CICA.

Complaints received	2023-24	2022-23
Stage one	1098	869
Escalation to stage two	61	39
Escalation to stage three	15	16

Our complaints process is available on [www.gov.uk/government/organisations/criminal-injuries-compensation-authority/about/complaints-procedure](http://www.gov.uk/government/organisations/criminal-injuries-compensation-authority/about/complaints-procedure). In 2023-24, the Government Internal Audit Agency (GIAA) undertook an audit of our Complaints handling policies, processes and procedures. This audit provided CICA with significant assurance around our approach to resolving applicant dissatisfaction, returning a substantial assurance rating with no recommendations for future improvements.

## Our finances

**Table 11 Compensation**



Assumptions and estimation techniques adjusted for 31 March 2024, as described in Note 14.

### Compensation expenditure

The Schemes provide compensation to victims of violent crime. It is our role to assess claims in accordance with the applicable statutory scheme, which is approved by Parliament. To inform our decision making we gather evidence from police authorities and medical experts. This is an ongoing process which means we will always have cases at various stages of progression in our live caseload at year-end.

We also manage a very small number of cases where the claim was made before the introduction of the tariff-based schemes that have subsequently been reopened on medical grounds. These complex cases previously fell under the jurisdiction of the Criminal Injuries Compensation Board and have since passed into the jurisdiction of the First-tier Tribunal (FTT). CICA gathers evidence to support the FTT consideration of these claims and they may only be resolved by a decision of the FTT.

### Compensation provided to victims of violent crime

In 2023-24, we provided £165m in compensation to victims of violent crime (2022-23: £173m), of which:

- £135m relates to amounts that were provided for and recognised in the 'Statement of comprehensive net expenditure' in previous financial years. This is disclosed as 'Provision utilised' in Note 4 of the financial statements
- £30m relates to applications which were received and settled during 2023-24, and recognised in the 'Statement of comprehensive net expenditure' for this financial year. This is disclosed as 'Claims not provided for' in Note 4 of the financial statements.



## Compensation spend recognised in the year

Compensation spend recognised in the Statement of comprehensive net expenditure comprises new provision liabilities and adjustments to the provision, and the value of applications which have been received and settled during the financial year. For 2023-24, compensation spend recognised was £240m (2022-23: £177m).

The significant increase in compensation recognised arises as a result of the changes to the tariff provision model referred to above, and outlined in note 14 to the financial statements.

## Closing compensation provisions and accruals

CICA recognises a provision for:

- pre-tariff cases
- the 1996, 2001, 2008 and 2012 tariff Schemes
- the Victims of Overseas Terrorism Compensation Scheme (VOTCS)

The most significant of these is the tariff provision, at a discounted value of £250m at 31 March 2024 (31 March 2023: £169m). CICA recognises a provision for all applications that have been received by CICA but have not yet been processed; these are referred to as 'claims reported but not completed' (CRBNC).

During 2023-24, for all schemes, £135m of the opening provision of £170m has been utilised and £220m recognised for new liabilities. Further reductions in the provision of £4m reflect a change in the discount rate and reversal of provisions unused, leaving a total provision of £251m at 31 March 2024.

CICA has reviewed the assumptions and estimation techniques employed in the tariff provision model for 31 March 2024, resulting in an increase in the provision of £61m. Further detail is provided in note 14 to the financial statements.

CICA also recognises accruals for compensation offered but not yet accepted. At 31 March 2024, these liabilities totalled £35m (31 March 2023: £37m). The recognition of these liabilities is accounted for within provision utilised.

## Other income and expenditure

CICA received £19m from the Scottish Government, with no change as against the prior year. The Scottish Government provides a specified level of income according to forecast demand. The forecasts are monitored and regularly re-appraised.

Staff costs have increased by £1m (10%) reflecting the impact of the August 2023 pay award, the one-off cost of living payment mandated by Government, and a 3% increase in full time equivalent staffing. Other operating expenditure has increased by £1m, largely due to an increase in the notional recharge from the MoJ, which covers corporate services such as digital, finance and human resources.

## Going concern

At 31 March 2024, CICA's Statement of financial position records net liabilities of £284m (31 March 2023: £206m), including £251m in relation to compensation provisions, and £35m in relation to compensation accruals (31 March 2023: £170m and £37m respectively).

Compensation liabilities falling due in future years can only be met by cash funding from MoJ and the Scottish Government. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such amounts are not paid in advance of need. In common with other public bodies, CICA's liabilities are expected to be met by future funding from MoJ, out of supply and income approved annually by Parliament, and from the Scottish Government. There is no indication that future sponsorship by MoJ and the Scottish Government will not be forthcoming, and as a result it is deemed appropriate to adopt the going concern basis for the preparation of these financial statements.

## Our business plan 2024-25

Our business plan for 2024-25 is based on the delivery of three strategic outcomes, which contribute to the MoJ outcome of delivering swift access to justice.

These three strategic outcomes, focused on our applicants, processes and people will help us drive forward our commitment to providing a sensitive, fair, and efficient service.

Our strategic outcomes for 2024-25 are to:



provide an accessible service that treats victims with compassion, sensitivity, and fairness



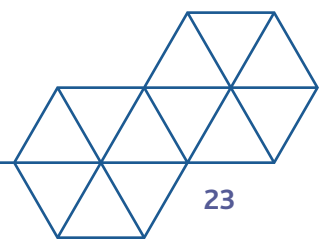
invest in an inclusive, diverse, and professional workforce which lives our values and delivers public service with pride



operate an efficient and accurate assessment process and account for the public funds we spend

These strategic outcomes are supported by delivery plans, designed to ensure successful implementation of our goals.

None of these outcomes are without risk but our risk appetite and mitigation strategies ensure that we can balance these risks while actively pursuing opportunities to enhance and improve the work we do for the victims of violent crime.



# Sustainability report

The sustainability of our operations continues to be an important delivery objective for both CICA and MoJ and we are committed to creating a sustainable, effective, and efficient operation which provides value for money for the taxpayer, reduces our environmental impact and enables transformation of the way civil servants work. To reduce our environmental impact, we have worked towards the Government’s commitments for delivering sustainable operations and procurement.

Our strategy to reduce our environmental impact continues to be targeted in the following areas:



Energy



Digitisation



Travel

We have embraced the Greening Government Commitments (GGC) and continue to make progress towards the Government commitment of being net zero by 2050. The GGC target baseline was first introduced in 2009-10, however the target baseline year has since been changed to 2017-18 to ensure that government departments continue to build on success.

In 2023-24 we continued to support flexible, hybrid working policies, adapting these to increase office attendance in line with changes to Cabinet Office and MoJ guidance in year. We achieved this, while maintaining the 20% reduction in carbon emissions, set against the 2017-18 baseline.

## Sustainable procurement

In July 2019 the MoJ launched its Sustainable Procurement Policy, with the vision to make continuous improvements to the sustainability outcomes of their procurement and other commercial activity for both new and ongoing contracts across the department. CICA procurement is completed in-line with MoJ policies. MoJ’s sustainable procurement policy ensures we incorporate sustainability into all procurement activities to achieve long-term value for money. Associated programmes include embedding specific sustainability clauses into all future estate contracts, a whole-life costs policy and ensuring procurement staff receive appropriate sustainability training. CICA does not procure any food or catering services in its operation.

Table 12 Greenhouse gas emissions

		2023-24	2022-23	2017-18 (Baseline)
<b>Non-financial indicators (tCO<sub>2</sub>e)</b>	Total gross emissions for scopes 1 and 2	158.26	195.48	228.13
	Electricity: green/ renewable	0	0	0
	Total net emissions for scopes 1 and 2	158.26	195.48	228.13
	Gross emissions for scope 3 – travel	3.30	2.45	27.49
	Total gross GHG emissions (all scopes)	202.67	202.67	255.60
<b>Non-financial indicators (kWh)</b>	Electricity: Grid, CHP and non-renewable	111,090	218,533	275,893
	Electricity: renewable	0	0	0
	Gas	749,311	759,438	566,106
	Other energy sources	0	0	0
	Total energy	860,401	977,971	841,999
<b>Financial indicators</b>	Expenditure on energy	£68,903	£56,157	£28,491
	Expenditure on official business travel	£18,626.73	£9,166	£60,632

## Energy Consumption

For the duration of 2023-24, CICA continued to occupy a single floor of a shared office building – Alexander Bain House in Glasgow. While gas consumption is not within our control, as it is attributed to CICA on a space-occupied basis, we actively monitor our direct electricity consumption and take action to reduce this.

Electricity consumption is regulated using energy saving sensors within the office lighting system, installed and serviced by British Standards approved suppliers.

This has allowed us to reduce our electricity usage by 60% on the 2017-18 baseline.

## Waste

Waste recycling facilities were accessible throughout the office environment to reduce the volume of waste being sent to landfill.

All confidential waste is disposed of by a specialist contractor who ensures that 100% of destroyed paper is securely recycled.

As a minor tenant in a privately owned office building, we have no insight to our specific waste volumes and the disposal method. Due to this we are unable to report against the requirements set out in the GGC.

The costs of general waste disposal form part of our contracted rent and rates agreement with the landlord.

## Single-use plastics

Along with MoJ, CICA is committed to reducing single-use plastics wherever possible. The MoJ single-use plastics policy, ensures that facilities management providers only use single-use plastics where no viable alternative is available. In addition, CICA does not provide catering facilities and does not purchase takeaway cups, plates, cutlery, straws or water bottles. Our use of mains drinking water has further embedded this commitment, eliminating the need to provide single-use plastic water coolers in our office.

## Finite resource consumption

The main impacts on water consumption are through sanitation and staff consumption.

Our washrooms are of a modern design and therefore use less water, reducing our environmental impact.

**Table 13 Finite resource consumption**

Water	2023-24	2022-23
Non financial indicators		
<b>Total water consumption (m<sup>3</sup>)</b>	<b>5,795</b>	<b>1,128</b>
Financial indicators		
<b>Total water supply costs (£)</b>	<b>17,325</b>	<b>1,055</b>

## Digitisation

We have continued to work on digitisation of our services and processes. Most applications are paperless with 98% coming via our online application service and the remainder being supported through our telephone service. Five paper applications were received in 2023-24.

As part of our preparations to relocate to a new office we digitised all remaining appeal case files and worked with HM Courts and Tribunals on the roll out of a digital platform to host appeals documents, thereby reducing our paper usage.

During 2023-24 the volume of paper used decreased by 7% compared to 2022-23. This was achieved despite the number of decisions made and which are notified in written hard copy increasing by 3% over the same period. In 2023-24 a total of 2,840 reams of A4 paper were consumed in comparison to 3,061 in 2022-23.

## Travel

We continue to travel substantially less than compared with the 2017-18 baseline.

During 2023-24 the majority of our travel related to supporting the resumption of in-person hearings listed by HMCTS. The byproduct of this increase in face-to-face hearings was a growth in emissions compared to last year, however we continue to attend virtual hearings, where permitted, to limit our carbon footprint.

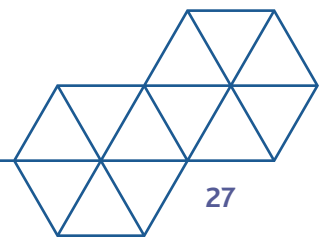


Table 14 Travel

		2023-24	2022-23
<b>Distance travelled (km)</b>	Rail travel	12,017	17,875
	Air travel	9,709	8,542
	<b>Total</b>	<b>21,726</b>	<b>40,038</b>
<b>Emissions (tCO<sub>2</sub>e)</b>	Rail travel	0.43	0.63
	Air travel	2.87	1.15
	<b>Total</b>	<b>3.30</b>	<b>2.45</b>
<b>Financial indicators</b>	Rail travel	£15,660.77	£1,851.74
	Air travel	£2,965.96	£7,029.48
	<b>Total</b>	<b>£18,626.73</b>	<b>£9,166.11</b>

Going Forward

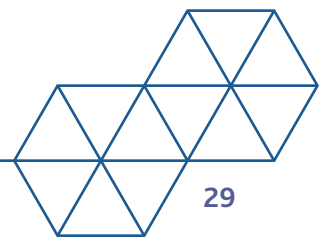
The UK Government’s commitment to tackling climate change and achieve net zero carbon by 2050 or earlier is clear and at CICA we are committed to making our contribution.

CICA is committed to reducing our carbon footprint and making our contribution to tackling climate change. We commenced operations from our new location from the start of April 2024 in a new purpose built office environment. This remains a single floor of a shared tenancy building, however we have vastly reduced our office footprint, reducing our space requirement by 54% from 2,813 sqm to 1,322 sqm.

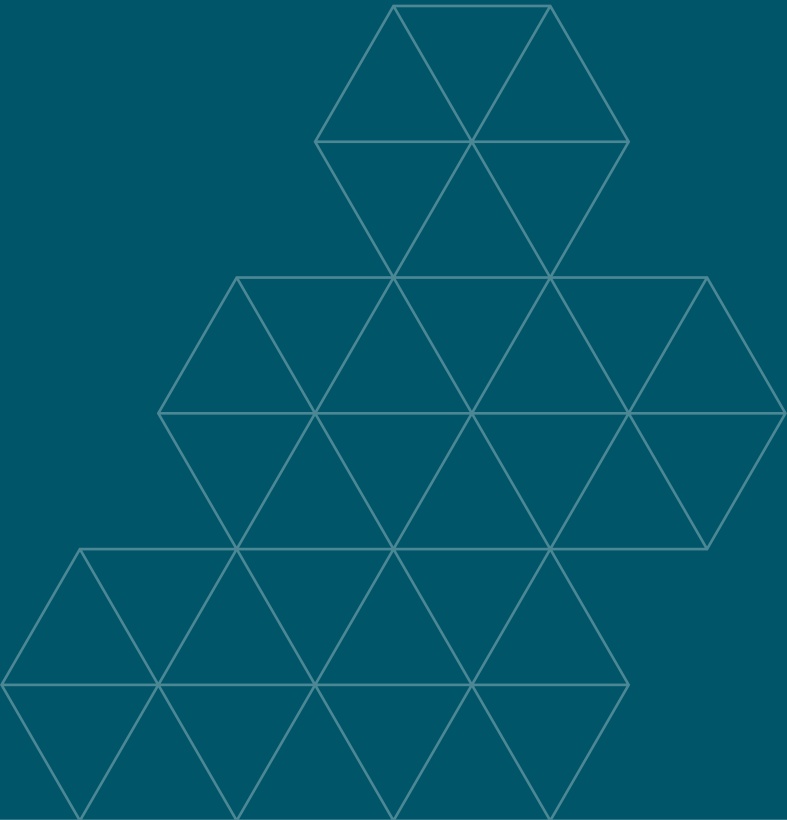
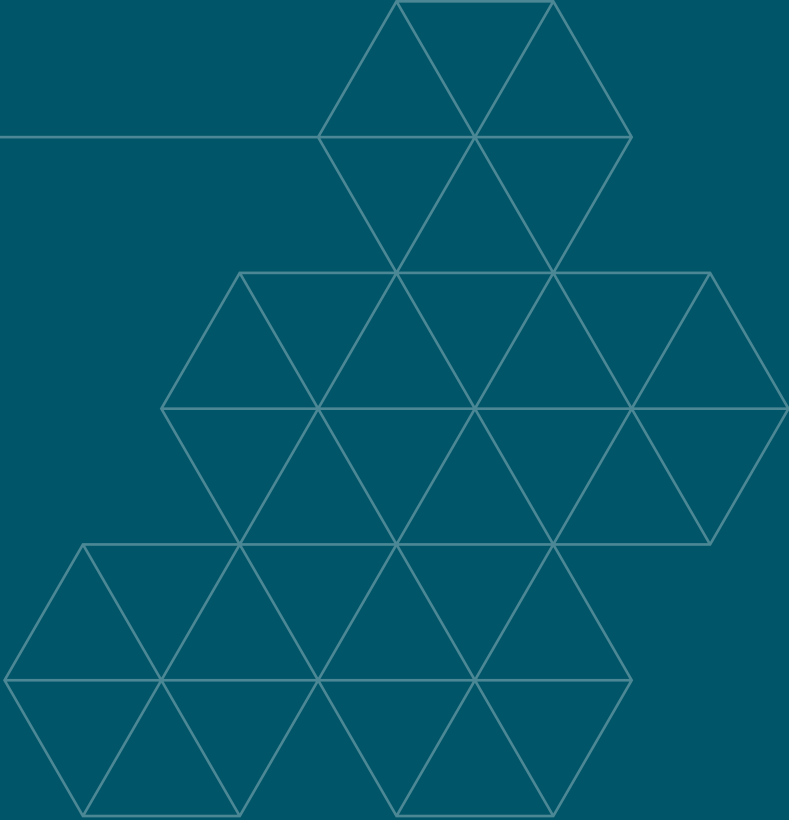
Developed and built by Drum Property Group and Graham Construction, the site has followed the UK Green Building Council’s Net Zero Carbon Building – Performance Levels guidelines and will secure a BREEAM Excellent certification. BREEAM is the globally recognised standard for best practice in the design, construction, and operation of sustainable buildings.



**Linda Brown CBE**  
 Chief Executive and Accounting Officer  
 Criminal Injuries Compensation Authority  
 18 July 2024









# Accountability report



# Corporate Governance report

## Introduction

The purpose of the Corporate Governance Report is to explain the composition and organisation of the department's governance structures and how these arrangements have supported the achievement of its objectives during 2023-24.

CICA's Framework Document sets out the arrangements for governance, accountability, financing, staffing and operations. During 2023-24 this was revised in line with Cabinet Office guidelines, and the new version of the Agency Framework Agreement can be viewed at <https://www.gov.uk/government/publications/criminal-injuries-compensation-authority-agency-framework>

As Chief Executive and Accounting Officer for CICA, I am responsible for the resources CICA utilises when carrying out its functions, as set out in the Framework Document. Further responsibilities of an Accounting Officer are set out within the HM Treasury document, 'Managing Public Money'.

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

My report outlines the governance arrangements in place to manage risks to the achievement of CICA's agreed objectives and targets, and to provide effective oversight and control over its resources and assets.

This report includes:

- Director's report
- Statement of the Accounting Officer's responsibilities
- Governance statement.

## Director's report

In this Accountability report, I have detailed our governance arrangements. It includes information about our Strategy and Performance Board (SPB), Audit and Risk Committee (ARC) and Executive Management Board (EMB). Together they are responsible for establishing strategic direction, delivering against objectives and managing risk.

The composition of each of these key governance groups is detailed on pages 36 to 38.

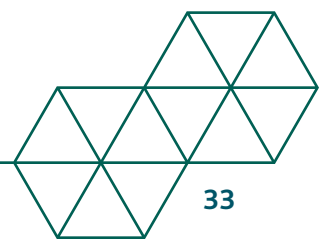
I am satisfied that these forums represent, and deliver, effective corporate governance within CICA.

### Managing conflicts of interest

All Executive and Non-executive Board Members participated in a quarterly declaration of any directorships held and other significant interests which may conflict with their role or the conduct of CICA. A Register of Interests is held, and no conflicts were noted during the financial year.

### Personal data related incidents

CICA takes the protection of personal data extremely seriously and reports serious breaches to the Information Commissioner's Office (ICO). During 2023-24, no data breaches required to be reported to the ICO.



## Statement of Accounting Officer's Responsibilities

Under section 6(3) of the Criminal Injuries Compensation Act 1995 and paragraph 136 of the Criminal Injuries Compensation Scheme 2012, the Secretary of State (with the approval of HM Treasury) has directed CICA 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 provide a true and fair view of the state of affairs of CICA and of its net resource out-turn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and to:

- observe the Accounts Direction issued by the Secretary of State (with the approval of HM Treasury), including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis
- confirm that the annual report and accounts is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer of the Ministry of Justice has designated the Chief Executive as Accounting Officer of the Criminal Injuries Compensation Authority. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Criminal Injuries Compensation Authority's assets, are set out in 'Managing Public Money' published by HM Treasury.

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



**Linda Brown CBE**

Chief Executive and Accounting Officer  
Criminal Injuries Compensation Authority  
18 July 2024

## Governance statement

This governance statement sets out the main features of the governance, risk management and internal control frameworks operated within CICA during 2023-24.

CICA is an Executive Agency of the Ministry of Justice (MoJ). For 2023-24, CICA's reporting line moved to the Chief Operating Officer of MoJ.

CICA also provides a service on behalf of the Scottish Government. A Memorandum of Understanding sets out the framework of CICA and the Scottish Government's relationship. This includes arrangements for the Scottish Government contribution towards scheme funding.

The Scottish Government was represented in meetings of the CICA Strategy and Performance Board by the Head of Victims and Witnesses Unit.

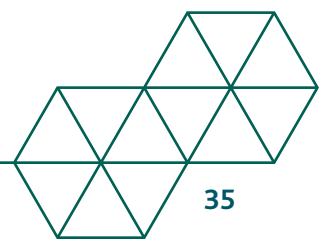
CICA's Business Plan is subject to ministerial approval. There is no separate requirement for CICA to consult with ministers on key financial or operational decisions. This is compatible with the requirements of the primary and secondary legislation by which CICA is empowered.

### Governance framework

Good governance is central to the effective operation of all public bodies and CICA adheres to the best practice principles outlined within HM Treasury and Cabinet Office Corporate Governance Code of Good Practice and HM Treasury guidance on Managing Public Money.

The governance framework ensures that CICA can reliably achieve its objectives while addressing uncertainty and acting with integrity. We have structured our governance to ensure appropriate harmony between performance, risk and compliance.

The governance structure is detailed on the following page.



**Table 15 Governance Structure**



**Strategy and Performance Board**

During 2023-24, the Strategy and Performance Board (SPB) was chaired by the Chief Executive, according to the Executive Agency framework in effect at the time. Membership is comprised of three Non-executive Board Members, the Deputy Chief Executive and MoJ Finance Director, Operations.

The Non-executive Board Members were:

- Russell Frith BA, ACA.
- Martin Spencer BA – until December 2023.
- Derek Bray BA, LLB, MPhil.

Standing attendees include the Director of Operations, Director of Corporate Services, Director of Legal and Policy Services and MoJ’s Senior Finance Business Partner to CICA.

Members of MoJ Policy and the Scottish Government attend by invitation.

The SPB met quarterly to consider performance, propose changes to operational policy and offer constructive challenge across CICA’s operations and activities. Non-executive Board Members provided advice on five key areas in line with HM Treasury Corporate Governance in central government departments (**Corporate governance in central government departments: code of good practice (publishing.service.gov.uk)**). These were:

- Strategic Clarity
- Commercial Sense
- Talented People
- Results Focus
- Management Information.

The SPB considered and advised on a range of improvements to our services including performance and planning, people management, budget management and business transformation.

The SPB is provided with financial, performance and risk information on a quarterly basis and may request supplementary information should this be required. The data supplied to the SPB is informed by monthly reporting to the EMB and monthly submissions to MoJ regarding CICA's financial management, performance and risk. Risks and controls in operation are further scrutinised on a quarterly basis by the Audit and Risk Committee.

All matters were reported openly, and no business required a confidential addendum or closed minute relating to commercial or personal sensitivities.

In 2023-24, a new Executive Agency Framework, aligned to the current Cabinet Office standard, was published and can be found at **Criminal Injuries Compensation Authority Agency Framework – GOV.UK**

To comply with this new Agency Framework, a public appointment recruitment process is underway to appoint an independent Non-Executive Board Chair and a new Non-Executive Board Member.

From 2024-25, the CICA Strategy and Performance Board will be renamed the CICA Board as described in the new Agency Framework. Its functions will remain as outlined above.

## Audit and Risk Committee

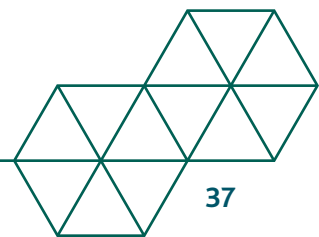
The Audit and Risk Committee (ARC) operates in accordance with HM Treasury's Audit and Risk Assurance Committee handbook and provided support to the SPB and the EMB in their responsibilities towards risk management, control and corporate governance. The ARC provided oversight of the management of CICA's operations and assets; accounting policies including the integrity of financial statements and the Annual Report and Accounts; practices, relating to risk, control and governance; and the adequacy of response to audit findings.

The ARC is chaired by a Non-executive Board member with the remaining Non-executive Board members completing the membership of the ARC. Meetings were held quarterly.

These ARC meetings were supported by the attendance of the Chief Executive, Deputy Chief Executive and Director of Corporate Services. Other members of the CICA EMB attended as required to support the business of the ARC.

The ARC was also supported by the attendance of the MoJ Finance Director, Operations and, by invitation, experts in financial modelling and forecasting, and financial accounts management from MoJ's finance function.

Representatives of the Government Internal Audit Agency (GIAA) and the National Audit Office (NAO) also attended each meeting.





The ARC routinely considered and offered insight and challenge to reports relating to risk management, information management, internal audit and internal assurance. Additional notable reports provided to the ARC were in-depth risk reviews of:

- Migration of finance system – a review of the risks and issues associated with migrating to a new finance system.
- Retained Awards – a review of the processes and controls associated with paying awards for minors into an interest-bearing bank account until the minor reaches the age of 18.
- Quality Assurance – a review of assurance framework in place to assure the quality and accuracy of compensation claim decisions.
- Cyber Security – a review of the cyber security strategy, controls and assurance framework across MoJ.

The ARC provided the EMB with a written minute of each quarterly meeting. The ARC Chair also submitted a written report to the MoJ Audit and Risk Assurance Committee following each meeting. All matters were reported openly, and no business required a confidential addendum or closed minute relating to commercial or personal sensitivities. The ARC provided its opinion, in its annual report to CICA, confirming the ARC's reasonable assurance that there is an adequate level of control and governance in place across CICA and that matters arising during the year have been, or are being, addressed by management.

### Executive Management Board

The Executive Management Board (EMB) supports the Accounting Officer in the day-to-day management and operation of CICA. During 2023-24, the EMB members supporting the Accounting Officer were:

- June Fellowes, Deputy Chief Executive (until June 2023)
- Lynne Henderson, Deputy Chief Executive (from January 2024)
- Martin McGoldrick, Director of Corporate Services (Interim Deputy Chief Executive September 2023 - January 2024)
- Laura Johnston, Director of Legal and Policy Services
- Nina Blakey, Director of Operations
- Louisa Harrison, Senior Finance Business Partner

In the discharge of its duties, the EMB was informed by advice and guidance from the SPB and the ARC, together with specific reports relating to financial accounting, operational performance, risk management, governance, business transformation, people management, policy, and health and safety.

The quality of this management information provided the EMB with an appropriate level of detail with which to monitor and react to all matters relating to organisational activity and performance. This ensured that decisions were taken with objectivity, transparency and a clear focus on achieving our organisational objectives.

From 2024-25, the Executive Management Board will be renamed the Executive Management Committee. Its functions will remain as outlined above.

## Board and Committee Information

**Table 16** Number of meetings attended by member of those eligible to attend

Number of meetings attended by member of those eligible to attend.

	Strategy and Performance Board	Audit and Risk Committee	Executive Management Board
<b>Linda Brown CBE,</b> Chief Executive	4 of 4	5 of 5	12 of 12
<b>June Fellowes,</b> Deputy Chief Executive (until June 2023)	1 of 2	1 of 2	3 of 3
<b>Lynne Henderson,</b> Deputy Chief Executive (from January 2024)	2 of 2	2 of 2	3 of 3
<b>Russell Frith,</b> Non-executive Board Member and Chair of the Audit and Risk Committee	4 of 4	5 of 5	–
<b>Martin Spencer,</b> Non-executive Board Member (until December 2023)	1 of 2	2 of 3	–
<b>Derek Bray,</b> Non-executive Board Member	2 of 4	4 of 5	–
<b>Nina Blakey,</b> Director of Operations	3 of 4	–	10 of 12
<b>Laura Johnston,</b> Director of Legal and Policy Services	3 of 4	–	11 of 12
<b>Martin McGoldrick,</b> Director of Corporate Services (Interim Deputy Chief Executive September 2023-January 2024)	4 of 4	5 of 5	12 of 12
<b>Ann Owen</b> Deputy Director Finance Business Partner (until June 2023)	1 of 1	1 of 1	–
<b>Caroline Patterson</b> Finance Director, Operations (from June 2023)	2 of 3	4 of 5	–
<b>Louisa Harrison</b> Senior Finance Business Partner	–	–	10 of 12

The three key governance groups are supported in delivering organisational objectives by the following additional groups and committees:

### **Health and Safety Committee**

The Health and Safety Committee ensures compliance with legislation and guidance, providing a collaborative approach to addressing health and safety issues within the workplace.

Meetings of the Health and Safety Committee were chaired by the CICA Health and Safety Manager. Membership included the Director of Corporate Services, Senior Governance Manager, Trade Union representatives and Health and Safety representatives from all directorates.

### **Corporate Risk and Assurance Group**

The Corporate Risk and Assurance Group (CRAG) maintained representation from each of the CICA directorates, MoJ Digital and Technology and Finance Business Partnering Group. The CRAG's main focus is to identify, resolve or escalate new or emerging cross organisational risks.

### **Stakeholder Engagement and Equality Forum**

The Stakeholder Engagement and Equality Forum (SEEF) is chaired by the Head of Policy and is a meeting with representatives of CICA's key stakeholder groups. The role of the SEEF is to facilitate and provide insight into customers' needs and experiences to inform service improvements. This includes offering insights on equality in the way that CICA operates the compensation scheme(s).

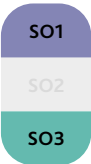

The SEEF provides an important opportunity for us to involve and listen to our stakeholders to improve our understanding of victims' experiences and needs, ensuring these are recognised in our operational practices, products and the design of new services.



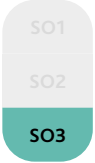

## Risk management







CICA considers risk management to be a critical component of effective business management and utilises established risk management approaches to identify new and emerging risks, inform decision making and to strengthen internal controls.





**Table 17 Strategic risks**

The table below outlines the significant risks and challenges which have been managed at a strategic level throughout the past performance year and notes some of the actions undertaken to mitigate these risks.

Risk	Link to Strategic Outcome	Description	Annual risk trend	Controls and mitigating activity
<b>Operational delivery</b>	 <p>SO1 SO2 SO3</p>	The volume of new applications to the Scheme continues to exceed historical averages and outpaces decision making causing the caseload to grow.		<p>The sustained upward trend in new application intake continued throughout 2023-24 and finished the year 26% above the prior five year average.</p> <p>While there is no statutory time frame in which a decision for compensation must be made, the sustained growth in live caseload and related compensation value demand carries impact on time to decide and resolve claims, and escalates applicant contact. As these pressures grow, the cost of managing these impacts and ability to recover to previous service levels will become more difficult to achieve.</p> <p>In mitigation, the pace of new application and review processing has continued on an upward trend due to operational efficiency improvements and the recruitment and training of additional staff.</p>

Risk	Link to Strategic Outcome	Description	Annual risk trend	Controls and mitigating activity
<p><b>Delegated budget</b></p>		<p>The delegated budget, within which CICA’s Accounting Officer must operate, is set annually by MoJ as is income from Scottish Government (SG). This budget is informed by forecast compensation demand. There is an inherent risk that the delegated budget may not align with the value of compensation entitlements established in year.</p>		<p>This risk is closely monitored by CICA and our MoJ Finance Business Partners. The risk is reported regularly to MoJ and SG, providing a framework in which variances against forecast can be highlighted and additional budget sought by CICA in a timely way to avoid either a breach of the delegated budget or avoidable delay for applicants.</p> <p>Statements are provided monthly to the Executive Management Board and quarterly to the Audit and Risk Committee.</p> <p>Financial planning and forecasting is undertaken in line with Managing Public Money and financial delegations.</p> <p>The likelihood and impact of this risk fluctuates throughout the year, based on financial forecasting and affordability of additional budget (or income) to meet the cost demand of compensation claims. At year-end this risk was stable based on the provision of additional budget to meet budget demand.</p> <p>Due to the nature of the annual budget model this remains a live risk for CICA in the 2024-25 financial year and the level of risk will be reassessed on an ongoing basis.</p>
<p><b>Estates</b></p>		<p>The proximity of the lease expiry of CICA office requires consideration of future accommodation needs and raises potential operational and workforce risks.</p>		<p>Due to the expiry of the existing office lease, CICA, along with MoJ Estates team, undertook a project to relocate to a new office location. This project sought to secure smaller premises with a more environmentally sustainable footprint.</p> <p>The relocation project was successfully delivered on time and within budget. CICA commenced operations from the new office at the beginning of April 2024 without disruption to service or operational productivity.</p>

Risk	Link to Strategic Outcome	Description	Annual risk trend	Controls and mitigating activity
<b>Operational processes</b>		CICA maintains operational guidance and processes to ensure that they remain appropriate, are applied correctly and are in line with recognised best practice		<p>During 2023-24 the programme of continuous improvement led to implementation of process efficiencies and improvements which have now been embedded through our learning and development products and within operational practices.</p> <p>An ongoing programme of activity in this area will continue to ensure that CICA remains a learning organisation, committed to building on our strengths and continually seeking to enhance the service we provide to victims of violent crime.</p>
<b>Concurrent claims</b>		The Scheme expects that applicants seek compensation from other sources, where there is opportunity to do so, and that any award under the Scheme be reduced or withheld if an applicant is awarded compensation from other sources for the same injuries.		<p>CICA has continued to take action to mitigate the risk of concurrent claims and regularly updated the ARC on progress. In 2023-24 this included the operation and progression of new data sharing agreements with other redress providers where the legal parameters of data protection legislation permit the disclosure of relevant data.</p> <p>Whilst CICA continue to demonstrate positive progress in this area, this particular risk has been complicated by a recent Court of Appeal judgment which limits the circumstances in which awards of compensation can be offset against other payments.</p>
<b>Fraud</b>		CICA are alert to the risk that undetected fraudulent activity may lead to financial loss and the erosion of funds available to pay compensation to victims of violent crime.		<p>CICA remains committed to preventing and tackling fraud to protect public funds intended for victims of violent crime.</p> <p>In addition to mandatory counter fraud training for all members of staff, in 2023-24 CICA undertook work with the Government Internal Audit Agency to review and refresh our Counter Fraud Risk Assessment.</p> <p>CICA also continue to liaise with, and be guided by, the MoJ Counter Fraud Centre of Expertise.</p>

Risk	Link to Strategic Outcome	Description	Annual risk trend	Controls and mitigating activity
<p><b>Scheme Changes</b></p>		<p>CICA is responsible for the administration of the Criminal Injuries Compensation Schemes and make payments of compensation to people who have been injured because they were the victim of a violent crime in England &amp; Wales or Scotland.</p> <p>The Scheme rules, and amendments to them, are set by the Secretary of State for Justice and approved by Parliament.</p>		<p>CICA remains alert to the possible impact of any scheme changes and is working with MoJ Policy to ensure that operational and financial impacts are appropriately considered. Reduced reliance on external service providers will enable Justice Digital to initiate changes to the 'Apply' service, CICA's case management system and corporate literature at pace, should scheme changes be introduced.</p>
<p><b>Legal challenge</b></p>		<p>The Scheme and its application are periodically subject to legal challenge.</p> <p>Depending on the particular circumstances and extent of the case(s), this could present financial liabilities beyond that which are currently forecast.</p>		<p>CICA/Moj instructs expert Counsel to defend legal challenges and keep key internal stakeholders informed of developments and emerging risks.</p>

## Financial risks

CICA receives a delegated budget from MoJ each financial year to operate the Scheme in England and Wales, and income from the Scottish Government to fund the Scheme in Scotland.

CICA is required to manage controls to ensure the delegated budget is not exceeded. Compensation entitlements are never reduced or refused due to budget pressures, although there is an inherent risk that if compensation demand outpaces the available budget, either the organisation's delegated budget may be breached or the timing of payments may be affected.

In practice, CICA relies on forecasting and ongoing dialogue with those who fund the schemes to manage this risk effectively. In circumstances where the delegated budget forecast identifies it may be insufficient to meet the value of claims which will reach 'ready to offer' status, CICA will request the authorisation of additional budget cover from MoJ and/or income from the Scottish Government.

Through 2023-24, CICA managed this risk by providing forecasts and regular reports to the Chief Operating Officer, via its Senior Finance Business Partner, on budget utilisation and quarterly updates to the Scottish Government. An additional £6.2m was authorised by MoJ for England and Wales during 2023-24 for tariff and pre-tariff Scheme cases and the Scottish Government responded positively to requests for additional income with an additional £3.5m.

## Financial liability risks

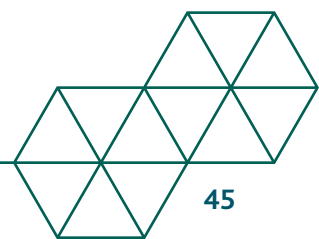
The key financial liability risks were:

### Incidents Incurred But Not Yet Received (IBNYR)

Incidents incurred but not yet received (IBNYR) is an unquantifiable contingent liability in respect of a possible future obligation to individuals who have been victims of violent crime as at the end of the reporting period. This liability depends upon uncertain future events occurring and an application being submitted which meets the criteria set out in the relevant scheme. Although CICA recognises that this contingent liability exists in respect of IBNYR, the amount of the obligation cannot be measured with sufficient reliability. This is because it is not possible to establish with any reliable certainty the total number of eligible victims who sustained eligible criminal injuries, the likelihood of an application being made and then qualifying for compensation, according to the multiple criteria contained in the Scheme, and thereafter predicting with any reasonable certainty the potential value of any award which may be made, and the timescale in which this may occur.

### Offers not accepted within time limits

Under the Criminal Injuries Compensation Scheme 2012, a claimant's legal entitlement to an award crystallises on the date on which CICA receives written notice from the claimant or representatives of acceptance of a determination made by a claims officer. The Scheme provides that the acceptance of the award must (normally) be sent within 56 days, but other provisions of the Scheme mean that CICA is not legally empowered to withdraw a First Decision or Appeal offer until 2 years and 56 days have passed or to withdraw a Review Decision offer until 2 years and 90 days have passed. Once this deadline has passed CICA is able to send out withdrawal letters.





There are cases where the deadline for acceptance has passed but CICA has not yet withdrawn the offer. Such offers require a formal decision to be made withdrawing the offer and for the applicant to be given the opportunity to exercise rights of review and appeal against that decision. In some of those cases, information may be received which may lead CICA to exercise its discretion under the Scheme in favour of the claimant, and not withdraw the offer even though the deadline has passed. It is not possible to quantify the value of cases where CICA would so exercise discretion. However, the total value of cases 'on-offer' and past the deadline is £0.6m: any liability would therefore be below that value.

## Audit, assurance and operational delivery

### Audit objectives

The internal audit plan is designed to support an annual internal audit opinion on the adequacy and effectiveness of governance, risk management and control through which:

- oversight, structures, authorities and responsibilities, and reporting support a clear understanding of risks and controls and effective decision-making.
- objectives are specified with sufficient clarity to enable the identification and assessment of risk.
- risks to the achievement of objectives are identified and assessed to determine how they should be managed.
- changes that could significantly affect the system of internal control are identified and assessed.
- control activities are designed adequately and operated as intended to mitigate risks to acceptable levels.
- relevant, accurate, complete and timely information is available and used to support the functioning of internal control.

### Internal audit activity

A programme of internal audit was undertaken by the Government Internal Audit Agency (GIAA) in accordance with the Public Sector Internal Audit Standards. This offered robust scrutiny of the adequacy, effectiveness and reliability of controls operating over the following functions (and assurance rating provided):

- Complaints: Substantial
- Board effectiveness: Substantial

Following previous audit work undertaken in 2022-23, a follow up audit of Change Management was included in the audit plan for 2023-24. This work concluded that all recommendations had been fully implemented and noted enhanced consistency, transparency, governance and oversight.

In 2023-24, CICA commissioned the GIAA Counter Fraud and Investigation team (CF&I) to develop a draft Organisational Fraud Risk Assessment as part of the overall internal audit programme. This provided a synopsis of fraud related risks and challenges which could affect similar organisations and which should be considered by CICA.

### Internal audit opinion

GIAA provided an overall internal audit opinion of Moderate assurance for the effectiveness of the systems of governance, risk management and internal control operating across CICA.

### Information assurance

CICA processes significant volumes of personal and sensitive information. We are committed to ensuring actions taken in handling such information achieve the highest standards of security and that the privacy rights of individuals are respected.

We employ a mandatory requirement for all staff and new recruits to undertake security and data protection training, and in 2023-24 we again achieved 98% completion, repeating the same level of performance as in 2022-23. This helps us embed an effective information assurance culture across the organisation.

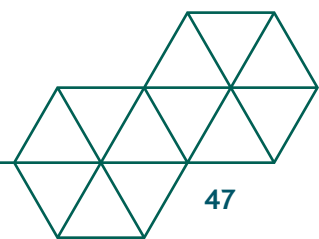
Assuring information and managing risks related to the use, processing, storage and transmission of the information we hold is a high priority. The technical controls we have in place reflect those recommended by the National Cyber Security Centre to address external cyber security threats, and we have further strengthened our approach within the last year through a number of key measures.

We are participating in a full assessment of the new GovAssure cyber security framework covering our critical services, including an external assurance review. This presents a useful opportunity to review our current arrangements and be at the forefront of the new approach being rolled out across government.

We have adopted processes related to cyber security, integrating fully with MoJ security teams. CICA firewalls are monitored continuously by MoJ network teams, ensuring protection against threats and vulnerabilities.

We have undertaken further testing of our ability to restore access to data in the event of any incidents using back-up processes. Disaster recovery processes have been recently assessed and tested. Migrations to the cloud for key CICA systems have continued throughout the year, increasing resilience across our technology estate and enhancing the scalability and security of our services.

During 2023-24, we received and actioned 61 requests for information under the Freedom of Information Act 2000. In addition, we processed 2,346 Subject Access Requests under the Data Protection Act 2018 and UK General Data Protection Regulation.



Strict timelines for compliance with requests for information are outlined within the relevant data protection regulation and in 2023-24, CICA complied with 100% of freedom of information requests and 99% of subject access requests within the prescribed timeframes.

We continue to ensure integration with wider government developments by actively participating in MoJ wide forums and boards. In 2023-24, our Senior Information Risk Owner, or deputy, attended the bi-monthly MoJ Information and Security Risk Board and the monthly Data Protection Sub Committee.

## Functional reform

Corporate and professional functions are provided to CICA by MoJ and include: commercial, communications, counter fraud, digital, finance, people (HR), project delivery, property and security.

The overall maturity of functions, including progress of embedding functional standards is assessed through a twice a year 'health check report' that includes a deep dive meeting with the Chief Operating Officer to test compliance with functional standards. It is also supported by annual or bi-annual self-assessments using Cabinet Office continuous improvement assessment frameworks. The maturity scale ranges from 'good', indicating compliance with the mandatory elements of the functional standard, to 'better' and 'best'.

Throughout 2023-24, the functions' understanding of the requirements of their functional standards has matured and their understanding of the operation of control frameworks to achieve increased compliance is improving.

## Whistleblowing

CICA adopts the MoJ Whistleblowing policy and links are published on the CICA intranet.

Our Anti-Fraud Protocol and Whistleblowing Policy further support vigilance around potential for bribery and corrupt practice.

## Conclusion

I am confident that this statement provides a comprehensive account of the corporate governance, risk management and control arrangements operating across CICA.

I am satisfied that these governance arrangements offered effective control and transparency over the management and accountabilities of CICA.



### Linda Brown CBE

Chief Executive and Accounting Officer  
Criminal Injuries Compensation Authority  
18 July 2024

# Remuneration and staff report

## Remuneration policy

All permanent members of staff, including any on secondment and fixed term appointments are employees of MoJ. Accordingly, CICA does not have, nor require, a separate Remuneration Committee or Nominations Committee.

### Remuneration policy – senior civil servants

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. In 2023-24, there were two posts classified as senior civil servants, the Chief Executive and the Deputy Chief Executive. Performance based pay awards for senior civil servants are determined by an assessment of performance against objectives agreed between the individual and their line manager at the start of the reporting year.

### Remuneration policy – non-senior civil servants

Remuneration packages fall under the schemes operated by MoJ and follow Government policy guidelines for public sector pay. Performance is recognised through MoJ Performance Management and Reward and Recognition policies. Staff at all grades are eligible for in-year reward which is used to recognise staff in a timely way throughout the financial year.

### 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 individuals covered by this report hold appointments which are open-ended and to which a notice period of up to three months would usually apply. Early termination, other than for misconduct, may 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: [www.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk)

### Senior staff disclosures (subject to audit)

The following sections provide details of the remuneration and pension interests of the senior management and non-executive board members of CICA.

The Chief Executive fulfils the role of Accounting Officer of CICA. The Chief and the Deputy Chief Executive, for the purposes of disclosure, are classified as the senior management of CICA. All other members of the Executive Management Board have responsibility for delivery within their individual directorates and not for directing or controlling the major activities of the entity during the year.

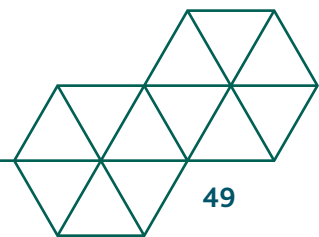


Table 18 Remuneration and pensions of senior management (subject to audit)

Name	Salary 2023-24	Bonuses 2023-24	Pension benefits 2023-24	Severance payments	Total 2023-24	Accrued pension and related lump sum at pension age 31/03/24	Real increase in pension and related lump sum at pension age 2023-24	CETV at 31/03/24	CETV at 31/03/23	Real increase in CETV 2023-24
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Linda Brown Chief Executive	105-110	5-10	n/a	–	110-115	n/a	n/a	n/a	n/a	n/a
June Fellowes Deputy Chief Executive (until 30 June 2023)	20-25 (FYE 75-80)	–	n/a	95	115-120	n/a	n/a	n/a	n/a	n/a
Lynne Henderson Deputy Chief Executive (from 1 January 2024)	15-20 (FYE 75-80)	–	n/a	–	15-20	n/a	n/a	n/a	n/a	n/a

Pension related benefits, accrued pension benefits and CETVs are not included in the above table for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pensions remedy.<sup>1</sup> Pensions figures are calculated by MyCSP, the pensions administrator, rather than by CICA.

<sup>1</sup> <https://www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension>

Name	Salary 2022-23	Bonuses 2022-23	Pension benefits 2022-23	Severance payments 2022-23	Total 2022-23	Accrued pension and related lump sum at pension age 31/03/23	Real increase in pension and related lump sum at pension age 2022-23	CETV at 31/03/23	CETV at 31/03/22	Real increase in CETV 2022-23
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Linda Brown Chief Executive	100-105	–	(25)	–	75-80	Pension 45-50 Lump sum 120-125	Pension nil Lump sum nil	1,102	1,013	(40)
June Fellowes Deputy Chief Executive	75-80	–	(22)	–	55-60	Pension 40-45 Lump sum 95-100	Pension nil Lump sum nil	908	837	(34)

## Remuneration report

**Table 19 Remuneration of non-executive board members**

	2023-24	2022-23
	£000	£000
Derek Bray	0-5	0-5
Martin Spencer	0-5	0-5
Russell Frith	0-5	0-5
<b>Total</b>	<b>6.4</b>	<b>7.2</b>

CICA non-executives receive fees based on the number of board meetings they have attended. Their fees are non-pensionable but are subject to tax and national insurance.

All current non-executive board members started with CICA on 15 December 2020 for a period of 3 years. Derek Bray and Russell Frith's contracts have been extended, while Martin Spencer ceased to be a board member on 14 December 2023. All Non-Executive appointments are public appointments made by the Lord Chancellor. The offer to extend a public appointment is also subject to the approval of the Lord Chancellor.

### Salary

Staff salaries include gross salary, overtime, and any other allowance to the extent that it is subject to UK taxation.

### Bonuses

Bonuses are based on performance levels attained and are awarded as part of the appraisal process. Unless otherwise stated, bonuses reported each year relate to performance in the preceding year.

### 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. No executive or non-executive board members received any taxable benefits in 2023-24 or 2022-23.

### Pension benefits

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. Where the pension benefits for 2022-23 are negative we have disclosed this figure in table 18. This has had an impact on the remuneration figure by reducing the overall total remuneration banding.

## 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.<sup>2</sup> 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”.

<sup>2</sup> [www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension](https://www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension)



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](http://www.civilservicepensionscheme.org.uk)

## Cash Equivalent Transfer Values

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

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

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

## Real increase in CETV

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

## Fair pay disclosures (subject to audit)

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

**Table 20 Fair pay bandings and ratios**

	2023-24	2022-23
Highest paid executive salary	£110k-£115k	£100-£105k
Lowest paid staff member salary	£20k-£25k	£15k-£20k
Lower quartile CICA salary	£22,940	£21,775
Lower quartile pay ratio	4.9:1	4.6:1
Median CICA salary	£27,250	£25,827
Median pay ratio	4.1:1	3.9:1
Upper quartile CICA salary	£32,884	£31,265
Upper quartile pay ratio	3.4:2	3.2:1

In 2023-24 and 2022-23 no employee received remuneration exceeding that of the highest paid executive. For CICA, the calculations for pay quartiles result in the same values for total pay and benefits and for the salary component.

**Table 21 Annual percentage change in total salary and bonuses**

	Salary %	Bonus %
Staff average	4.9	(16.0)
Highest paid director	7.0	n/a

The highest paid director received bonuses in 2023-24 but did not receive one in 2022-23.

In 2020-21, following approval from Cabinet Office and HM Treasury, a three-year pay deal was implemented for MoJ including CICA employees. The three-year pay deal ran from 1 August 2020 until 31 July 2023. The implementation of the pay award increased average staff remuneration. For 2023-24, a one year pay award was agreed, from 1 August 2023 until 31 July 2024. Additionally, across the Civil Service staff below Senior Civil Service grades received a non-consolidated payment of £1,500 in 2023-24.

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

## Staff costs and numbers (subject to audit)

**Table 22 Staff costs**

Staff costs	2023-24	2022-23
	£000	£000
Salaries and wages	9,213	8,233
Overtime	53	81
Social security costs	876	788
Pension costs	2,385	2,240
<b>Total</b>	<b>12,527</b>	<b>11,342</b>

The table above includes the costs of senior management remuneration and on-cost.

CICA employed no agency or temporary staff in 2023-24 or 2022-23.

CICA staff, unless opted out, are members of the PCSPS. The PCSPS is an unfunded multi-employer defined benefit scheme in which CICA is unable to identify its share of underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2018. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)).

For 2023-24, employers' contributions of £2.385m were payable to the PCSPS (2022-23: £2.240m) at one of four rates in the range 26.6% to 30.3% (2022-23: 26.6% to 30.3%) of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions every four years following the full scheme valuation. The contribution rates reflect benefits as they are accrued, not when costs are actually incurred, and reflect past experience of the scheme.

Employees joining the Civil Service after 1 October 2002 can opt to open a partnership pension account, which is a stakeholder pension with an employer contribution. No staff members working for CICA have taken this option during 2023-24 and this was also the case in 2022-23.

### Civil Service exit packages

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year the exit package is confirmed. Where the Department has agreed early retirements, the additional costs are met by the Department and not by the Principal Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table above.

During 2022-23, one exit package (voluntary early severance) was agreed in respect of a member of CICA staff, with the cost borne by MoJ, and the details disclosed in the MoJ Annual Report and Accounts 2022-23 (page 117). That exit package was paid in 2023-24, and the details are disclosed in the CICA remuneration report for 2023-24.

## Off-payroll engagements and consultancy costs

During 2023-24, CICA reviewed off-payroll engagements where we are required to consider intermediaries, legislation (IR35) using HMRC's guidance and on-line status indicator. We have advised any contracting body of the outcome of the status determinations so that, where appropriate, tax deductions are made at source from payments made in respect of the engagement with CICA.

During 2023-24 and 2022-23, no consultancy costs were incurred.

### Table 23 Staff numbers

The average number of full-time equivalent persons employed (including senior management) during the year was as follows:

	2023-24	2022-23
Full time equivalent	306	296

### Table 24 Staff composition (not subject to audit)

	31 March 2024 Headcount	31 March 2023 Headcount
<b>SCS1</b>		
Female	1	1
<b>SCS2</b>		
Female	1	1
<b>Non-SCS</b>		
Male	143	147
Female	176	189
<b>Total</b>	<b>321</b>	<b>338</b>

## Our staff (not subject to audit)

### Employment policies

As CICA colleagues are MoJ employees, we adhere to MoJ HR policy and procedures. People participation is actively encouraged as part of the day-to-day process of line management and our senior leadership team is committed to working collaboratively with trade unions.

### Staff engagement

We remain committed to making CICA a great place to work and involving our people in decisions that affect them. In 2023-24, we continued to embrace hybrid working arrangements, which create opportunities for our people to combine office and home working, alongside ensuring increased collaborative working within the office environment. Our approach ensures a high performing, service orientated and professional workplace community which promotes opportunities to connect, collaborate and thrive, whilst offering a blended approach to home and office working.

In 2023-24, our Civil Service People Survey engagement index score was 66%. This was 5 ppt above the overall MoJ score and 2 ppt above the Civil Service benchmark score.

### Equality and diversity

CICA has duties, by virtue of the Equality Act 2010, associated with elimination of discrimination, harassment, victimisation and other conduct prohibited by the Act; and advancement of equality of opportunity and fostering of good relations between those who do and do not share relevant protected characteristics. In accordance with our Public Sector Equality Duty, we undertake Equality Impact Assessments to understand the impact of change affecting our people and adhere to the terms of MoJ Conduct Policy and the Civil Service Code. We continue our efforts to build an inclusive culture with the support of our established Diversity, Inclusion and Wellbeing Network, which is proactive in celebrating diversity. This ensures CICA continues to offer an inclusive working environment and promotes access to opportunities for all.

We strive to attract and retain a diverse workforce at all grades, that is reflective of the society we serve and the community where we are based. To raise organisational visibility and broaden our prospective talent pool relative to priority recruitment, in 2023-24, we engaged in targeted outreach activity with local higher and further education institutes and explored opportunities for outreach collaboration with wider Civil Service colleagues.

Diversity data is collated by MoJ, and we continue to encourage our people to record their personal diversity information. This data helps us to understand the diversity profile of our people and ensure policies and processes are applied fairly.

We are committed to equity of opportunity and actively encourage and support our people to participate in a range of development programmes tailored to colleagues from under-represented groups. Programmes such as 'Rising Together' are designed to support colleagues from ethnic minority backgrounds to develop their personal and professional skills within a community of supportive peers and mentors. Opportunities such as these helped us grow our sense of inclusion and fair treatment as reflected in the People Survey score for this area.

## Employment of disabled persons

We adhere to MoJ rules associated with employment of disabled people and foster a culture in which we remove barriers and promote greater understanding of disability related issues. We have access to MoJ's Workplace Adjustment Service, which offers advice and guidance to colleagues regarding reasonable adjustments and further available support services. Our continued accreditation as a Disability Confident Leader recognises our approach in challenging attitudes towards disability, increasing understanding of disability within the organisation and ensuring disabled people have opportunities to fulfil their potential. A number of our colleagues are also members of MoJ's ABLE Network, which aims to be a department that supports, values, develops and empowers all disabled colleagues.

## Learning and development

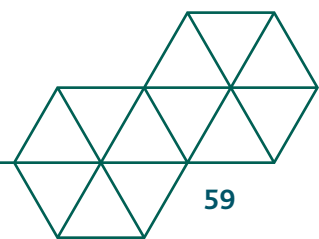
We remain committed to being a compassionate organisation, providing services which are sensitive to the experience of our applicants. During 2023-24, our people continued to undertake trauma-informed awareness learning. We support the ongoing development of our people and this year our people have been involved in a range of personal development activities and programmes. Learning at Work Week continued to be well supported and offered a number of varied opportunities for our people to develop and grow in both their personal and professional lives.

## Sickness absence

We proactively managed sickness absence and promoted health and wellbeing at work. We supported new and existing line managers to increase knowledge and skills on attendance management, mental health, and disability awareness. During 2023-24, the average working days lost to sickness in CICA was 7 days (2022-23: 6.7 days). Of these, 1,392 days (64%) were due to long-term sickness and 797 days (36%) were due to short-term sickness.

## Staff turnover

In 2023-24, CICA turnover was 7.3% (2022-23: 3.3%) and department turnover was 12.8% (2022-23: 8.8%). Transfers within the Civil Service are not included in CICA turnover but are included within department turnover figures. The department continues to monitor turnover rates and support initiatives to secure maintenance at a healthy level. The annual Civil Service People Survey, coupled with other research, helps us to understand our people's experience of working in MoJ and take appropriate action to optimise efficiency.



# Parliamentary accountability and audit report

## Audit

The Comptroller and Auditor General is the external auditor of CICA and is appointed under statute, reporting to both the UK Parliament and the Scottish Parliament.

The notional fee for the statutory audit in 2023-24 is £124,000 (2022-23, £115,000).

No additional audit fees or remuneration for non-audit work were recognised in 2023-24, as was also the case in 2022-23.

## Regularity of expenditure

**Table 25 Losses and special payments (subject to audit)**

	2023-24		2022-23	
	Number	£000	Number	£000
Cash losses	1	–	–	–
Constructive losses	1	–	2	1,014
Special payments	1	5	–	–
<b>Total</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>1,014</b>

In the table above, cash losses and constructive losses are less than £500, so round down to nil in thousands. During 2023-24 there were no losses over £300,000 (2022-23: two).

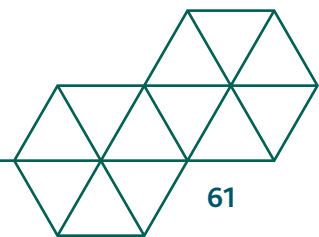
### Remote contingent liabilities (audited)

On occasion, compensation cases at appeal stage, under the jurisdiction of the First-tier Tribunal – Criminal Injuries Compensation, may proceed to judicial review. These could have an impact on CICA’s future liabilities. These cases are not included within the provision due to the fact that a possible obligation exists which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of CICA.



**Linda Brown CBE**

Chief Executive and Accounting Officer  
Criminal Injuries Compensation Authority  
18 July 2024





# 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 Criminal Injuries Compensation Authority for the year ended 31 March 2024 under the Criminal Injuries Compensation Act 1995 and the Government Resources and Accounts Act 2000.

The financial statements comprise the Criminal Injuries Compensation Authority's:

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

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

In my opinion, the financial statements:

- give a true and fair view of the state of the Criminal Injuries Compensation's affairs as at 31 March 2024 and its net expenditure 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 Criminal Injuries Compensation Authority 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 Criminal Injuries Compensation Authority'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 Criminal Injuries Compensation Authority'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 Criminal Injuries Compensation Authority 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

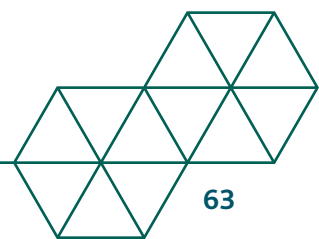
The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

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 Criminal Injuries Compensation Authority 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 Criminal Injuries Compensation Authority 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 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 Criminal Injuries Compensation Authority 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 Criminal Injuries Compensation Authority'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 Criminal Injuries Compensation Authority will not continue to be provided in the future.

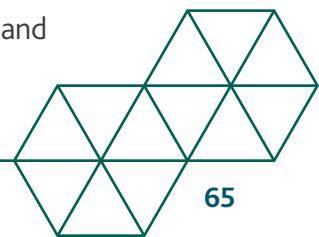
## Auditor's responsibilities for the audit of the financial statements

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 Criminal Injuries Compensation Authority's accounting policies.
- inquired of management, the Criminal Injuries Compensation Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Criminal Injuries Compensation Authority'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 Criminal Injuries Compensation Authority's controls relating to the Criminal Injuries Compensation Authority's compliance with the Government Resources and Accounts Act 2000, Managing Public Money, and the Criminal Injuries Compensation Act 1995;
- inquired of management, the Criminal Injuries Compensation Authority's head of internal audit 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 regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Criminal Injuries Compensation Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. 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 Criminal Injuries Compensation Authority's framework of authority and other legal and regulatory frameworks in which the Criminal Injuries Compensation Authority 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 Criminal Injuries Compensation Authority. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, employment law, tax legislation and the Criminal Injuries Compensation Act 1995.

## 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, 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; and
- 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.

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](http://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

23 July 2024

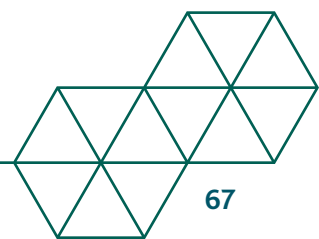
National Audit Office

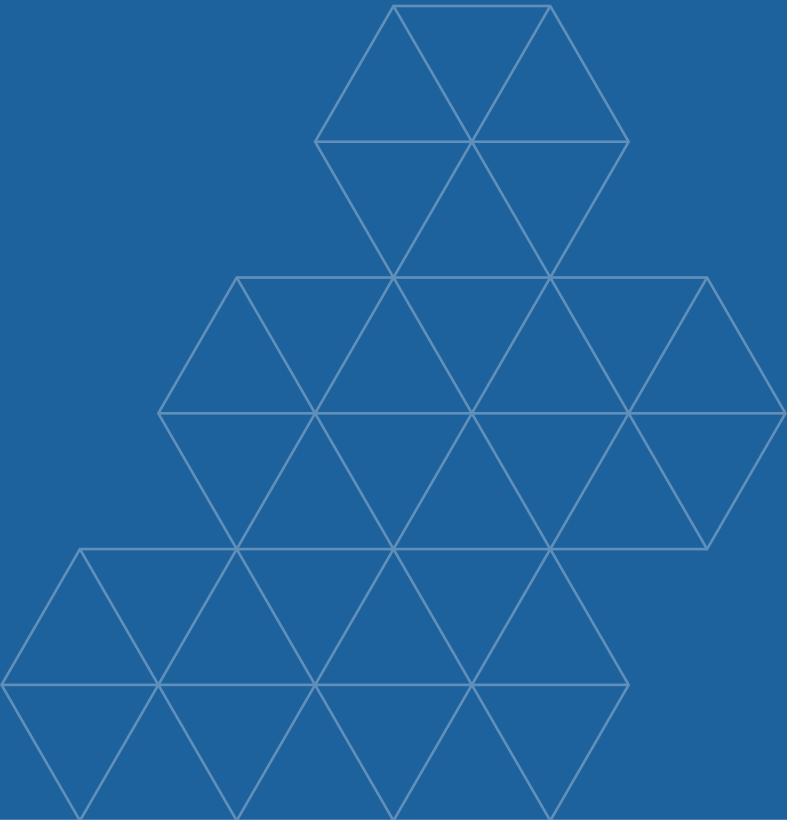
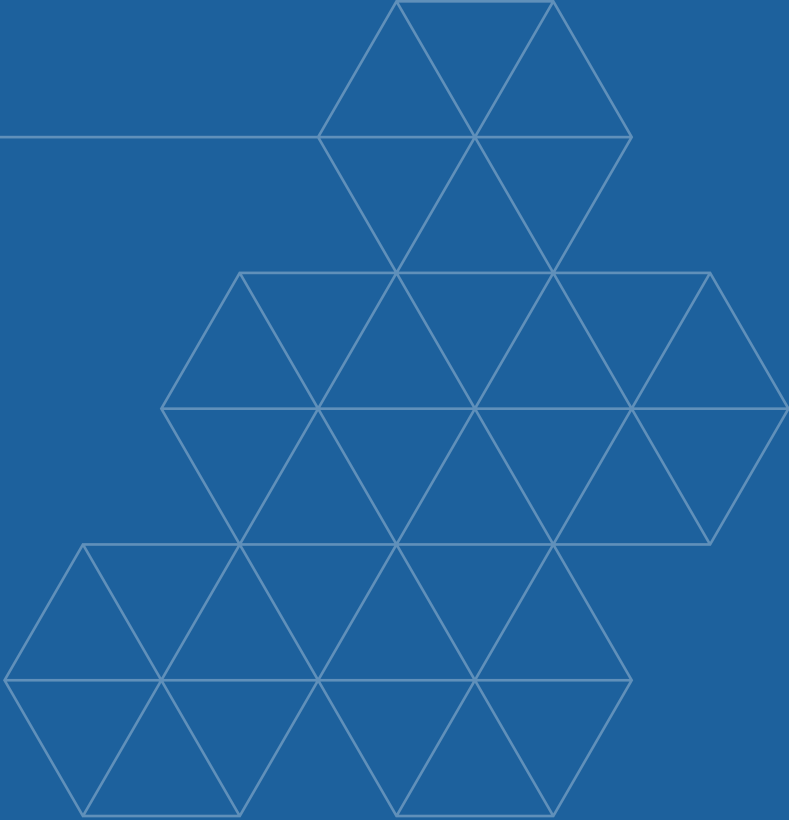
157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP







# Financial statements



## Statement of comprehensive net expenditure for the year ended 31 March 2024

		2023-24	2022-23
	Note	£000	£000
Income from the Scottish Government	2	(19,321)	(19,061)
Other income	2	(1,389)	(2,244)
<b>Total operating income</b>		<b>(20,710)</b>	<b>(21,305)</b>
Staff costs	3	12,527	11,342
Other expenditure	3	9,040	7,541
Depreciation and impairment charges	3	1,638	1,840
Compensation spend	4	240,065	177,275
<b>Total operating expenditure</b>		<b>263,270</b>	<b>197,998</b>
<b>Net operating expenditure</b>		<b>242,560</b>	<b>176,693</b>
Finance expense (unwinding of discount)	14	5,804	371
<b>Net expenditure</b>		<b>248,364</b>	<b>177,064</b>
<b>Other comprehensive expenditure</b>			
Net gain on revaluation of intangibles	5	(6)	–
Net gain on revaluation of property, plant and equipment	6	(14)	–
<b>Total comprehensive net expenditure</b>		<b>248,344</b>	<b>177,064</b>

There was no other comprehensive expenditure incurred during the year. All income and expenditure are derived from continuing operations.

The notes on pages 74 to 101 form part of these financial statements.

## Statement of financial position at 31 March 2024

		31 March 2024	31 March 2023
	Note	£000	£000
<b>Non-current assets</b>			
Intangible assets	5	4,864	676
Property, plant and equipment	6	2,349	377
Right-of-use assets	7	4,112	884
<b>Total non-current assets</b>		<b>11,325</b>	<b>1,937</b>
<b>Current assets</b>			
Trade and other receivables	9	723	475
Cash and cash equivalents	10	31,775	29,578
<b>Total current assets</b>		<b>32,498</b>	<b>30,053</b>
<b>Total assets</b>		<b>43,823</b>	<b>31,990</b>
<b>Current liabilities</b>			
Trade and other payables	11	(59,213)	(48,875)
Other financial liabilities	12	(399)	(493)
Provisions	14	(162,470)	(134,014)
<b>Total current liabilities</b>		<b>(222,082)</b>	<b>(183,382)</b>
<b>Total assets less current liabilities</b>		<b>(178,259)</b>	<b>(151,392)</b>
<b>Non-current liabilities</b>			
Holding accounts payables	13	(12,070)	(17,560)
Other financial liabilities	12	(2,752)	(98)
Provisions	14	(91,190)	(37,204)
<b>Total non-current liabilities</b>		<b>(106,012)</b>	<b>(54,862)</b>
<b>Total assets less liabilities</b>		<b>(284,271)</b>	<b>(206,254)</b>
<b>Taxpayers' equity</b>			
General fund		(284,291)	(206,254)
Revaluation reserve		20	–
<b>Total taxpayers' equity</b>		<b>(284,271)</b>	<b>(206,254)</b>

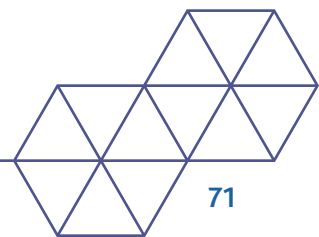
The notes on pages 74 to 101 form part of these financial statements.



**Linda Brown CBE**

Chief Executive and Accounting Officer, Criminal Injuries Compensation Authority

18 July 2024



## Statement of cash flows for the year ended 31 March 2024

		2023-24	2022-23
	Note	£000	£000
<b>Cash flows from operating activities</b>			
Net operating cost		(248,364)	(177,064)
Adjustments for notional and non-cash transactions	3	7,868	7,116
Intra-departmental balances settled via reserves		11,209	3,012
(Increase)/decrease in trade and other receivables	9	(248)	(87)
Less receivables not passing through the operating cost statement		(18)	6
Increase/(decrease) in trade and other payables	11	10,338	4,410
Increase/(decrease) in other financial liabilities	12	2,560	(574)
Less repayments of principal on leases	7	646	708
Less IFRS 16 recognition of lease creditor and remeasurement	7	(3,206)	(56)
(Decrease)/increase in holding account payables	13	(5,490)	1,851
Utilisation of non-compensation provisions	14	(32)	(19)
Movement in compensation provisions	14	81,164	4,531
<b>Net cash outflow from operating activities</b>		<b>(143,573)</b>	<b>(156,166)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	(2,084)	(55)
<b>Net cash outflow from investing activities</b>		<b>(2,084)</b>	<b>(55)</b>
<b>Cash flows from financing activities</b>			
Supply funding from the Ministry of Justice: revenue	18	141,900	163,993
Supply funding from the Ministry of Justice: capital	18	6,600	507
Repayments of principal on leases	7	(646)	(708)
<b>Net cash inflow from financing activities</b>		<b>147,854</b>	<b>163,792</b>
<b>Net increase in cash and cash equivalents in year</b>	10	<b>2,197</b>	<b>7,571</b>
Cash and cash equivalents at the beginning of the year	10	29,578	22,007
<b>Cash and cash equivalents at the end of the year</b>	10	<b>31,775</b>	<b>29,578</b>

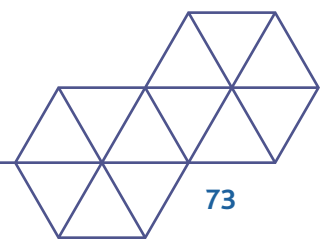
The notes on pages 74 to 101 form part of these financial statements.

## Statement of changes in taxpayers' equity for the year ended 31 March 2024

		General fund	Revaluation reserve	Total
	Note	£000		£000
<b>Balance at 1 April 2023</b>		<b>(206,254)</b>	–	<b>(206,254)</b>
<b>Net expenditure for the year</b>		<b>(248,364)</b>	–	<b>(248,364)</b>
Supply funding from the Ministry of Justice: revenue	18	141,900	–	141,900
Supply funding from the Ministry of Justice: capital	18	6,600	–	6,600
<b>Non-cash adjustments</b>				
Intra-departmental adjustment	9, 11	11,209	–	11,209
Asset transfer from the Ministry of Justice	5, 6	4,406	–	4,406
Notional recharge from the Ministry of Justice	3	6,088	–	6,088
Notional external audit fee	3	124	–	124
<b>Revaluation adjustments</b>				
Gain on revaluation of assets		–	20	20
<b>Balance at 31 March 2024</b>		<b>(284,291)</b>	<b>20</b>	<b>(284,271)</b>

		General Reserve	Total Reserves
	Note	£000	£000
<b>Balance at 1 April 2022</b>		<b>(201,984)</b>	<b>(201,984)</b>
<b>Net expenditure for the year</b>		<b>(177,064)</b>	<b>(177,064)</b>
Supply funding from the Ministry of Justice: revenue	18	163,993	163,993
Supply funding from the Ministry of Justice: capital	18	507	507
<b>Non-cash adjustments</b>			
Intra-departmental adjustment	3	3,012	3,012
Notional recharge from the Ministry of Justice	3	5,167	5,167
Notional external audit fee	3	115	115
<b>Balance at 31 March 2023</b>		<b>(206,254)</b>	<b>(206,254)</b>

The notes on pages 74 to 101 form part of these financial statements.



# Notes to the financial statements for the year ended 31 March 2024

## Note 1 Statement of accounting policies

These financial statements have been prepared in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where a choice of accounting policy is permitted by the FReM, CICA selects the policy which best presents a true and fair view. CICA's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

### 1.1a Basis of preparation

The financial statements are presented in Pounds Sterling rounded to the nearest thousand (£000) unless otherwise stated. These accounts have been prepared under the historical cost convention.

The financial statements, together with the notes on pages 74 to 101, have been prepared on an accruals basis in accordance with the Accounts Direction given by the Secretary of State for Justice, with approval of HM Treasury, in accordance with the Criminal Injuries Compensation Schemes 1990, 1996, 2001, 2008 and 2012.

At 31 March 2024, CICA's Statement of financial position records net liabilities of £284 million (31 March 2023, £206 million). This reflects the inclusion of liabilities falling due in future years which may only be met by future funding from both Ministry of Justice and the Scottish Government. This follows the normal conventions applying to parliamentary control over income and expenditure in that funding is not provided in advance of need.

In common with other public bodies, CICA's liabilities are expected to be met by future funding from MoJ, out of supply and income approved annually by Parliament, and from the Scottish Government. There is no indication that future sponsorship by MoJ and the Scottish Government will not be forthcoming, and as a result it is deemed appropriate to adopt the going concern basis for the preparation of these financial statements.

### 1.1b Significant judgements used in the production of the financial statements

As at 31 March 2024 CICA has used historical information in the production of the provision for live cases. This means that there is an implicit assumption that past patterns of activity are a reasonable indicator of future patterns of activity.

#### Tariff distribution profiles, including nil-assessed cases

**At 31 March 2024:** For undecided cases, that is cases that have not had a monetary award decision assigned to them, an estimate is required of what decisions will be taken against them.

A distribution profile of decisions is created based upon past patterns of activity, including past movements of cases across tariff bands, including a proportion, at tariff band level, of cases predicted to resolve at nil value. The profile is determined based on a data series of 'snapshots' of the live caseload population, going back to 31 March 2020. Since there is an increased likelihood of a case decided within 12 months being nil-assessed, separate profiles are created for application to cases aged 0-12 months and those aged 12 months or more.

**At 31 March 2023:** For undecided cases, the distribution profile was determined based upon historical periods within which 95% of cases have had a decision taken against them. Since there is an increased likelihood of a case decided within 12 months being nil-assessed, separate profiles were created for application to cases aged 0-12 months and those aged 12 months or more.

### Average claim award value

**At 31 March 2024:** It is assumed that the average claim value awarded within each tariff band will be consistent with the historical average within that tariff band across the life of the scheme, excluding claims received and resolved within a financial year. Claim values are calculated and applied separately for cases resolved within 12 months and those resolved in 12 months or more.

**At 31 March 2023:** It was assumed that the average claim value awarded within each tariff band would be consistent with the historical average within that tariff band across the life of the scheme. Claim values were calculated and applied separately for cases resolved within 12 months and those resolved in 12 months or more.

## 1.1c Changes in accounting policies and disclosures

### New and amended standards adopted

There have been no new or amended standards adopted in the financial year beginning 1 April 2023.

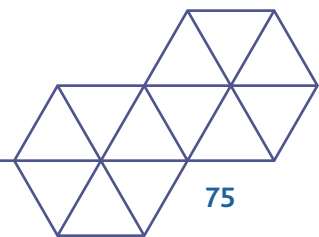
### New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2023 and not early adopted

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

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

### Revaluation of intangible assets and property, plant and equipment

Prior to 1 April 2023, CICA's assets were disclosed at depreciated historic cost, which approximates to fair value, rather than being revalued annually, as revaluation would not be material to CICA's accounts. At 1 April 2023, CICA moved onto the MoJ Group's finance systems, and in line with other MoJ bodies, is now revaluing assets on an annual basis. The effect of this change is immaterial.



## 1.2 Funding

England and Wales expenditure is met from funds advanced by Ministry of Justice. Funds received for operating activities and capital expenditure are credited to the general fund.

## 1.3 Segmental reporting

CICA has one reportable operating segment under IFRS 8. It therefore does not prepare a detailed segmental analysis.

## 1.4 Income

The Scottish Government's contribution towards compensation expenditure is based on the actual amount (including an adjustment for year-end accruals) required to settle tariff-based Scheme claims where the injury was sustained in Scotland. This is classified as income and is accounted for in accordance with the 5-step model set out in IFRS 15 Revenue from Contracts with Customers, and HM Treasury's Financial Reporting Manual. The Memorandum of Understanding between CICA and the Scottish Government sets out the arrangements for paying the Scottish contribution towards the cost of the Criminal Injuries Compensation Schemes.

Other sources of income include compensation which is repaid by applicants in circumstances provided for in the Scheme(s). These repayments are treated as income and recycled into compensation spending. In accordance with IFRS 9 Financial Instruments, CICA writes-down any future income by the rate of collection to reflect future uncertainty in this income being received.

## 1.5 Compensation spend

CICA recognises compensation spend at the point an application for compensation is received, through the calculation of a provision: the increase in the provision in year reflects the estimated value of new cases received and not yet processed through to award.

Where an application is received and paid within the same financial year, or received and a formal offer of compensation is made, CICA recognises the spend as 'claims not provided for'.

Where a claim was received in a prior financial year, and a formal offer has been made but not yet accepted, the related liability moves from provision to accrual, through utilisation of the provision. An adjustment to reflect remaining uncertainty on these cases, where an applicant may request review of or appeal the decision, reverts a percentage of the offer value to the provision. Neither the transfer to accrual nor the adjustment back to the provision impacts on compensation spend as recorded in the Statement of comprehensive net expenditure.

Note 4 to these financial statements sets out the compensation spend that is recognised in the Statement of comprehensive income each year: the increase in provision, plus the claims not provided for at the end of the previous financial year.

Compensation spend recognised in the Statement of comprehensive income does not reflect the value of compensation actually delivered or formally offered to applicants each year, as the spend is driven by the existence of a liability, rather than the discharge of the obligation. Note 4 also therefore sets out the compensation that has been received by or offered to claimants in year: the utilisation of the opening provision, plus the claims not previously provided for but paid out or offered during the course of the year.

## 1.6 Employee benefits

CICA accrues for the expected cost of the annual leave entitlement of its employees in accordance with IAS 19 Employee Benefits.

## 1.7 Pensions

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

## 1.8 Notional recharges

The notional recharge from the Ministry of Justice represents CICA's usage of corporate services.

The notional audit fee represents the cost of the annual external audit performed by the National Audit Office on behalf of the Comptroller and Auditor General.

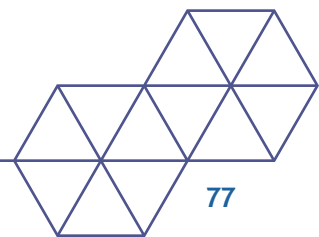
## 1.9 Accounting for Value Added Tax

Irrecoverable Value Added Tax (VAT) is charged to the relevant expenditure category or, if appropriate, capitalised with additions to non-current assets. Income and expenditure are otherwise shown net of VAT.

## 1.10 Assets under construction

Assets under construction are valued at historical cost within property, plant and equipment and intangible assets as appropriate, and are not depreciated or amortised. An asset ceases to be classified as an asset under construction when it is ready for use. Its carrying value is then removed from assets under construction and transferred to the respective asset category. Depreciation or amortisation is then charged on the asset in accordance with the stated accounting policy.

Expenditure is capitalised where it is directly attributable to bringing an asset into working condition, such as external contractor costs and relevant employee costs.





## 1.11 Intangible assets

Intangible assets comprise internally developed computer software (including assets under construction) and purchased software licences.

Development costs that are directly attributable to the design and testing of identifiable and unique software products, such as external contractor costs and relevant employee costs, are recognised as intangible assets when they meet the criteria of the FReM, which has been adapted from IAS 38 Intangible Assets. Other expenditure that does not meet this criteria is recognised as an expense as incurred.

The useful lives of internally developed software range from 1 to 5 years. In accordance with IAS 38 Intangible Assets, CICA reviews the economic useful lives of its intangible assets each financial year.

CICA applies a capitalisation threshold for intangible assets of £10,000. Intangible assets are disclosed at depreciated historic cost, which approximates to fair value.

## 1.12 Property, plant and equipment

Property, plant and equipment assets costing more than the capitalisation threshold of £10,000 are treated as capital assets. Where an item costs less than the capitalisation threshold but forms part of an asset or grouped asset, whose total value is greater than the capitalisation level, the item is treated as a capital asset.

The residual value of all assets and the depreciation method applied to them is reviewed at the end of each financial year.

## 1.13 Leases

### Scope and exclusions – CICA as lessee

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

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

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

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

## Initial recognition – CICA as lessee

At the commencement of a lease CICA recognises a right-of-use asset and a lease liability.

The lease liability is measured at the value of the remaining lease payments, discounted either by the interest rate implicit in the lease, or where this is not readily determinable, CICA's incremental rate of borrowing. This rate is advised annually by HM Treasury, and is applied to leases that commence or are remeasured in that year.

Where the lease includes extension or termination options, the lease payments will be for the non-cancellable period together with any extension or termination options CICA is reasonably certain to exercise/not exercise.

The measurement of lease payments excludes any VAT payable, and irrecoverable VAT is expensed at the point it falls due in line with IFRIC 21 Levies.

The right-of-use asset is measured at the value of the lease liability, adjusted for: any lease payments made before the commencement date; any lease incentives received; any incremental costs of obtaining the lease; and any costs of removing the asset and restoring the site at the end of the lease.

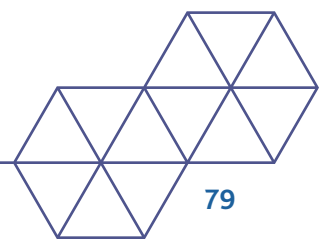
## Subsequent measurement – CICA as lessee

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

The lease liability will be adjusted for the accrual of interest, repayments, reassessments and modifications. Reassessments are reappraisals of the probability of the options given by the existing lease contract, for example where we no longer expect to exercise an extension option; modifications are changes to the lease contract.

The value of the asset will be adjusted for subsequent amortisation and impairment, and for reassessments and modifications of the lease liability as described above. Where the amount of a reduction to the asset exceeds the carrying value of the asset, the excess amount is recognised in expenditure.

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



## Estimates and judgements

CICA has determined the lease term by assessing the level of certainty as to whether termination or extension options will be exercised.

CICA has determined that the cost model is a reasonable proxy for fair value, because the rents payable are aligned to open market rates.

### 1.14 Depreciation and amortisation

Except for assets under construction, depreciation or amortisation is provided on all non-current assets on a straight-line basis to write off the cost of assets over their estimated useful lives as follows:

- Fixtures and fittings and office equipment – 5 years
- Leasehold improvements – the life of the lease
- Computer equipment – 3 to 5 years
- Software – 3 to 5 years
- Software licences – the life of the licence
- Right-of-use assets – the life of the lease

### 1.15 Impairment of non-current assets

At each reporting date, CICA reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Impairments that reflect a permanent diminution in the value of an asset, as a result of a clear consumption or diminution of economic benefit or service potential, are charged directly to the Statement of Comprehensive Net Expenditure.

### 1.16 Financial instruments

IFRS 7 'Financial Instruments: Disclosures', requires disclosure of the role that financial instruments have had during the year in creating or changing risk an entity faces in carrying out its business. This is set out in Note 8 of these financial statements.

### 1.17 Cash and cash equivalents

Cash and cash equivalents comprise bank balances held with commercial banks including those administered through the Government Banking Service.

### 1.18 Compensation accruals

CICA recognises an accrual when an offer of compensation is made to an applicant. The value of liability takes account of the prevailing review and appeal request rate for the tariff Scheme. For pre-tariff cases, the value on-offer is recognised at full liability as the offer made to an applicant is binding.

Non-accrued compensation spend is recognised as set out in Note 14, Provisions.

## 1.19 Provisions

Provisions represent liabilities of uncertain timing or amount. Provisions are recognised when the CICA has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and for which a reliable estimate can be made for the amount of the obligation. Provisions reflect the best estimate of the expenditure required to settle the obligation. Where the effect is material, the estimated cashflows are discounted. The effect of discounting is charged directly to the Statement of comprehensive net expenditure.

The provisions involve significant estimations and uncertainties (see Note 14).

## 1.20 Third-party assets

The Scheme provides for compensation awards made to minors to be retained by CICA, in order to ensure the victim will be the sole beneficiary of the award (including accrued interest) when they reach their majority (18 years of age). Where appropriate, interim payments may be made: requests for these are assessed on a case by case basis.

Awards retained by CICA are not CICA's assets, and are therefore excluded from the Statement of financial position and disclosed as third-party assets (see Note 19).

## Note 2 Income

	2023-24	2022-23
	£000	£000
Income from the Scottish Government	19,321	19,061
Compensation repaid	1,365	2,176
Other administrative income	24	68
<b>Total</b>	<b>20,710</b>	<b>21,305</b>

## Note 3 Staff and other costs

	2023-24	2022-23
	£000	£000
<b>Staff costs</b>		
Wages and salaries	9,266	8,314
Social security costs	876	788
Other pension costs	2,385	2,240
	<b>12,527</b>	<b>11,342</b>
<b>Other operating expenditure</b>		
Case handling costs	1,374	1,233
Postage	192	142
Accommodation costs	803	755
Office, IT and service running costs	72	52
Staff-related costs	98	57
Lease interest	56	8
Other administration costs	215	18
Non-cash costs		
Notional recharge from the Ministry of Justice	6,088	5,167
Notional external audit fee	124	115
Increase/(decrease) in bad debt provision	18	(6)
	<b>9,040</b>	<b>7,541</b>
<b>Depreciation, amortisation and impairment charges</b>		
Amortisation of intangibles	104	245
Depreciation of property, plant and equipment	247	166
Amortisation of right-of-use assets	1,288	415
Revaluation losses	(1)	–
Impairment of intangible assets	–	1,014
	<b>1,638</b>	<b>1,840</b>
<b>Total</b>	<b>23,205</b>	<b>20,723</b>

## Note 4 Compensation spend

Compensation spend, as recognised in the Statement of comprehensive net expenditure, was as follows:

	Pre-tariff	Tariff	VOTCS	Total
	£000	£000	£000	£000
Provided in year	448	214,225	75	214,748
Change in discount rate and reversal unused	(15)	(4,165)	(117)	(4,297)
Claims not provided for	–	29,558	56	29,614
<b>2023-24</b>	<b>433</b>	<b>239,618</b>	<b>14</b>	<b>240,065</b>
Provided in year	864	154,361	1	155,226
Change in discount rate and reversal unused	–	(3,986)	(53)	(4,039)
Claims not provided for	–	26,088	–	26,088
<b>2022-23</b>	<b>864</b>	<b>176,463</b>	<b>(52)</b>	<b>177,275</b>

Compensation paid or committed through formal offer during the period was as follows:

	Pre-tariff	Tariff	VOTCS	Total
	£000	£000	£000	£000
Provision utilised	385	134,677	29	135,091
Claims not provided for	–	29,558	56	29,614
<b>2023-24</b>	<b>385</b>	<b>164,235</b>	<b>85</b>	<b>164,705</b>
Provision utilised	700	146,301	26	147,027
Claims not provided for	–	26,088	–	26,088
<b>2022-23</b>	<b>700</b>	<b>172,389</b>	<b>26</b>	<b>173,115</b>

Compensation paid or committed by region was as follows:

	2023-24	2022-23
	£000	£000
England and Wales	147,097	155,886
Scotland	17,523	17,203
Victims of overseas terrorism	85	26
<b>Total</b>	<b>164,705</b>	<b>173,115</b>

## Note 5 Intangible assets

	Software	Software licences	Assets under construction	Total
	£000	£000	£000	£000
<b>Cost or valuation</b>				
At 1 April 2023	2,285	128	367	2,780
Transfer from MoJ	–	–	4,285	4,285
Reclassifications	4,285	–	(4,285)	–
Revaluation	11	–	–	11
Disposals	(399)	–	–	(399)
<b>At 31 March 2024</b>	<b>6,182</b>	<b>128</b>	<b>367</b>	<b>6,677</b>
<b>Amortisation</b>				
At 1 April 2023	1,976	128	–	2,104
Charged in year	104	–	–	104
Revaluation	4	–	–	4
Disposals	(399)	–	–	(399)
<b>At 31 March 2024</b>	<b>1,685</b>	<b>128</b>	<b>–</b>	<b>1,813</b>
<b>Net book value at 31 March 2024</b>	<b>4,497</b>	<b>–</b>	<b>367</b>	<b>4,864</b>

All intangible assets are owned by CICA.

## Note 5 Intangible assets (continued)

	Software	Software licences	Assets under construction	Total
	£000	£000	£000	£000
<b>Cost or valuation</b>				
At 1 April 2022	2,373	200	1,697	4,270
Reclassifications	(69)	–	(316)	(385)
Impairments	–	–	(1,014)	(1,014)
Disposals	(19)	(72)	–	(91)
<b>At 31 March 2023</b>	<b>2,285</b>	<b>128</b>	<b>367</b>	<b>2,780</b>
<b>Amortisation</b>				
At 1 April 2022	2,098	187	–	2,285
Charged in year	232	13	–	245
Reclassifications	(335)	–	–	(335)
Impairments	(19)	(72)	–	(91)
<b>At 31 March 2023</b>	<b>1,976</b>	<b>128</b>	<b>–</b>	<b>2,104</b>
<b>Net book value at 31 March 2023</b>	<b>309</b>	<b>–</b>	<b>367</b>	<b>676</b>



## Note 6 Property, plant and equipment

	Leasehold improvements	IT equipment	Furniture, fittings and equipment	Assets under construction	Total
	£000	£000	£000	£000	£000
<b>Cost or valuation</b>					
At 1 April 2023	973	1,615	483	–	3,071
Additions	–	–	341	1,743	2,084
Transfer from MoJ	–	121	–	–	121
Revaluation	(90)	8	13	–	(69)
<b>At 31 March 2024</b>	<b>883</b>	<b>1,744</b>	<b>837</b>	<b>1,743</b>	<b>5,207</b>
<b>Depreciation</b>					
At 1 April 2023	858	1,443	393	–	2,694
Charged in year	91	146	10	–	247
Revaluation	(91)	6	2	–	(83)
Disposals	–	–	–	–	–
<b>At 31 March 2024</b>	<b>858</b>	<b>1,595</b>	<b>405</b>	<b>–</b>	<b>2,858</b>
<b>Net book value at 31 March 2024</b>	<b>25</b>	<b>149</b>	<b>432</b>	<b>1,743</b>	<b>2,349</b>

All property, plant and equipment are owned by CICA rather than being leased.

Assets under construction mainly comprise fit out costs for CICA's new office building, which CICA moved into in April 2024.

## Note 6 Property, plant and equipment (continued)

	Leasehold improvements	IT equipment	Furniture, fittings and equipment	Assets under construction	Total
	£000	£000	£000	£000	£000
<b>Cost or valuation</b>					
At 1 April 2022	973	1,196	507	72	2,748
Additions	–	54	1	–	55
Reclassifications	–	457	–	(72)	385
Disposals	–	(92)	(25)	–	(117)
<b>At 31 March 2023</b>	<b>973</b>	<b>1,615</b>	<b>483</b>	<b>–</b>	<b>3,071</b>
<b>Depreciation</b>					
At 1 April 2022	761	1,162	387	–	2,310
Charged in year	97	38	31	–	166
Reclassifications	–	335	–	–	335
Disposals	–	(92)	(25)	–	(117)
<b>At 31 March 2023</b>	<b>858</b>	<b>1,443</b>	<b>393</b>	<b>–</b>	<b>2,694</b>
<b>Net book value at 31 March 2023</b>	<b>115</b>	<b>172</b>	<b>90</b>	<b>–</b>	<b>377</b>

## Note 7 Leases

### Right-of-use assets

	2023-24	2022-23
	£000	£000
<b>Cost or valuation</b>		
At 1 April	1,669	1,218
Additions	4,516	451
<b>At 31 March</b>	<b>6,185</b>	<b>1,669</b>
<b>Amortisation</b>		
At 1 April	785	370
Charged in year	1,288	415
<b>At 31 March</b>	<b>2,073</b>	<b>785</b>
<b>Net book value at 31 March</b>	<b>4,112</b>	<b>884</b>

CICA moved offices in 2024-25. Right-of-use assets included above are the lease on the recently vacated office, which ends in July 2024, and the lease for the new accommodation, which ends in October 2038.

### Lease liabilities

	31 March 2024	31 March 2023
	£000	£000
Not later than one year	504	497
Later than one year and not later than five years	1,116	98
Later than five years	2,369	
<b>Gross cash flows</b>	<b>3,989</b>	<b>595</b>
Less interest element	(838)	(4)
<b>Present value of obligations</b>	<b>3,151</b>	<b>591</b>

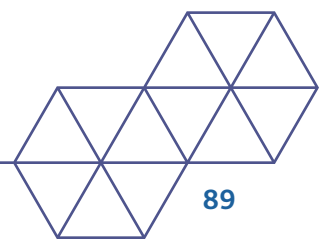
An analysis of discounted cashflows relating to lease liabilities, between current and non-current, is presented in Note 12.

## Amounts recognised in the Statement of comprehensive net expenditure

	2023-24	2022-23
	£000	£000
Amortisation	1,288	415
Interest expense	56	8
<b>Total</b>	<b>1,344</b>	<b>423</b>

## Amounts recognised in the Statement of cash flows

	2023-24	2022-23
	£000	£000
Repayment of principal on leases	646	708
Interest expense (included in net operating cost)	56	8
<b>Total</b>	<b>702</b>	<b>716</b>



## Note 8 Financial instruments

IFRS 7 'Financial Instruments: Disclosures', requires disclosure of the role that financial instruments have had during the year in creating or changing risk an entity faces in carrying out its business.

As the cash requirements of CICA are met through the Estimate process, financial instruments play a more limited role in creating and managing risk that would apply to a non-public sector body.

CICA holds material cash balances on deposit. Allocated holding accounts (Notes 10 and 13) are included in CICA's cash balance, while funds retained in the applicant's name are excluded (Note 19). The objective of opening individual deposit accounts for held awards and retained awards is to accrue cumulative interest on these awards, which is disbursed to applicants when the award is paid out. The average rate of interest applied to the investments during 2023-24 was 2.23% (2022-23: 0.08%). No administration fee is charged to the applicant.

Receivables are valued under the expected credit loss model set out in IFRS 9. Receivables are recognised at lifetime loss and impairment (stage 3 under IFRS 9).

Included within trade and other payables are £35,358k (31 March 2023: £36,529k) of accruals in relation to compensation where a formal offer letter has been issued to the applicant, but where final settlement has not yet taken place. These are initially measured at fair value, which is their transaction price. They are subsequently valued at amortised cost, but this has nil impact due to their short maturities. CICA is not empowered to borrow money.

The carrying value of financial assets and liabilities, excluding receivables and payables with the Ministry of Justice, is as follows:

	31 March 2024	31 March 2023
	£000	£000
Cash and cash equivalents – Government Banking Service	19,705	12,018
Cash and cash equivalents – holding accounts	12,070	17,560
Trade and other receivables	321	186
Trade and other payables	(37,066)	(37,377)
Other financial liabilities	(3,151)	(591)
Holding account payables	(12,070)	(17,560)
<b>Total</b>	<b>(20,191)</b>	<b>(25,764)</b>

## Note 9 Trade and other receivables

	31 March 2024	31 March 2023
	£000	£000
Compensation receivables	117	14
VAT receivable	146	140
Receivable from the Ministry of Justice	402	289
Other receivables	57	2
Accrued income	21	21
Prepayments	37	48
<b>Sub-total</b>	<b>780</b>	<b>514</b>
Provision for bad and doubtful debts	(57)	(39)
<b>Total</b>	<b>723</b>	<b>475</b>

All CICA's receivables are collectable within one year.

## Note 10 Cash and cash equivalents

	2023-24	2022-23
	£000	£000
Balance at 1 April	29,578	22,007
Net change in balances	2,197	7,571
<b>At 31 March</b>	<b>31,775</b>	<b>29,578</b>

The balances were held at:

	31 March 2024	31 March 2023
	£000	£000
Government Banking Service	19,705	12,018
Awards held on deposit in holding accounts	12,070	17,560
<b>Total</b>	<b>31,775</b>	<b>29,578</b>

## Note 11 Trade and other payables

	31 March 2024	31 March 2023
	£000	£000
Trade payables	–	12
Payable to the Ministry of Justice	22,147	11,498
Other payables	93	2
Accruals – tariff scheme	35,358	36,529
Other accruals	1,547	554
Deferred income	68	280
<b>Total</b>	<b>59,213</b>	<b>48,875</b>

All CICA's payables fall due within one year.

## Note 12 Other financial liabilities

	31 March 2024	31 March 2023
	£000	£000
Lease liabilities – current	399	493
Lease liabilities – non-current	2,752	98
<b>Total</b>	<b>3,151</b>	<b>591</b>

Further information on lease liabilities and right-of-use assets is provided in Note 7.

## Note 13 Holding account payables

	2023-24		2022-23	
	Number	£000	Number	£000
At 1 April	52	17,560	48	15,709
Deposits	27	7,795	40	12,841
Interest received		594		299
Closures	(31)	(13,879)	(36)	(11,289)
<b>At 31 March</b>	<b>48</b>	<b>12,070</b>	<b>52</b>	<b>17,560</b>

Awards are held in holding accounts in the name of the applicant prior to appropriate guardianship being determined and are classified as non-current.

## Note 14 Provisions

	Compensation	Dilapidations	Staff departures	Total
	£000	£000	£000	£000
At 1 April 2023	170,304	557	357	171,218
Provided in year	214,748	1,310	–	216,058
Change in discount rate	(3,706)	–	–	(3,706)
Unwinding	5,804	–	–	5,804
Reversed unused	(591)	–	–	(591)
Utilised in year	(135,091)	–	(32)	(135,123)
<b>At 31 March 2024</b>	<b>251,468</b>	<b>1,867</b>	<b>325</b>	<b>253,660</b>
At 1 April 2022	165,773	162	376	166,311
Provided in year	155,226	395	–	155,621
Change in discount rate	(3,707)	–	–	(3,707)
Unwinding	371	–	–	371
Reversed unused	(332)	–	–	(332)
Utilised in year	(147,027)	–	(19)	(147,046)
<b>At 31 March 2023</b>	<b>170,304</b>	<b>557</b>	<b>357</b>	<b>171,218</b>



The expected timings of discounted cash flows are as follows:

	Compensation	Dilapidations	Staff departures	Total
	£000	£000	£000	£000
Not later than one year	161,105	1,323	42	162,470
Between one and five years	90,363	–	164	90,527
Later than five years	–	544	119	663
<b>At 31 March 2024</b>	<b>251,468</b>	<b>1,867</b>	<b>325</b>	<b>253,660</b>
Not later than one year	133,972	–	42	134,014
Between one and five years	36,332	557	164	37,053
Later than five years	–	–	151	151
<b>At 31 March 2023</b>	<b>170,304</b>	<b>557</b>	<b>357</b>	<b>171,218</b>

Provisions for compensation, by scheme category, are as follows:

	Pre-tariff	Tariff	VOTCS	Total
	£000	£000	£000	£000
At 1 April 2023	688	169,210	406	170,304
Provided in year	448	214,225	75	214,748
Change in discount rate	–	(3,706)	–	(3,706)
Unwinding	–	5,804	–	5,804
Reversed unused	(15)	(459)	(117)	(591)
Utilised in year	(385)	(134,677)	(29)	(135,091)
<b>At 31 March 2024</b>	<b>736</b>	<b>250,397</b>	<b>335</b>	<b>251,468</b>
At 1 April 2022	524	164,765	484	165,773
Provided in year	864	154,361	1	155,226
Change in discount rate	–	(3,707)	–	(3,707)
Unwinding	–	371	–	371
Reversed unused	–	(279)	(53)	(332)
Utilised in year	(700)	(146,301)	(26)	(147,027)
<b>At 31 March 2023</b>	<b>688</b>	<b>169,210</b>	<b>406</b>	<b>170,304</b>

## Pre-tariff schemes

The provision for pre-tariff schemes reflects CICA's liabilities in respect of all outstanding cases incurred prior to 1996 which remain to be settled in future years. The provision is reviewed annually and reflects the likely settlement values at the year-end based on the circumstances of each application at that time. CICA's estimate of the likely settlement requires judgment and the final payment may differ from this estimate.

Pre-tariff scheme award values are assessed by the First-tier Tribunal (FTT). This assessment includes the application of a discount rate (the Lord Chancellor's discount rate, which is currently -0.25%). The award values assessed by the FTT are not then further discounted by CICA, due to uncertainties surrounding both the final liability and the settlement date. Additionally, due to these uncertainties, all pre-tariff liabilities are classed as falling due within one year, and have not been discounted by HM Treasury's discount rate.

CICA does not hold any assets in respect of these liabilities; compensation will be paid from parliamentary funding in the year of settlement.

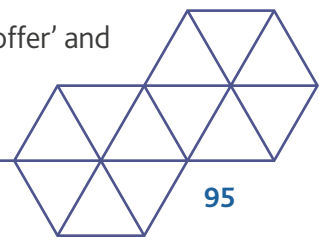
## Tariff schemes

The provision for tariff schemes is reflective of CICA's liabilities under the 1996, 2001, 2008 and 2012 Schemes. CICA recognises liabilities that are based upon an evaluation of total applications that are currently known and received by CICA but have not yet been processed through to award; these are referred to as claims reported but not completed (CRBNC). The overall liability for the tariff scheme is £285.8m with £250.4m disclosed in this provisions note and £35.4m disclosed as a tariff scheme accrual in Note 11 (31 March 2023: £169.2m and £36.5m). Where an event has occurred on or before the reporting date, but an application has not yet been made, CICA recognises this as an unquantifiable contingent liability. This is because no legal obligation as a result of a past event exists. It is only where an application for compensation has been received that an obligation is recognised in relation to the Scheme.

The provision model for tariff schemes estimates a provision for three different categories of case:

1. **Not Decided:** These are cases which are still under assessment by CICA and therefore a potential monetary value has not yet been determined. In order to estimate a provision for these cases, the model builds historical profiles of average award values, aggregated by tariff band and case age, which are then applied to the population of outstanding cases. A further adjustment is made to account for the fact that a subset of the live case population will be 'nil-assessed' i.e. will not attract a monetary award. The proportion of such cases is determined based upon an assessment of the historical proportion of nil-assessed cases within each tariff band.
2. **Decided:** These are live cases that have been sufficiently assessed to determine their potential monetary value, but where a decision letter has not been issued to the applicant. Until a decision letter is issued, the monetary value may be subject to revision arising from changes in the circumstances of the applicant, checks by CICA resulting in the identification of error or a change in value determined by the timing at which an offer is made to the applicant. Additionally, until the decision letter is issued there is uncertainty over the timing of discharge of the liability.

Where a decision letter has been sent to the applicant, the award is classified as 'on offer' and accrued for, rather than included in the tariff provision.



3. **On Offer Not Accrued:** As outlined above, once an offer is made, the award value is accrued and therefore no provision is required. However, in a small proportion of such cases the applicant does not accept the compensation offered and an adjustment is made to account for this. The proportion (%) is removed from the total 'on offer' accrual and added back into the value of the provision. The percentage is determined based upon an assessment of the historical level of the proportion of cases where this occurs.

Since applications are determined under the scheme in force at the date of application, the tariff provision model calculates the provision for pre-2012 schemes (1996, 2001 and 2008) and the current 2012 scheme separately.

The following key assumptions underpin the provision model, and are unchanged since 31 March 2023:

1. **Average value:** average value profiles for both tariff bands and case age are derived from historical case data
2. **% nil value:** the proportion of cases which will be assessed at nil value is derived from historical case data
3. **Decided to offer:** the calculation assumes that decided cases will be paid out at 100% of their decided value
4. **Timing:** the expected timing in which the liability is discharged is calculated on the basis of operational capacity
5. **Discounting:** the liabilities are discounted, based on the expected timing of discharge, at HM Treasury's nominal discount rate. The real rate is not used, as tariff schemes compensation payments are not subject to inflationary pressures. The discount is unwound over the life of the provision, with the unwinding disclosed as a finance charge in the Statement of comprehensive net expenditure.

The following assumptions are new or amended at 31 March 2024:

6. **Tariff age profiling:** profiles for cases under 12 months old are created using an overall average of the last four provisions (i.e. live case) population profiles
7. **Tariff price profiling:** two price profiles (0-12 months and 12+ months) are applied to cases based on historic resolved data for cases which resolved within those timescales, but weighted to predict a trend towards later resolution
8. **Banding:** resolved bandings are predicted based on historic data showing how cases move across different bands over time, including how unbanded cases eventually resolve

HM Treasury discount rates used are as follows:

	31 March 2024	31 March 2023
Years	%	%
1 to 5	4.26	3.27
6 to 10	4.03	3.20
11+	4.72	3.51

CICA does not hold any assets in respect of tariff schemes liabilities; compensation will be paid from parliamentary funding in the year of settlement.

### Impact of changes to the tariff provision model at 31 March 2024

As noted in IAS 37, Provisions, contingent liabilities and contingent assets, the use of estimates is an essential part of the preparation of financial statements and does not undermine their reliability. This is especially true in the case of provisions, which by nature are more uncertain than most other items in the statement of financial position.

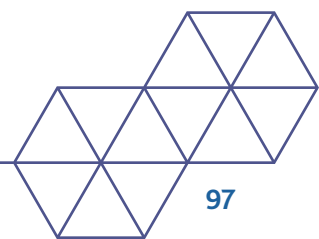
The changes to the assumptions and estimation techniques employed in the provisions model have caused a significant increase in the provision at 31 March 2024, with a commensurate significant increase in the charge to the Statement of comprehensive net expenditure for the year. This change is being treated as a prospective change under IAS 8, Accounting policies, changes in accounting estimates and errors: prior year provisions values have not been restated.

The changes in the provision model have resulted in an increase of £61.4m in the tariff provision.

### Tariff schemes sensitivity analysis

A sensitivity analysis for the tariff provision has been undertaken to identify the impact of any changes to key assumptions. For each assumption within the provision model a reasonable change has been identified and the impact on the overall financial liability calculated. These changes include flexing historical data trends to show the potential impact on the provision. For each assumption which is being analysed for sensitivity, only that assumption is changed. This is because if two or more assumptions are changed at one time, the actual sensitivity of a change in assumption may be obscured because of the potential interrelation of the assumptions.

The following tables show the impact of adjusting the key assumptions. The ranges of the sensitivity tests shown are based on the variability of past data. They do not represent the maxima or minima of past observed values nor the full range of possible outcomes, but they do capture future values that could plausibly occur. The 'low profile' sensitivity assumes a weighting in the case mix towards younger, less complex cases, while the 'high profile' sensitivity assumes a weighting towards older, more complex cases. Each change is shown separately although in practice combinations are possible as different assumptions can be correlated together.



		Pre-2012 Change	2012 Change	Total Change
	Assumption	£000	£000	£000
Average value	Negative variation	–	(6,675)	(6,675)
Average value	Positive variation	–	6,675	6,675
% nil value	+5%	–	(22,420)	(22,420)
% nil value	-5%	–	22,420	22,420
Decided to offer	-5%	–	(94)	(94)
Decided to offer	+5%	–	94	94
Tariff profiles	Low profile	(2)	(25,221)	(25,223)
Tariff profiles	High profile	(1)	5,465	5,464
Legacy	Modelled value	(3,456)	–	(3,456)
Legacy	Average decided	(1,323)	–	(1,323)
Legacy	Legacy alternate	(1,444)	–	(1,444)
Timing	All year one	129	5,682	5,811
Timing	All year three	(325)	(14,374)	(14,699)
Timing	Even over three	(100)	(4,416)	(4,516)

### Victims of Overseas Terrorism Compensation Scheme (VOTCS)

Events designated as Acts of Terrorism by the Foreign Secretary are provided for, using the same principles that underpin the 2012 scheme, on the basis of applications that are currently known to CICA.

### Dilapidations

This liability represents an estimate of the cost to CICA on termination of our office leases. In 2024-25, CICA has moved into new accommodation in Glasgow: the dilapidations provision for CICA's previous accommodation is expected to crystallise in 2024-25.

### Staff Departures

This liability represents a requirement to pay an annual allowance under the Civil Service Injury Benefit Scheme for an individual who left CICA some years ago.

## Note 15 Commitments

At 31 March 2024, CICA had no material capital commitments, nor material commitments under other non-cancellable contracts (31 March 2023: nil).

## Note 16 Contingent assets and liabilities

At 31 March 2024, CICA had no contingent assets (31 March 2023: nil).

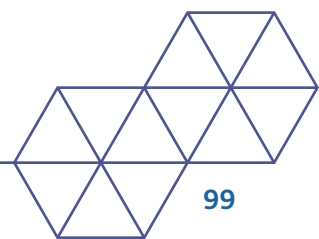
### Incidents incurred but not yet received (IBNYR)

Incidents incurred but not yet received (IBNYR) is an unquantifiable contingent liability in respect of a possible future obligation to individuals who have been victims of violent crime as at the end of the reporting period. This liability depends upon uncertain future events occurring and an application being submitted which meets the criteria set out in the relevant scheme. Although CICA recognises that this contingent liability exists in respect of IBNYR, the amount of the obligation cannot be measured with sufficient reliability. This is because it is not possible to establish with any reliable certainty the total number of eligible victims who sustained eligible criminal injuries, the likelihood of an application being made and then qualifying for compensation, according to the multiple criteria contained in the Scheme, and thereafter predicting with any reasonable certainty the potential value of any award which may be made, and the timescale in which this may occur.

### Offers not accepted within time limits

Under the Criminal Injuries Compensation Scheme 2012, a claimant's legal entitlement to an award crystallises on the date on which CICA receives written notice from the claimant or representatives of acceptance of a determination made by a claims officer. The Scheme provides that the acceptance of the award must (normally) be sent within 56 days, but other provisions of the Scheme mean that CICA is not legally empowered to withdraw a First Decision or Appeal offer until 2 years and 56 days have passed or to withdraw a Review Decision offer until 2 years and 90 days have passed. Once this deadline has passed CICA is able to send out withdrawal letters.

There are cases where the deadline for acceptance has passed but CICA has not yet withdrawn the offer. Such offers require a formal decision to be made withdrawing the offer and for the applicant to be given the opportunity to exercise rights of review and appeal against that decision. In some of those cases, information may be received which may lead CICA to exercise its discretion under the Scheme in favour of the claimant, and not withdraw the offer even though the deadline has passed. It is not possible to quantify the value of cases where CICA would so exercise discretion. However, the total value of cases 'on-offer' and past the deadline is £0.6m: any liability would therefore be below that value.



## Note 17 Related party transactions

CICA is an executive agency of the Ministry of Justice, which is regarded as a related party. During the year CICA had various material transactions with the Ministry of Justice.

CICA receives income from the Scottish Government in respect of Scottish compensation cases: other than this income received, no material transactions took place between CICA and the Scottish Government.

In addition, CICA has had a number of transactions with other government departments and central government bodies. The most significant of these transactions have been with HM Revenue and Customs and PCSPS.

During 2023-24, no Board Members or other related parties have undertaken any transactions with the CICA (2022-23 no transactions). Compensation paid to management, including taxable benefits, is disclosed in the Remuneration and staff report.

## Note 18 Funding

Funding from the Ministry of Justice was applied as follows:

	2023-24	2022-23
	£000	£000
Compensation payments	128,420	152,177
Operating costs and case handling costs	13,480	11,816
Capital expenditure	6,600	507
<b>Total</b>	<b>148,500</b>	<b>164,500</b>

## Note 19 Third-party assets

Third-party assets are compensation awarded to minors but retained by CICA until the minors attain their majority. Further information is provided at Note 1.19.

	2023-24		2022-23	
	Number	£000	Number	£000
At 1 April	7,038	81,673	7,290	84,350
Open accounts	1,399	–	1,226	–
Deposits	–	16,815	–	13,333
Interest received	–	1,766	–	260
Withdrawals	–	(2,355)	–	(2,420)
Closures	(1,337)	(14,310)	(1,478)	(13,850)
<b>At 31 March</b>	<b>7,100</b>	<b>83,589</b>	<b>7,038</b>	<b>81,673</b>

## Note 20 Events after the reporting period

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

There are no subsequent events to report.

